

Company Registration No. 04220076 (England and Wales)

FIREBRAND LIVE LIMITED
ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2013

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FIREBRAND LIVE LIMITED

DIRECTORS AND ADVISERS

Directors	D Oakes D Bell K Godek (Appointed 1 March 2014)
Company number	04220076
Registered office	41 Mitchell Street London EC1V 3QD
Registered auditors	OJK (Audit) Limited 19 Portland Place London W1B 1PX

FIREBRAND LIVE LIMITED

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FIREBRAND LIVE LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2013

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

Review of the business

The company made a pre-tax loss of £612,060 (£215,201 profit in 2012) for the year.

The turnover of the company is generated from the design, manufacture and sale of merchandising and support services in the entertainment industry.


Firebrand Live Limited heavily invested in the infrastructure of Firebrand Live Inc., the US Company formed in 2012, and this investment has ensured that the business has a highly professional and trained team of staff who can deal with the planned expansion and growth of the business for 2014. The US Company will no longer need further investment from the UK from the start of 2014. The expansion and positioning of this office in the US has given Firebrand a global business to service the needs of clients and have local understanding of trends and trading worldwide. The Group has continued to manage the retail experience for the Harry Potter exhibitions during 2013, although it should be noted that the New York exhibition was very adversely affected following hurricane Sandy at the tail end of 2012, this directly impacted the Company's gross margin. Turnover from worldwide managed touring increased in 2013 due to the successful tours by key artists; Arctic Monkey's, Muse, The Script to name a few. Managed Touring being at a lower profit margin than other lines of business, and the impact from Hurricane Sandy resulted in a drop of gross profit to 9.44% from 11.85% in 2012.

The business undertook a change of management towards the end of Q3 2013 appointing one of the founder directors as CEO and recruiting a COO and CFO with extensive global same sector experience. A new strategy to work with third party partners, where there were clear profit and commercial benefits from doing so, was approved late 2013 and implemented early 2014, this resulted in asset write downs in 2013 and a restructure of fixed expenses during 2013 and 2014. The new management have refocused the company to concentrate on business with a guaranteed and improved profit margin, removing from the roster the risky and potentially non-profit making accounts. Management continue to review the business model and strategy to generate better performance and margin. During 2014 the business has made further commitment to the A&R team to give a more strategic alignment within the music industry.

The company continues with the successful Harry Potter exhibition contracts and other newly acquired exhibitions, as well as growing a full service Festival merchandise and vending operation. The US Company has seen significant growth since inception and forged partnerships where the benefits will be fully realised in 2014. For all other lines of business the revenue is stable year on year with an improvement projected in the operating profits in 2014 following the restructure. The directors continue to explore new opportunities that will benefit the company.

The principal risks and uncertainties facing the company are primarily those inherent in the live music sector. As well as underlying economic factors, it is dependent on a number of acts touring in any given year, as well as managers and major promoters choosing the company as their service provider. The new company strategy, plus diversifying into the exhibition sector is allowing the company to have more trading stability and security year on year.

On behalf of the board


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D Oakes

Director

25th September 2014

FIREBRAND LIVE LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2013

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

Principal activities and review of the business

The principal activity of the company continued to be that of the production and management of merchandising and associated activities.

Results and dividends

The consolidated profit and loss account for the year is set out on page 6.

Directors

The following directors have held office since 1 January 2013:

D Oakes

D Bell

R Blakemore

J Smith

K Godek

(Appointed 8 February 2013 and resigned 1 August 2013)

(Resigned 10 February 2014)

(Appointed 1 March 2014)

Auditors

OJK (Audit) Limited were appointed auditors to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

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 group and of the profit or loss of the group 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

FIREBRAND LIVE LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the group'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 group's auditors are aware of that information.

On behalf of the board



.....
D Oakes

Director

25th September 2014
.....

FIREBRAND LIVE LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF FIREBRAND LIVE LIMITED

We have audited the group and parent company financial statements (the "financial statements") of Firebrand Live Limited for the year ended 31 December 2013 set out on pages 6 to 24. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom 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 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 pages 2 - 3, 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:

- give a true and fair view of the state of the group's and parent company's affairs as at 31 December 2013 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom 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 Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

FIREBRAND LIVE LIMITED

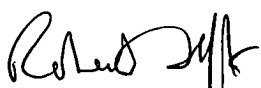
INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF FIREBRAND LIVE LIMITED

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.



