

Company Registration No. 03345229 (England and Wales)

**V2 MUSIC PUBLISHING LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2013**

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# V2 MUSIC PUBLISHING LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	L Bell	(Appointed 23 May 2014)
	J Dyer	(Appointed 23 May 2014)
	P Lambden	(Appointed 23 May 2014)
	H Martin	(Appointed 23 May 2014)

<b>Secretary</b>	H Martin
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<b>Company number</b>	03345229
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<b>Registered office</b>	Unit 3 Delta Park Smugglers Way London SW18 1EG
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<b>Auditors</b>	Citroen Wells Devonshire House 1 Devonshire Street London W1W 5DR
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# V2 MUSIC PUBLISHING LIMITED

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# V2 MUSIC PUBLISHING LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2013

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The directors present their report and financial statements for the year ended 31 December 2013.

#### Principal activities

The principal activity of the company is that of the signing of songwriters and the exploitation of their music publishing catalogue.

#### Directors

The following directors have held office since 1 January 2013:

S Newman	(Resigned 23 May 2014)
S Warren	(Resigned 23 May 2014)
L Bell	(Appointed 23 May 2014)
J Dyer	(Appointed 23 May 2014)
P Lambden	(Appointed 23 May 2014)
H Martin	(Appointed 23 May 2014)

#### Auditors

The auditors, Citroen Wells, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

#### Statement of directors' responsibilities

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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 judgements and accounting estimates that are reasonable and prudent;
- 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 are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# V2 MUSIC PUBLISHING LIMITED

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 DECEMBER 2013**

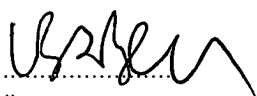
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### Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the board



L Bell

Director

20th October 2014

# **V2 MUSIC PUBLISHING LIMITED**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF V2 MUSIC PUBLISHING LIMITED**

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We have audited the financial statements of V2 Music Publishing Limited for the year ended 31 December 2013 set out on pages 5 to 10. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 auditors' 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 1, 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 Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements:

- have been prepared in accordance with the requirements of the Companies Act 2006; and
- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its profit for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

#### **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.

# V2 MUSIC PUBLISHING LIMITED

## INDEPENDENT AUDITORS' REPORT (CONTINUED)

### TO THE MEMBERS OF V2 MUSIC PUBLISHING LIMITED

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#### 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a strategic report or in preparing the directors' report.

  
Jonathan Prevezer FCA (Senior Statutory Auditor)  
for and on behalf of Citroen Wells

Chartered Accountants  
Statutory Auditor

30/10/14  
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Devonshire House  
1 Devonshire Street  
London  
W1W 5DR

# V2 MUSIC PUBLISHING LIMITED

## PROFIT AND LOSS ACCOUNT

**FOR THE YEAR ENDED 31 DECEMBER 2013**

		<b>2013</b>	<b>2012</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
Turnover	<b>2</b>	485,320	574,956
Cost of sales		(326,580)	(382,526)
<b>Gross profit</b>		158,740	192,430
Administrative expenses		(56,751)	(56,751)
<b>Profit on ordinary activities before taxation</b>	<b>3</b>	101,989	135,679
Tax on profit on ordinary activities	<b>4</b>	-	-
<b>Profit for the year</b>	<b>10</b>	101,989	135,679



# V2 MUSIC PUBLISHING LIMITED

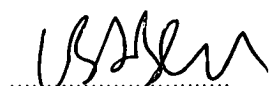
## BALANCE SHEET

AS AT 31 DECEMBER 2013

	Notes	2013 £	£	2012 £	£
<b>Fixed assets</b>					
Intangible assets	6	459,764		486,515	
<b>Current assets</b>					
Debtors	7	364,561		132,713	
Creditors: amounts falling due within one year	8	<u>(302,421)</u>		<u>(199,313)</u>	
<b>Net current assets/(liabilities)</b>			62,140		(66,600)
<b>Total assets less current liabilities</b>			<u>521,904</u>		<u>419,915</u>
<b>Capital and reserves</b>					
Called up share capital	9		2		2
Profit and loss account	10		521,902		419,913
<b>Shareholders' funds</b>			<u>521,904</u>		<u>419,915</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Board for issue on 20<sup>th</sup> October 2014



L Bell  
Director

Company Registration No. 03345229

# V2 MUSIC PUBLISHING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 DECEMBER 2013**

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### **1 Accounting policies**

#### **1.1 Accounting convention**

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

#### **1.2 Compliance with accounting standards**

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

#### **1.3 Turnover**

Turnover in respect of mechanical and performance royalties represents amounts reported to the company in statements received in the year.

