

Registered number  
4723475

AARON MUSIC LIMITED  
Report and Unaudited Accounts  
31 May 2008

SATURDAY



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27/09/2008

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COMPANIES HOUSE

## **AARON MUSIC LIMITED**

### **Director's Report**

The director presents her report and accounts for the period ended 31 May 2008

#### **Principal activities**

The company's principal activity during the period continued to be the sale and hire of musical instruments and accessories and the sale of music literature

#### **Director**

The director who served during the period and her interest in the share capital of the company were as follows

	£1 Ordinary shares	
	2008	2007
Elizabeth Gonszewska	1	1
Jan Gonszewska	-	-

#### **Small company special provisions**

The report of the director has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

This report was approved by the board on 24/7/08



Elizabeth Gonszewska  
Director

**AARON MUSIC LIMITED**  
**Profit and Loss Account**  
**for the period from 1 May 2007 to 31 May 2008**

	Notes	2008 £	2007 £
Turnover		195,483	177,017
Cost of sales		(123,715)	(108,474)
<b>Gross profit</b>		<u>71,768</u>	<u>68,543</u>
Administrative expenses		(34,816)	(31,256)
<b>Operating profit</b>	2	<u>36,952</u>	<u>37,287</u>
Interest receivable		938	1,370
Interest payable		(23)	(411)
<b>Profit on ordinary activities before taxation</b>		<u>37,867</u>	<u>38,246</u>
Tax on profit on ordinary activities	3	(8,078)	(7,680)
<b>Profit for the period</b>		<u>29,789</u>	<u>30,566</u>

**AARON MUSIC LIMITED**  
**Balance Sheet**  
**as at 31 May 2008**

	Notes	2008 £	2007 £
<b>Fixed assets</b>			
Intangible assets	4	-	2,000
Tangible assets	5	<u>9,136</u>	<u>9,781</u>
		9,136	11,781
<b>Current assets</b>			
Stocks		25,000	19,260
Debtors	6	15,972	18,166
Cash at bank and in hand		<u>-</u>	<u>3,162</u>
		40,972	40,588
<b>Creditors amounts falling due within one year</b>	7	(16,206)	(19,256)
<b>Net current assets</b>		<u>24,766</u>	<u>21,332</u>
<b>Total assets less current liabilities</b>		<u>33,902</u>	<u>33,113</u>
<b>Provisions for liabilities and charges</b>	8	(409)	(409)
<b>Net assets</b>		<u>33,493</u>	<u>32,704</u>
<b>Capital and reserves</b>			
Called up share capital	9	1	1
Profit and loss account	10	33,492	32,703
<b>Shareholder's funds</b>		<u>33,493</u>	<u>32,704</u>

The director is satisfied that the company is entitled to exemption under Section 249A(1) of the Companies Act 1985 and that no member or members have requested an audit pursuant to section 249B(2) of the Act

The director acknowledges her responsibilities for

- (i) ensuring that the company keeps proper accounting records which comply with Section 221 of the Companies Act 1985, and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226 of the Companies Act 1985, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company

The accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985

  
Elizabeth Boniszewska  
Director

Approved by the board on 24/9/08

## **AARON MUSIC LIMITED**

### **Notes to the Accounts**

**for the period from 1 May 2007 to 31 May 2008**

#### **1 Accounting policies**

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007)

##### ***Turnover***

Turnover represents the invoiced value of goods and services supplied by the company, net of value added tax and trade discounts

##### ***Depreciation***

Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives

Fixtures & Fittings	25% reducing balance
Motor vehicles	25% reducing balance

##### ***Stocks***

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

##### ***Deferred taxation***

Full provision is made for deferred taxation resulting from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes. Deferred taxation is calculated on an un-discounted basis at the tax rates which are expected to apply in the periods when the timing differences will reverse

##### ***Leasing and hire purchase commitments***

Assets held under finance leases and hire purchase contracts, which are those where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and depreciated over their useful lives

The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding

Rentals paid under operating leases are charged to income on a straight line basis over the lease term

#### **2 Operating profit**

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
This is stated after charging		
Depreciation of owned fixed assets	3,045	3,260
Amortisation of goodwill	2,000	2,000
Directors' remuneration	<u>10,220</u>	<u>5,035</u>

# **AARON MUSIC LIMITED**

## **Notes to the Accounts**

**for the period from 1 May 2007 to 31 May 2008**

<b>3 Taxation</b>	<b>2008 £</b>	<b>2007 £</b>
UK corporation tax	8,078	7,817
Deferred tax	-	(137)
	<u>8,078</u>	<u>7,680</u>

