

The Association of Independent Music Limited
(Limited by Guarantee)

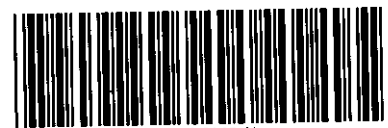
Company No. 3685877

Financial Statements

For the year ended

31 December 2006

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COMPANIES HOUSE

The Association of Independent Music Limited

Company Information

Directors

M Bloom
R Brown
R Bryant
R Coultart
D D'Arcy
M Goldschmidt
N Hartley
J Lascelles
H Martin
K McKay
I McNay
M Mills
P Quicke
H Semmence
F Sharkey
D Steele
G Travis
A Wenham

Secretary

M Fuller

Registered Office

141 Wardour Street
London
W1F 0UT

Bankers

Coutts & Co
Media Banking Office, 440 Strand
London
WC2R 0QS

Auditors

Kingston Smith LLP
141 Wardour Street
London
W1F 0UT

The Association of Independent Music Limited
(Limited by Guarantee)
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The Association of Independent Music Limited
(Limited by Guarantee)
Directors' Report
For the year ended 31 December 2006

The directors present their report and financial statements for the year ended 31 December 2006.

Principal activities

The principal activity of the company throughout the year was that of operating as a trade body for the independent music sector.

Directors

The following directors have held office since 1 January 2006:

M Bloom	(Appointed 29 June 2006)
R Brown	(Appointed 29 June 2006)
R Bryant	
C Cass	(Resigned 29 June 2006)
R Coultart	
D D'Arcy	
M Goldschmidt	
N Hartley	(Appointed 29 June 2006)
M Jones	(Resigned 29 June 2006)
J Lascelles	
H Martin	(Appointed 29 June 2006)
K McKay	
I McNay	(Appointed 29 June 2006)
M Mills	
L Presencer	(Resigned 29 June 2006)
P Quicke	
M Richardson	(Resigned 29 June 2006)
R Russell	(Resigned 29 June 2006)
H Semmence	
F Sharkey	
D Steele	
G Travis	(Appointed 29 June 2006)
A Wenham	

Directors' interests

The company has no share capital and is limited by guarantee.

Auditors

On 1 May 2006, Kingston Smith transferred their business to Kingston Smith LLP, a limited liability partnership incorporated under the Limited Liability Partnership Act 2000. The company's consent has been given to treating the appointment of Kingston Smith LLP under the provision of section 26 (5) of the Companies Act 1989. Kingston Smith LLP have indicated their willingness to continue in office and in accordance with the provisions of the Companies Act it is proposed that they be re-appointed auditors for the ensuing year.

Turnover for the year

Turnover has increased from £573,809 to £883,413 during the year. The increase in part is due to a change in the way monies received and expended on trade fairs and grants are shown in the accounts as detailed in note 1.1.

The Association of Independent Music Limited
(Limited by Guarantee)
Directors' Report (continued)
For the year ended 31 December 2006

Directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial year which 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 those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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 proper accounting records which 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 1985. 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.

Statement of disclosure to auditor

(a) so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any 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 of Part VII of the Companies Act 1985 relating to small companies.

By order of the board



A Wenham

Director

31/3/2007

**The Association of Independent Music Limited
(Limited by Guarantee)
Independent Auditors' Report
To the Members of The Association of Independent Music Limited**

We have audited the financial statements of The Association of Independent Music Limited for the year ended 31 December 2006 set out on pages 4 to 11. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2005).

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 the directors and auditors

As described in the Statement of Directors' Responsibilities on page 2 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985, and whether in our opinion the information given in the directors' report is consistent with the financial statements. We also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion


We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31 December 2006 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the directors' report is consistent with the financial statements.


Kingston Smith LLP
Chartered Accountants
Registered Auditors

Date: 22 May 2007

141 Wardour Street
London
W1F 0UT

The Association of Independent Music Limited
(Limited by Guarantee)
Profit And Loss Account
For the year ended 31 December 2006

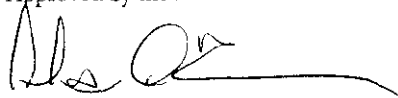
	Notes	2006 £	2005 £
Turnover		883,413	572,809
Direct costs		(322,719)	(172,821)
Gross profit		560,694	399,988
Administrative expenses		(560,364)	(406,624)
Operating profit/(loss)	2	330	(6,636)
Investment income	3	-	4,697
Other interest receivable and similar income	3	244	506
Interest payable and similar charges		(2,623)	-
Loss on ordinary activities before taxation		(2,049)	(1,433)
Tax on loss on ordinary activities	4	-	-
Loss for the year	10	(2,049)	(1,433)

The Association of Independent Music Limited
(Limited by Guarantee)
Balance Sheet
As at 31 December 2006

	Notes	2006 £	£	2005 £	£
Fixed assets					
Tangible assets	5		6,153		6,548
Investments	6		4,002		4,002
			<u>10,155</u>		<u>10,550</u>
Current assets					
Debtors	7	404,532		286,859	
Cash at bank and in hand		156,750		91,251	
		<u>561,282</u>		<u>378,110</u>	
Creditors: amounts falling due within one year	8	(536,557)		(311,731)	
Net current assets			<u>24,725</u>		<u>66,379</u>
Total assets less current liabilities			<u>34,880</u>		<u>76,929</u>
Creditors: amounts falling due after more than one year	9		-		(40,000)
			<u>34,880</u>		<u>36,929</u>
Represented by					
Accumulated fund			<u>34,880</u>		<u>36,929</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2005).