Robert J. Shafto F.C.A (Senior Statutory Auditor)
for and on behalf of OJK (Audit) Limited

26th September 2014

Chartered Accountants
Statutory Auditor

19 Portland Place
London
W1B 1PX

FIREBRAND LIVE LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	2013 £	2012 £
Turnover	2	21,285,062	17,374,847
Cost of sales		(19,276,294)	(15,316,658)
Gross profit		2,008,768	2,058,189
Administrative expenses		(2,579,777)	(1,754,070)
Operating (loss)/profit	3	(571,009)	304,119
Other interest receivable and similar income		5,903	4,582
Amounts written off investments	4	-	(67,500)
Interest payable and similar charges	5	(46,954)	(26,000)
(Loss)/profit on ordinary activities before taxation	3	(612,060)	215,201
Tax on (loss)/profit on ordinary activities	6	(65,078)	(79,662)
(Loss)/profit on ordinary activities after taxation		(677,138)	135,539

The profit and loss account has been prepared on the basis that all operations are continuing operations.

FIREBRAND LIVE LIMITED

STATEMENT OF RECOGNISED GAINS AND LOSSES

FOR THE YEAR ENDED 31 DECEMBER 2013

	2013	2012
	£	£
(Loss)/profit for the financial year	(677,138)	135,539
Currency translation differences on foreign currency net investments	<u>(271)</u>	<u>-</u>
Total recognised gains and losses relating to the year	<u>(677,409)</u>	<u>135,539</u>


FIREBRAND LIVE LIMITED

BALANCE SHEETS

AS AT 31 DECEMBER 2013

	Notes	Group 2013 £	2012 £	Company 2013 £	2012 £
Fixed assets					
Tangible assets	8	93,063	194,422	47,229	168,875
Investments	9	2	2	10,002	2
		<u>93,065</u>	<u>194,424</u>	<u>57,231</u>	<u>168,877</u>
Current assets					
Stocks	10	519,054	656,326	447,551	410,932
Debtors	11	2,651,134	3,473,539	2,309,350	3,196,568
Cash at bank and in hand		910,551	895,314	706,655	867,813
		<u>4,080,739</u>	<u>5,025,179</u>	<u>3,463,556</u>	<u>4,475,313</u>
Creditors: amounts falling due within one year	12	<u>(4,220,380)</u>	<u>(4,588,770)</u>	<u>(3,352,956)</u>	<u>(4,031,986)</u>
Net current (liabilities)/assets		<u>(139,641)</u>	<u>436,409</u>	<u>110,600</u>	<u>443,327</u>
Total assets less current liabilities		<u>(46,576)</u>	<u>630,833</u>	<u>167,831</u>	<u>612,204</u>
Capital and reserves					
Called up share capital	13	129	129	129	129
Share premium account	14	122,198	122,198	122,198	122,198
Profit and loss account	14	<u>(168,903)</u>	<u>508,506</u>	<u>45,504</u>	<u>489,877</u>
Shareholders' funds	15	<u>(46,576)</u>	<u>630,833</u>	<u>167,831</u>	<u>612,204</u>

Approved by the Board and authorised for issue on 25th September 2014



 D Oakes
 Director

Company Registration No.

FIREBRAND LIVE LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2013

	£	2013 £	£	2012 £
Net cash inflow from operating activities		684,724		65,094
Returns on investments and servicing of finance				
Interest received	4,673		4,582	
Interest paid	(46,954)		(26,000)	
Net cash outflow for returns on investments and servicing of finance		(42,281)		(21,418)
Taxation		(26,738)		18,353
Capital expenditure and financial investment				
Payments to acquire tangible assets	(50,174)		(48,574)	
Payments to acquire investments	-		(2)	
Net cash outflow for capital expenditure		(50,174)		(48,576)
Net cash inflow before management of liquid resources and financing		565,531		13,453
Increase in cash in the year		565,531		13,453