<b>4 Intangible fixed assets</b>	<b>£</b>
Goodwill	
<b>Cost</b>	
At 1 May 2007	<u>10,000</u>
At 31 May 2008	<u>10,000</u>
<b>Amortisation</b>	
At 1 May 2007	8,000
Provided during the period	<u>2,000</u>
At 31 May 2008	<u>10,000</u>
<b>Net book value</b>	
At 31 May 2008	<u>-</u>
At 30 April 2007	<u>2,000</u>

Goodwill is being written off in equal annual instalments over its estimated economic life of 5 years

<b>5 Tangible fixed assets</b>	<b>Fixtures &amp; Fittings £</b>	<b>Motor vehicles £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 May 2007	27,020	3,480	30,500
Additions	<u>2,400</u>	<u>-</u>	<u>2,400</u>
At 31 May 2008	<u>29,420</u>	<u>3,480</u>	<u>32,900</u>
<b>Depreciation</b>			
At 1 May 2007	18,340	2,379	20,719
Charge for the period	<u>2,770</u>	<u>275</u>	<u>3,045</u>
At 31 May 2008	<u>21,110</u>	<u>2,654</u>	<u>23,764</u>
<b>Net book value</b>			
At 31 May 2008	<u>8,310</u>	<u>826</u>	<u>9,136</u>
At 30 April 2007	<u>8,680</u>	<u>1,101</u>	<u>9,781</u>

**AARON MUSIC LIMITED**

**Notes to the Accounts**

**for the period from 1 May 2007 to 31 May 2008**

<b>6 Debtors</b>	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Trade debtors	5,779	7,973
Other debtors	10,193	10,193
	<u>15,972</u>	<u>18,166</u>
<b>6 Creditors amounts falling due within one year</b>	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Bank loans and overdrafts	666	172
Obligations under finance lease and hire purchase contracts	774	774
Trade creditors	5,914	9,220
Corporation tax	8,078	7,817
Other creditors	774	1,273
	<u>16,206</u>	<u>19,256</u>
<b>7 Provisions for liabilities and charges</b>	<b>2008</b>	<b>2007</b>
Deferred taxation	<b>£</b>	<b>£</b>
Accelerated capital allowances	409	409
	<u>409</u>	<u>409</u>
	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
At 1 May	409	546
Deferred tax charge in profit and loss account	-	(137)
	<u>409</u>	<u>409</u>
<b>8 Share capital</b>	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Authorised		
Ordinary shares of £1 each	1,000	1,000
	<u>1,000</u>	<u>1,000</u>
	<b>2008</b>	<b>2007</b>
	<b>No</b>	<b>No</b>
Allotted, called up and fully paid		
Ordinary shares of £1 each	1	1
	<u>1</u>	<u>1</u>

**AARON MUSIC LIMITED****Notes to the Accounts****for the period from 1 May 2007 to 31 May 2008**

<b>9 Profit and loss account</b>		<b>2008</b>	<b>2007</b>
		<b>£</b>	<b>£</b>
At 1 May		32,703	29,137
Retained profit		29,789	30,566
Dividends		<u>(29,000)</u>	<u>(27,000)</u>
At 31 May		<u>33,492</u>	<u>32,703</u>
<b>10 Dividends</b>		<b>2008</b>	<b>2007</b>
		<b>£</b>	<b>£</b>
Dividends for which the company became liable during the period			
Equity Dividends paid		<u>29,000</u>	<u>27,000</u>
<b>11 Transactions with the director</b>		<b>2008</b>	<b>2007</b>
	Max in year		
	<b>£</b>		
Amount owing to the company by the directors			
Interest at market rates and repayable on demand		<u>35,318</u>	<u>14,661</u>



**AARON MUSIC LIMITED**  
**Chartered Accountants' Report**

**Chartered Accountants' Report to the Board of Directors**  
**on the unaudited accounts of AARON MUSIC LIMITED**  
**for the period from 1 May 2007 to 31 May 2008**

In order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the accounts of the company which comprise the Profit and Loss Account, the Balance Sheet and the related notes from the accounting records and information and explanations you have given to us

This report is made to the Company's Board of Directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the accounts that we have been engaged to compile, report to the Company's Board of Directors that we have done so, and state those matters that we have agreed to state to them in this 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 Board of Directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of accounts.

You have acknowledged on the attached balance sheet your duty to ensure that the company has kept proper accounting records and to prepare accounts that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the accounts. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the accounts.

Jenkins & Co  
Chartered Accountants

86 Mildred Avenue  
Watford  
Herts  
WD18 7DX

Date

**AARON MUSIC LIMITED**  
**Profit and Loss Account**  
**for the period from 1 May 2007 to 31 May 2008**  
*for the information of the director only*

	<b>2008</b> £	<b>2007</b> £
<b>Sales</b>	195,483	177,017
<b>Cost of sales</b>	(123,715)	(108,474)
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<b>Profit before tax</b>	<u>37,867</u>	<u>38,246</u>