Approved by the Board for issue on 22/5/07.....



A Wenham
Director

The Association of Independent Music Limited
(Limited by Guarantee)
Notes To The Financial Statements
For the year ended 31 December 2006

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 January 2005).

In previous periods, income and expenditure relating to trade fairs were netted off against each other, such that the net position was reflected. These are now shown separately. This does not represent a change in accounting policy but rather accounting treatment.

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 represents amounts receivable for goods and services net of VAT and trade discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures and Fittings	5 years on a straight line basis
Office equipment	3 years on a straight line basis

1.5 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.6 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

1.7 Group accounts

The company has taken advantage of Section 248 of the Companies Act not to prepare consolidated group accounts on the grounds it is a small or medium-sized group. Accordingly, these financial statements present information about the company alone and not the group that it heads.

2 Operating profit/(loss)	2006	2005
	£	£
Operating profit/(loss) is stated after charging:		
Depreciation of tangible assets	4,941	4,350
Auditor's remuneration	6,500	6,000
Director's remuneration	130,168	145,601
Director's pension contribution	10,649	-
Director's pension contribution for prior years	70,000	-

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 1 (2005 - 0).

The Association of Independent Music Limited
(Limited by Guarantee)
Notes To The Financial Statements (continued)
For the year ended 31 December 2006

3	Investment income	2006	2005
		£	£
	Income from fixed asset investments	-	4,697
	Bank interest	244	506
		<u>244</u>	<u>5,203</u>
4	Taxation		
	No provision has been made for tax in the period.		
5	Tangible fixed assets		Fixtures, fittings and equipment £
	Cost		
	At 1 January 2006		35,913
	Additions		4,547
			<u>40,460</u>
	At 31 December 2006		
	Depreciation		
	At 1 January 2006		29,366
	Charge for the year		4,941
			<u>34,307</u>
	At 31 December 2006		
	Net book value		
	At 31 December 2006		<u>6,153</u>
	At 31 December 2005		<u>6,548</u>

The Association of Independent Music Limited
(Limited by Guarantee)
Notes To The Financial Statements (continued)
For the year ended 31 December 2006

6 Fixed asset investments

	Listed investments	Shares in group undertakings and participating interests	Total
	£	£	£
Cost			
At 1 January 2006 & at 31 December 2006	4,000	2	4,002
Net book value			
At 31 December 2006	4,000	2	4,002
At 31 December 2005	4,000	2	4,002

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held %
Subsidiary undertakings			
Musicindie Limited	England and Wales	Ordinary	100.00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves 2004 £	Profit for the year 2004 £
Principal activity		
Musicindie Limited	(118,482)	113,037

The capital and reserves and profit for the year figures for the subsidiary are based on the year ended 31st December 2004 since the current year's figures are not yet available.

7 Debtors

	2006 £	2005 £
Trade debtors	177,678	124,472
Amounts owed by group undertakings and undertakings in which the company has a participating interest	-	54,910
Other debtors	226,854	107,477
	404,532	286,859

The Association of Independent Music Limited
(Limited by Guarantee)
Notes To The Financial Statements (continued)
For the year ended 31 December 2006

8 Creditors: amounts falling due within one year	2006 £	2005 £
Trade creditors	109,286	90,713
Taxation and social security	70,261	65,531
Other creditors	357,010	155,487
	<u>536,557</u>	<u>311,731</u>

9 Creditors: amounts falling due after more than one year	2006 £	2005 £
Other creditors	-	40,000
	<u>-</u>	<u>40,000</u>
Analysis of loans		
Wholly repayable within five years	-	40,000
	<u>-</u>	<u>40,000</u>

10 Statement of movements in accumulated funds	Accumulated fund £
Balance at 1 January 2006	36,929
Loss for the year	(2,049)
	<u>34,880</u>
Balance at 31 December 2006	<u>34,880</u>

11 Financial commitments

At 31 December 2006 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2007:

	2006 £	2005 £
Operating leases which expire:		
Within one year	28,125	28,125
Between two and five years	56,250	84,375
	<u>84,375</u>	<u>112,500</u>

The Association of Independent Music Limited
(Limited by Guarantee)
Notes To The Financial Statements (continued)
For the year ended 31 December 2006

12 Related party transactions

No expenses were incurred by The Association of Independent Music Limited (AIM) on behalf of Musicindie Limited in the period (2005 - £3,397). At the year end AIM was owed £nil (2005: £54,910) by Musicindie.