Turnover for synchronisation fees and sundry publishing income represents amounts invoiced during the year and is net of value added tax.

#### **1.4 Music rights**

Music rights are valued at cost less accumulated amortisation. Amortisation is calculated to write off the cost in equal annual instalments over their estimated useful lives.

#### **1.5 Deferred taxation**

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

#### **1.6 Royalties payable**

Provision is made for royalties payable at the end of each accounting period in respect of income receivable on sales of records arising during each accounting period.

Advances paid against future royalties are carried forward and recognised as an asset where such advances relate to established writers and where it is estimated that sufficient future royalties will be earned for recoupment of those advances. Non-recoupable costs in addition to the catalogue of recorded music are wholly written off as incurred.

#### **1.7 Cost of sales**

Costs of sales includes manufacturing costs and other direct costs of sales together with the write off of un-recouped advances (in accordance with the policy set out under "royalties payable" above) to the extent that the directors consider that their recovery cannot be reasonably regarded as assured.

### **2 Turnover**

In the year to 31 December 2013 73.00% (2012 - 69.00%) of the company's turnover was to markets outside the United Kingdom.

# V2 MUSIC PUBLISHING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2013

3	Operating profit	2013 £	2012 £
	Operating profit is stated after charging:		
	Amortisation of intangible assets	26,751	26,751
	Auditors' remuneration	5,000	5,000

#### 4 Taxation

The company has estimated losses of £ 2,700,112 (2012 - £ 2,802,101) available for carry forward against future trading profits.

5	Dividends	2013 £	2012 £
	Ordinary interim paid	-	78,000

#### 6 Intangible fixed assets

	Music rights £
<b>Cost</b>	
At 1 January 2013 & at 31 December 2013	535,017
<b>Amortisation</b>	
At 1 January 2013	48,502
Charge for the year	26,751
At 31 December 2013	75,253
<b>Net book value</b>	
At 31 December 2013	459,764
At 31 December 2012	486,515

7	Debtors	2013 £	2012 £
	Amounts owed by parent undertaking	364,561	132,713

# V2 MUSIC PUBLISHING LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2013

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8	Creditors: amounts falling due within one year	2013 £	2012 £
	Trade creditors	292,421	189,313
	Other creditors	10,000	10,000
		<u>302,421</u>	<u>199,313</u>

9	Share capital	2013 £	2012 £
	Allotted, called up and fully paid		
	2 Ordinary shares of £1 each	<u>2</u>	<u>2</u>

10	Statement of movements on profit and loss account	Profit and loss account £
	Balance at 1 January 2013	419,913
	Profit for the year	<u>101,989</u>
	Balance at 31 December 2013	<u>521,902</u>

### 11 Contingent liabilities

At the year end the assets of the company had been secured by way of a fixed and floating charge over the undertaking and all property and assets present and future, including goodwill, book debts, uncalled capital, buildings, fixtures, fixed plant and machinery in relation to an outstanding bank loan advanced to the parent company, Blue Mountain Music Limited. The charge was release on 28 May 2014, following the sale of this company to Domino Music Group Limited on 23 May 2014.

# **V2 MUSIC PUBLISHING LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 31 DECEMBER 2013***

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### **12 Control**

At the year end the company regarded Winchester Music Limited, a company incorporated in the Bahamas, as its ultimate parent company. The immediate parent company was Blue Mountain Music Limited, a company incorporated in England and Wales.

The largest and smallest group of undertakings for which group accounts have been drawn up is that headed by Blue Mountain Music Limited and copies are available from Devonshire House, 1 Devonshire Street, London, W1W 5DR.

The ultimate controlling party was Mr C Blackwell.

See note 13 for changes after the balance sheet date.

### **13 Post balance sheet events**

On 25 April 2014 the company declared a dividend of £197,281 per share.

On 23 May 2014 Domino Music Group Limited, a company registered in the England and Wales and controlled by L Bell, purchased 100% of the ordinary share capital of V2 Music Publishing Limited.

### **14 Related party relationships and transactions**

The company has taken advantage of the exemption in Financial Reporting Standard for Smaller Entities from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the immediate parent company.