FIREBRAND LIVE LIMITED

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2013

1	Reconciliation of operating (loss)/profit to net cash inflow from operating activities	2013	2012
		£	£
	Operating (loss)/profit	(571,009)	304,119
	Depreciation of tangible assets	111,751	120,334
	Loss on disposal of tangible assets	34,417	-
	Decrease in stocks	137,272	224,707
	Decrease/(increase) in debtors	823,635	(1,135,080)
	Increase in creditors within one year	143,564	551,014
	Net effect of foreign exchange differences	5,094	-
	Net cash inflow from operating activities	684,724	65,094

2	Analysis of net funds	1 January 2013	Cash flow	Other non-cash changes	31 December 2013
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	895,314	15,237	-	910,551
	Bank overdrafts	(834,946)	550,294	-	(284,652)
		60,368	565,531	-	625,899
	Net funds	60,368	565,531	-	625,899

3	Reconciliation of net cash flow to movement in net funds	2013	2012
		£	£
	Increase in cash in the year	565,531	13,453
	Movement in net funds in the year	565,531	13,453
	Opening net funds	60,368	46,915
	Closing net funds	625,899	60,368

FIREBRAND LIVE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

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 Basis of consolidation

The consolidated profit and loss account and balance sheet include the financial statements of the company and its subsidiary undertakings made up to 31 December 2013. The results of subsidiaries sold or acquired are included in the profit and loss account up to, or from the date control passes. Intra-group sales and profits are eliminated fully on consolidation.

1.4 Turnover

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

1.5 Goodwill

No goodwill has arisen on consolidation.

1.6 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:

Land and buildings Leasehold	10% straight line
Plant and machinery	25/33/50% straight line
Computer equipment	25% straight line
Fixtures, fittings & equipment	25% straight line

1.7 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.8 Investments

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

1.9 Stock

Stock is valued at the lower of cost and net realisable value.

1.10 Deferred taxation

Deferred taxation is not provided in these accounts as it is considered to be immaterial by the directors.

1.11 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.

FIREBRAND LIVE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

2 Turnover

The total turnover of the group for the year has been derived from its principal activity.

Segmental analysis by geographical area

The analysis by geographical area of the group's turnover is set out as below:

Turnover

	2013 Sales by destination £	2012 Sales by destination £
Geographical segment		
United Kingdom	7,958,904	6,484,329
Europe	1,860,589	2,602,037
Rest of the world	11,465,569	8,288,481
	<u>21,285,062</u>	<u>17,374,847</u>

3 Operating (loss)/profit

	2013 £	2012 £
Operating (loss)/profit is stated after charging:		
Depreciation of tangible assets	111,751	120,334
Loss on disposal of tangible assets	34,417	-
Loss on foreign exchange transactions	35,565	-
Operating lease rentals	85,700	42,458
Fees payable to the group's auditor for the audit of the group's annual accounts (company £21,542; 2012: £11,989)	21,542	11,989
and after crediting:		
Profit on foreign exchange transactions	<u>(28,845)</u>	<u>(29,648)</u>

4 Amounts written off investments

	2013 £	2012 £
Amounts written off fixed asset investments:		
- permanent diminution in value	<u>-</u>	<u>67,500</u>

FIREBRAND LIVE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

5	Interest payable	2013 £	2012 £
	On bank loans and overdrafts	46,920	25,960
	Other interest	34	40
		<u>46,954</u>	<u>26,000</u>
6	Taxation	2013 £	2012 £
	Domestic current year tax		
	U.K. corporation tax	65,078	76,995
	Adjustment for prior years	-	(901)
		<u>65,078</u>	<u>76,094</u>
	Foreign corporation tax		
	Foreign corporation tax	-	3,568
		<u>-</u>	<u>3,568</u>
	Total current tax	<u>65,078</u>	<u>79,662</u>
		<u>65,078</u>	<u>79,662</u>
	Factors affecting the tax charge for the year		
	(Loss)/profit on ordinary activities before taxation	<u>(612,060)</u>	<u>215,201</u>
	(Loss)/profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 23.00% (2012 - 24.00%)	<u>(140,774)</u>	<u>51,648</u>
	Effects of:		
	Non deductible expenses	8,569	1,489
	Depreciation add back	24,008	27,895
	Capital allowances	(9,530)	(11,885)
	Foreign tax adjustments	104,798	(1,759)
	Adjustments to previous periods	-	(901)
	Loss on disposal of assets	7,916	16,200
	Losses carried forward	72,609	-
	Other tax adjustments	(2,518)	(3,025)
		<u>205,852</u>	<u>28,014</u>
	Current tax charge for the year	<u>65,078</u>	<u>79,662</u>

