REGISTERED NUMBER: 02373931 (England and Wales)

Unaudited Financial Statements

for the Year Ended 31 July 2019

for

European Music Company Limited

Contents of the Financial Statements
for the year ended 31 July 2019

European Music Company Limited

Company Information
for the year ended 31 July 2019

DIRECTORS:	D Kommer A J Flatt M Kommer
SECRETARY:	D Matthews
REGISTERED OFFICE:	1st Floor, Cromwell House 14 Fulwood Place London WC1V 6HZ
REGISTERED NUMBER:	02373931 (England and Wales)

Balance Sheet
31 July 2019

	Notes	31.7.19 £	31.7.19 £	31.7.18 £	31.7.18 £
FIXED ASSETS					
Tangible assets	4		**16,522**		11,594
Investments	5		**1**		1
			16,523		11,595
CURRENT ASSETS					
Stocks		**317,757**		336,350	
Debtors	6	**960,609**		871,807	
Cash at bank and in hand		**909,939**		860,103	
		2,188,305		2,068,260	
CREDITORS					
Amounts falling due within one year	7	**596,946**		608,393	
NET CURRENT ASSETS			**1,591,359**		1,459,867
TOTAL ASSETS LESS CURRENT LIABILITIES			**1,607,882**		1,471,462
PROVISIONS FOR LIABILITIES			**1,500**		2,500
NET ASSETS			**1,606,382**		1,468,962
CAPITAL AND RESERVES					
Called up share capital			**100**		100
Other reserves	8		**621,941**		612,110
Retained earnings	8		**984,341**		856,752
			1,606,382		1,468,962

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 July 2019.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 July 2019 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

(a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and

(b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The notes form part of these financial statements

continued...

Balance Sheet - continued
31 July 2019

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 19 February 2020 and were signed on its behalf by:

D Kommer - Director

A J Flatt - Director

M Kommer - Director

Notes to the Financial Statements
for the year ended 31 July 2019

1. STATUTORY INFORMATION

European Music Company Limited is a private company, limited by shares , registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements
These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover
Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.
Plant and machinery etc - 33% on cost

Stocks
Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation
Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax
Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Pension costs and other post-retirement benefits
The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 8 (2018 - 8) .

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4. TANGIBLE FIXED ASSETS

	Plant and machinery etc £
COST	
At 1 August 2018	**107,177**
Additions	**9,410**
At 31 July 2019	**116,587**
DEPRECIATION	
At 1 August 2018	**95,583**
Charge for year	**4,482**
At 31 July 2019	**100,065**
NET BOOK VALUE	
At 31 July 2019	**16,522**
At 31 July 2018	11,594

5. FIXED ASSET INVESTMENTS

	Other investments £
COST	
At 1 August 2018 and 31 July 2019	**1**
NET BOOK VALUE	
At 31 July 2019	**1**
At 31 July 2018	**1**

6. DEBTORS

	31.7.19 £	31.7.18 £
Amounts falling due within one year:		
Trade debtors	**655,553**	697,749
Other debtors	**305,056**	154,908
	960,609	852,657
Amounts falling due after more than one year:		
Other debtors	**-**	19,150
Aggregate amounts	**960,609**	871,807

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7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.7.19	31.7.18
	£	£
Trade creditors	87,207	101,556
Taxation and social security	62,314	28,588
Other creditors	447,425	478,249
	596,946	608,393

8. RESERVES

	Retained earnings	Other reserves	Totals
	£	£	£
At 1 August 2018	856,752	612,110	1,468,862
Profit for the year	227,589		227,589
Other reserve	(100,000)	100,000	-
Dividends paid	-	(90,169)	(90,169)
At 31 July 2019	984,341	621,941	1,606,282

9. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 31 July 2019 and 31 July 2018:

	31.7.19	31.7.18
	£	£
D Kommer		
Balance outstanding at start of year	55,648	-
Amounts advanced	-	55,648
Amounts repaid	(55,648)	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	-	55,648

10. RELATED PARTY DISCLOSURES

During the year, total dividends of £90,169 were paid to the directors .

The company's ultimate controlling party is Mr D Kommer, a director.

The company's pension scheme, EMC Ltd Pension Scheme, owns three warehouses used by the company for which rent of £99,315 was paid in the year.

The directors are also directors of and shareholders in Tanglewood Guitar Company Limited, which owed the company £243,097,including vat, on trading account at 31st July 2019. Goods to the value of £1,028,767 excluding vat were sold to Tanglewood Guitar Company Limited in the year.

The company paid payroll costs of £45,325; a management charge of £58,000, and business rates of £23,852 to or on behalf of Tanglewood Guitar Company Limited in the year.