

Golden Break Music Limited

**Directors' report and financial
statements**

Registered number 2569077

For the year ended 30 September 2011



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Directors' report

The directors present their report and financial statements for the year ended 30 September 2011

Results and dividends

The profit and loss account is set out on page 5 and shows the results for the year

The directors did not recommend the payment of dividend (2010 £nil)

Principal activities and review of the business

The principal activity of the company continues to be that of music publishing

Both the level of business and the year end financial position were as expected, which is dependent on the level of music requirements of the Mentorn Group of television production companies

Directors

The directors of the company during the year were

J Roberts
W A Rees
OGR Jones

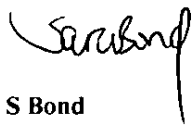
Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information

Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG Audit Plc will therefore continue in office

By order of the board



S Bond
Secretary

Tinopolis Centre
Park Street
Llanelli
Carmarthenshire
SA15 3YE

10 January 2012

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period

In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG Audit Plc

15 Canada Square
London
E14 5GL
United Kingdom

Independent auditor's report to the members of Golden Break Music Limited

We have audited the financial statements of Golden Break Music Limited for the year ended 30 September 2011 set out on pages 5 to 10. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/private.cfm.

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 30 September 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of Golden Break Music Limited *(continued)*

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if in our opinion

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us or
- the financial statements are not in agreement with the accounting records and returns or
- certain disclosures of directors' remuneration specified by law are not made or
- we have not received all the information and explanations we require for our audit

R M Yasue
Senior Statutory Auditor

for and on behalf of KPMG Audit Plc, Statutory Auditor

Chartered Accountants

15 Canada Square
London
E14 5GL
United Kingdom

13TH January 2012

Profit and Loss Account
for the year ended 30 September 2011

	<i>Note</i>	2011 £	2010 £
Turnover	2	113,576	174,003
Cost of sales		(68,750)	(112,450)
Gross profit		44,826	61,553
Administrative expenses		-	(127)
Operating profit and profit on ordinary activities before taxation	3	44,826	61,426
Taxation on profit on ordinary activities	6	(12,094)	(17,223)
Profit for the financial year	10	32,732	44,203

All amounts relate to continuing activities

All recognised gains and losses are included in the profit and loss account

A note on historical cost gains and losses has not been included as part of the financial statements as the results as disclosed in the profit and loss account are prepared on an unmodified historical cost basis

Balance Sheet
at 30 September 2011

	<i>Note</i>	2011 £	2010 £
Current assets			
Debtors	7	718,563	718,568
		<hr/>	<hr/>
		718,563	718,568
Creditors: amounts falling due within one year	8	(268,961)	(301,698)
		<hr/>	<hr/>
Net assets		449,602	416,870
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	9	2	2
Profit and loss account	10	449,600	416,868
		<hr/>	<hr/>
Shareholders' funds	11	449,602	416,870
		<hr/>	<hr/>

The financial statements were approved by the Board on 10 January 2012

J Roberts
Director



Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements

Basis of preparation

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards

As the company is a wholly owned subsidiary of DMWSL 660 Limited, the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group. The consolidated financial statements of DMWSL 660 Limited, within which this Company is included can be obtained from the address given in note 14

Under Financial Reporting Standard 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements

Going concern

The directors have considered the factors that impact the company's future development, performance, cash flows and financial position along with the company's current liquidity in forming their opinion on the going concern basis. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements

Turnover

Turnover represents the invoiced value of commission receivable net of VAT

Taxation

The charge for taxation is based on the profit for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19

2 Turnover

	2011 £	2010 £
United Kingdom	113,576	174,003
USA	-	-
	<u>113,576</u>	<u>174,003</u>

Notes (continued)

3 Notes to the profit and loss account

In both the current and preceding year, the auditors' remuneration, in respect of the audit of these financial statements, was borne by another group undertaking

4 Directors' emoluments

In both the current and preceding year, the cost of the directors of the company was borne by another group company

5 Employees

The average number of persons employed by the company (including directors) during the year, analysed by category, was as follows

	Number of employees	
	2011	2010
Administration	3	3

In both the current and preceding year, all staff wages and salaries were borne by another group company

6 Taxation

Analysis of charge for the year

	2011 £	2010 £
<i>UK corporation tax</i>		
Current tax on income for the year	12,094	17,223
Total current tax	12,094	17,223

Factors affecting the tax charge for the current period

The effective current tax charge for the period is lower (2010 higher) than the standard rate of corporation tax in the UK 27% (2010 28%) The differences are explained below

	2011 £	2010 £
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax	44,826	61,426
Profit on ordinary activities multiplied by the standard rate of corporation tax at 27% (2010 28%)	12,103	17,199
<i>Effects of</i>		
Group relief received from other group companies	(12,094)	(17,223)
Origination and reversal of timing differences	(9)	(12)
Expenses not deductible	-	36
Payment for group relief received	12,094	17,223
Total current tax charge (see above)	12,094	17,223

Notes (continued)

6 Taxation (Continued)

On 23 March 2011 the chancellor announced the reduction in the main rate of UK corporation tax to 26% with effect from 1 April 2011 and a further reduction to 25% with effect from 1 April 2012. These changes became substantively enacted on 29 March 2011 and 5 July 2011 respectively. The chancellor proposed changes to further reduce the main rate of corporation tax by 1% per annum to 23% by 1 April 2014, but these changes have not been substantively enacted.

7 Debtors

	2011 £	2010 £
Amounts owed by group undertakings	718,563	711,243
Prepayments and accrued income	-	4,000
Other debtors	-	3,325
	<u>718,563</u>	<u>718,568</u>

8 Creditors: amounts falling due within one year

	2011 £	2010 £
Amounts owed to group undertakings	132,614	117,320
Accruals and deferred income	136,347	184,378
	<u>268,961</u>	<u>301,698</u>

9 Called up share capital

	2011 £	2010 £
<i>Allotted, called up and fully paid</i>		
2 ordinary shares of £1 each	2	2
	<u>2</u>	<u>2</u>

10 Reserves

	Profit and loss account £
At the beginning of the year	416,868
Profit for the year	32,732
	<u>449,600</u>
At end of year	<u>449,600</u>

Notes (continued)

11 Reconciliation of movements in shareholders' funds

	2011 £	2010 £
Profit for the financial year	32,732	44,203
Net increase in shareholders' funds	32,372	44,203
Opening shareholders' funds	416,870	372,667
Closing shareholders' funds	449,602	416,870

12 Contingent liabilities

The company entered into a Guarantee and Debenture, comprising fixed and floating charges over the undertaking and all property and assets present and future including goodwill, book debts, uncalled capital, buildings, fixtures, fixed plant and machinery, securing all monies due or to become due from the company and/or any of the other group companies named therein in favour of Barclays Bank PLC. At 30 September 2011 the amount being jointly guaranteed was £1,944,000 (2010 £1,399,583)

13 Related party disclosures

The Company is controlled by Mentorn Group Limited, the immediate parent undertaking. The directors consider VIP I Nominees Limited, an investment fund advised by Vitruvian Partners LLP, as the ultimate controlling party.

14 Ultimate parent undertaking

The ultimate parent company is DMWSL 660 Limited, a company incorporated in England.

The largest group into which the company's results are consolidated is that headed by DMWSL 660 Limited, incorporated in England. The smallest group into which the company's results are consolidated is that headed by Tinopolis Limited. The consolidated financial statements of these groups are available to the public and can be obtained from Tinopolis Centre, Park Street, Llanelli, Carmarthenshire, SA15 3YE.