FIREBRAND LIVE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

7 Loss for the financial year

As permitted by section 408 Companies Act 2006, the holding company's profit and loss account has not been included in these financial statements. The loss for the financial year is made up as follows:

	2013	2012
	£	£
Holding company's loss for the financial year	(444,373)	116,910

FIREBRAND LIVE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

8 Tangible fixed assets

Group	Land and buildings Leasehold £	Plant and machinery £	Fixtures, fittings & equipment £	Total £
Cost				
At 1 January 2013	13,594	438,848	22,569	475,011
Exchange differences	-	-	(656)	(5,365)
Additions	-	38,790	11,382	50,172
Disposals	-	(163,007)	(15,055)	(178,062)
At 31 December 2013	13,594	309,922	18,240	341,756
Depreciation				
At 1 January 2013	9,514	252,674	18,399	280,587
On disposals	-	(128,590)	(15,055)	(143,645)
Charge for the year	1,360	108,754	1,637	111,751
At 31 December 2013	10,874	232,838	4,981	248,693
Net book value				
At 31 December 2013	2,720	77,084	13,259	93,063
At 31 December 2012	4,080	186,173	4,169	194,422

FIREBRAND LIVE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

Tangible fixed assets

Company

	Land and buildings Leasehold	Plant and machinery	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 January 2013	13,594	416,425	15,340	445,359
Additions	-	17,153	-	17,153
Disposals	-	(163,007)	(15,055)	(178,062)
At 31 December 2013	13,594	270,571	285	284,450
Depreciation				
At 1 January 2013	9,514	252,674	14,294	276,482
On disposals	-	(128,590)	(15,055)	(143,645)
Charge for the year	1,360	102,020	1,004	104,384
At 31 December 2013	10,874	226,104	243	237,221
Net book value				
At 31 December 2013	2,720	44,467	42	47,229
At 31 December 2012	4,080	163,750	1,045	168,875

FIREBRAND LIVE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

9 Fixed asset investments Group

	Shares in group undertakings £
Cost	
At 1 January 2013 & at 31 December 2013	2
Net book value	
At 31 December 2013	2
At 31 December 2012	2

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

Company

	Shares in group undertakings £
Cost	
At 1 January 2013	2
Additions	10,000
At 31 December 2013	10,002
Net book value	
At 31 December 2013	10,002

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

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	Shares held Class	%
Subsidiary undertakings			
Firebrand Music Group Limited	United Kingdom	Ordinary	100
Firebrand Limited	United Kingdom	Ordinary	100
Firebrand Live, Inc	United States	Ordinary	100
Firebrand Live (Japan) Limited	United Kingdom	Ordinary	100

FIREBRAND LIVE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

9 Fixed asset investments

(continued)

The principal activity of these undertakings for the last relevant financial year was as follows:

	Principal activity
Firebrand Music Group Limited	Dormant company
Firebrand Limited	Dormant company
Firebrand Live, Inc	Merchandising retailer
Firebrand Live (Japan) Limited	Merchandising retailer

10 Stocks

	Group 2013 £	2012 £	Company 2013 £	2012 £
Finished goods and goods for resale	519,054	656,326	447,551	410,932

11 Debtors

	Group 2013 £	2012 £	Company 2013 £	2012 £
Trade debtors	999,783	1,530,248	578,849	1,253,462
Amounts owed by group undertakings	-	-	156,242	355,960
Other debtors	923,660	1,082,962	905,878	950,056
Prepayments and accrued income	727,691	860,329	668,381	637,090
	2,651,134	3,473,539	2,309,350	3,196,568

FIREBRAND LIVE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

12 Creditors : amounts falling due within one year

	Group		Company	
	2013	2012	2013	2012
	£	£	£	£
Bank loans and overdrafts	284,652	834,946	284,652	834,946
Trade creditors	1,369,085	1,698,543	938,382	1,166,709
Amounts owed to group undertakings	-	-	172,433	-
Corporation tax	115,335	76,995	-	76,995
Taxes and social security costs	160,703	172,321	135,136	166,016
Directors current accounts	-	9,000	-	9,000
Other creditors	2,168,201	1,767,323	1,731,440	1,692,820
Accruals and deferred income	122,404	29,642	90,913	85,500
	<u>4,220,380</u>	<u>4,588,770</u>	<u>3,352,956</u>	<u>4,031,986</u>

13 Share capital

	2013	2012
	£	£
Allotted, called up and fully paid		
128,572 shares of 0.1p each	<u>129</u>	<u>129</u>

FIREBRAND LIVE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

14 Statement of movements on reserves Group

	Share premium account £	Profit and loss account £
Balance at 1 January 2013	122,198	508,506
Loss for the year	-	(677,138)
Foreign currency translation differences	-	(271)
Balance at 31 December 2013	<u>122,198</u>	<u>(168,903)</u>

Company

	Share premium account £	Profit and loss account £
Balance at 1 January 2013	122,198	489,877
Loss for the year	-	(444,373)
Balance at 31 December 2013	<u>122,198</u>	<u>45,504</u>

15 Reconciliation of movements in shareholders' funds Group

	2013 £	2012 £
(Loss)/Profit for the financial year	(677,138)	135,539
Other recognised gains and losses	(271)	-
Net (depletion in)/addition to shareholders' funds	(677,409)	135,539
Opening shareholders' funds	630,833	495,294
Closing shareholders' funds	<u>(46,576)</u>	<u>630,833</u>

Company

	2013 £	2012 £
(Loss)/Profit for the financial year	(444,373)	116,910
Opening shareholders' funds	612,204	495,294
Closing shareholders' funds	<u>167,831</u>	<u>612,204</u>

FIREBRAND LIVE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2013

16 Financial commitments

At 31 December 2013 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2013 £
Expiry date:	
Between two and five years	70,000
	<u>70,000</u>

At 31 December 2013 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2013 £
Expiry date:	
Between two and five years	70,000
	<u>70,000</u>

17 Directors' remuneration

	2013 £	2012 £
Remuneration for qualifying services	<u>261,686</u>	<u>186,000</u>
Remuneration disclosed above include the following amounts paid to the highest paid director:		
Remuneration for qualifying services	<u>106,400</u>	<u>62,167</u>

FIREBRAND LIVE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

18 Transactions with directors

The following directors had loans charged at standard rates during the year. The movement on these loans are as follows:

	Amount outstanding 2013 £	2012 £	Maximum in year £
Director's current account	49,615	-	49,615
Director's current account	49,615	-	49,615

The loans are unsecured and have no fixed repayment date. Standard interest rate was charged on them.

19 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2013 Number	2012 Number
Directors	2	3
Production	25	16
Administration	8	6
	35	25

Employment costs

	2013 £	2012 £
Wages and salaries	1,603,181	941,933
Social security costs	100,389	87,636
	1,703,570	1,029,569

20 Control

The company is ultimately controlled by two of the directors, D Oakes and D Bell, by virtue of their majority shareholding.

FIREBRAND LIVE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

21 Related party relationships and transactions

Group

The group has taken advantage of the exemption available in FRS 8 "Related party disclosures" whereby it has not disclosed transactions with any wholly owned subsidiary undertaking.

Seminal Merchandising Limited (Ireland) is a related party due to being under common control. As the concession company in Ireland, Firebrand Live Limited made during the year sales through Seminal Merchandising Limited for £76,124. At the year end £13,485 was outstanding. Purchases for £86,726 from Seminal Merchandising Limited were made during the year and at the year end £7,742 was outstanding (2012: Firebrand Live Limited made sales of £100,307 to Seminal Merchandising Limited (Ireland), which in turn recharged expenses of £43,295 to Firebrand Live Limited; at the year end Seminal Merchandising Limited (Ireland) owed £106,663 to Firebrand Live Limited.)

Brandinc Limited is a related party due to being under common control. During the year the group made sales of £53,113 (2012: £17,472) to, and purchases of £422,365 (2012: £130,000) from Brandinc Limited. At the year end the group was owed £30,420 by Brandinc Limited (2012: £6,166 owed by Brandinc Limited). The group received monies on behalf of Brandinc Limited for £270,182 and at the year end £190,182 was outstanding to be paid.

Brandinc Hong Kong is a related party due to being under common control. During the year the group made purchases of £274,942 (2012: £533) from Brandinc Hong Kong. At the year end £22,442 was outstanding (2012: no amounts were outstanding). During the year the group made loans to Brandinc Hong Kong for £48,279, outstanding at the year end.

Brandinc Australia is a related party due to being under common control. During the year the group made sales of £3,320 to Brandinc Australia (outstanding at the year end: £4,824). At the year end Brandinc Australia owed £50,354 (2012: £60,378) regarding loans made by the group.

Brandinc Singapore is a related party due to being under common control. During the year the group made sales for £45,559 (2012: £2,284,248) to Brandinc Singapore and purchased goods and services for £70,416 from that company. No amounts were outstanding at the year end. During the year the group received a loan for £221,154 from that company and at the year end the group was owed £164,960 (2012: £431,673).

The Uprising Creative Limited is a related party by virtue of having a director in common. During the year the group made sales for £649 and purchases for £199,558 from The Uprising Creative Limited. At the year end the group owed £6,137 to The Uprising Creative Limited (2012: £9,030).

Kitbox (UK) Limited is a related party by virtue of having a director in common. During the year the group made sales for £3,310 and purchases for £45,876 to that company (2012: nil). At the year end no amounts were outstanding.

Brand Orbit Management Limited is a related party by virtue of having a director in common. At the year end the group was owed £82,382 by Brand Orbit Management Limited from sales made on its behalf.

All of the above transactions were made at arm's length and in normal commercial terms.

FIREBRAND LIVE LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2013

21 Related party relationships and transactions

(continued)

Company

The company has taken advantage of the exemption available in FRS 8 "Related party disclosures" whereby it has not disclosed transactions with any wholly owned subsidiary undertaking.

Seminal Merchandising Limited (Ireland) is a related party due to being under common control. As the concession company in Ireland, Firebrand Live Limited made during the year sales through Seminal Merchandising Limited for £76,124. At the year end £13,485 was outstanding. Purchases for £86,726 from Seminal Merchandising Limited were made during the year and at the year end £7,742 was outstanding (2012: Firebrand Live Limited made sales of £100,307 to Seminal Merchandising Limited (Ireland), which in turn recharged expenses of £43,295 to Firebrand Live Limited; at the year end Seminal Merchandising Limited (Ireland) owed £106,663 to Firebrand Live Limited.)

Brandinc Limited is a related party due to being under common control. During the year Firebrand Live Limited made sales of £30,303 (2012: £17,472) to, and purchases of £147,363 (2012: £130,000) from Brandinc Limited. At the year end Firebrand Live Limited was owed £7,412 by Brandinc Limited (2012: £6,166 owed by Brandinc Limited). Firebrand Live Limited received monies on behalf of Brandinc Limited for £278,653 and at the year end £198,653 was outstanding to be paid.

Brandinc Hong Kong is a related party due to being under common control. During the year Firebrand Live Limited made purchases of £261,893 (2012: £533) from Brandinc Hong Kong. At the year end £17,487 was outstanding (2012: no amounts were outstanding). During the year the company made loans to Brandinc Hong Kong for £48,279, outstanding at the year end.

Brandinc Australia is a related party due to being under common control. During the year Firebrand Live Limited credited recharged expenses of £1,504 raised in 2012 to Brandinc Australia. At the year end Brandinc Australia owed £50,354 (2012: £60,378) regarding loans made by Firebrand Live Limited.

Brandinc Singapore is a related party due to being under common control. During the year Firebrand Live Limited made sales for £45,559 (2012: £2,284,248) to Brandinc Singapore. At the year end Firebrand Live Limited was owed £386,114 (2012: £431,673).

The Uprising Creative Limited is a related party by virtue of having a director in common. During the year the company made sales for £649 and purchases for £183,027 to The Uprising Creative Limited. At the year end the company and owed £6,137 to The Uprising Creative Limited (2012: £9,030).

Kitbox (UK) Limited is a related party by virtue of having a director in common. During the year Firebrand Live Limited made sales for £3,310 and purchases for £45,876 to that company (2012: nil). At the year end no amounts were outstanding.

Brand Orbit Management Limited is a related party by virtue of having a director in common. At the year end the company was owed £82,382 by Brand Orbit Management Limited from sales made on its behalf.

All of the above transactions were made at arm's length and in normal commercial terms.