

**Company Registration No. 04925834**

**Accelerate Sport and Music Limited**

**Report and Financial Statements**

**31 December 2009**



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# **Accelerate Sport and Music Limited**

## **Report and financial statements 2009**

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# **Accelerate Sport and Music Limited**

## **Report and financial statements 2009**

### **Officers and professional advisers**

#### **Directors**

B Campbell  
G Grant (resigned 10/02/2009)  
C McEwan (resigned 30/06/2010)  
D Mighty  
S L Nayo (resigned 10/02/2009)  
M Oberholzer (resigned 10/02/2009)  
D Thompson (resigned 30/04/2009)

#### **Secretary**

T Tolliss (appointed 31/07/2010)  
M Lilley (resigned 31/07/2010)

#### **Registered Office**

14<sup>th</sup> Floor, 89 Albert Embankment  
London  
SE1 7TP

#### **Bankers**

Allied Irish Bank  
City Office  
9/10 Angel Court  
London  
EC2R 7AB

#### **Auditors**

Deloitte LLP  
Chartered Accountants  
London

# Accelerate Sport and Music Limited

## Directors' report

The directors submit their annual report and audited financial statements of Accelerate Sport and Music Limited for the year ended 31 December 2009

The directors' report has been prepared in accordance with the special provisions relating to small companies under s415A of the Companies Act 2006

### Principal activities

The principal activity of the company during the period was that of providing accounting and taxation services. During the year the trade of the business was transferred to its sister company, Frontiers Group UK Limited

The results for the year are set out on page 7

### Review of the business

On 30 October 2009 the parent company, Essentially Group Limited, was acquired by Chime Communications plc

### Going concern

The accounts have been prepared on a basis other than going concern basis, see note 1

### Directors

The directors who served during the year and to the date of this report are set out on page 1

G Grant, S Nayo and M Oberholzer ceased to be directors with effect from 10 February 2009 and D Thompson on 30 April 2009

All monetary assets and liabilities are denominated in the same currency as the functional currency of the operations involved

### Auditors

Each of the persons who is a director at the date of approval of this report confirms that

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

Deloitte LLP were appointed as auditors on 25 January 2010 following the resignation of Grant Thornton LLP. Deloitte LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting

Approved by the Board of Directors  
and signed on behalf of the Board



D. Mighty  
Director

30/9/2010

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## **Accelerate Sport and Music Limited**

### **Statement of directors' responsibilities**

The directors are responsible for preparing the annual 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 estimates that are reasonable and prudent, and
- 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 with reasonable accuracy at any time the financial position of the company and to 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.

## **Independent auditors' report to the members of Accelerate Sport and Music Limited**

We have audited the financial statements of Accelerate Sport and Music Limited for the year ended 31 December 2009 which comprise the profit and loss account, the balance sheet and the related notes 1 to 15. 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 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 more fully explained in the Directors' Responsibilities Statements, 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 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 Practice Board's (APB's) Ethical Standards for Auditors.

### **Scope of the audit of 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.

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2009 and of its 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.

### **Emphasis of matter – Financial statements prepared other than on a going concern basis**

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosure made in note 1 to the financial statements, which explains that the financial statements have been prepared on a basis other than that of a going concern.

### **Opinion on other matter prescribed by the Companies Act 2006**

- In our opinion the information given in the Director's report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## **Independent auditors' report to the members of Accelerate Sport and 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,
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to take advantage of the small companies exemption in preparing the directors' report

*Sarah Shillingford*

Sarah Shillingford (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditors  
London, United Kingdom  
*30 September 2010*

## Accelerate Sport and Music Limited

### Profit and loss account

Year ended 31 December 2009

	Notes	2009 £	2008 £
Turnover		-	211,797
Cost of sales		-	(51,581)
<b>Gross profit</b>		<u>-</u>	<u>160,216</u>
Other operating expenses		(78,343)	(167,886)
<b>Operating loss</b>		<u>(78,343)</u>	<u>(7,670)</u>
Interest receivable		554	-
Interest payable		(513)	-
<b>Loss on ordinary activities before taxation</b>	2	(78,302)	(7,670)
Taxation	4	-	3,327
<b>Retained loss for the financial year</b>	12	<u>(78,302)</u>	<u>(4,343)</u>

The operating loss for the year arises from the company's discontinued operations.

No separate statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the profit and loss account

All amounts are derived from discontinued operations



# Accelerate Sport and Music Limited


## Balance sheet

31 December 2009

	Notes	2009 £	2008 £
<b>Fixed assets</b>			
Investments	5	-	2,242
<b>Current assets</b>			
Stocks and work in progress	6	-	225,940
Debtors	7	222,793	44,739
Cash at bank and in hand		802	168,817
		223,595	439,496
<b>Creditors: amounts falling due within one year</b>	8	(318,206)	(308,047)
<b>Net current (liabilities) / assets</b>		(94,611)	131,449
<b>Total assets less current liabilities</b>		(94,611)	133,691
<b>Creditors: amounts falling due after more than one year</b>	9	-	(150,000)
<b>Net Liabilities</b>		(94,611)	(16,309)
<b>Capital and reserves</b>			
Called up share capital	10	1,000	1,000
Profit and loss account	12	(95,611)	(17,309)
<b>Total shareholders' deficit</b>		(94,611)	(16,309)

The financial statements of Accelerate Sport and Music Limited were approved by the Board of Directors on  
30 September 2010

Signed on behalf of the Board of Directors

  
D.mighty  
Director

Company Registration No 04925834

# **Accelerate Sport and Music Limited**

## **Notes to the accounts**

**31 December 2009**

### **1. Accounting policies**

#### **Basis of accounting**

The financial statements are prepared in accordance with United Kingdom generally accepted accounting practice. The particular accounting policies adopted are described below. They have all been applied consistently throughout the year and the preceding year.

The Company has taken advantage of the exemption contained in FRS 29 "Financial Instruments: Disclosures" and has not produced any disclosures required by that standard, as full FRS 29 disclosures are available in the Chime Communications plc Annual Report for the year ended 31 December 2009.

#### **Going concern**

The company has transferred the trade, certain assets and liabilities to a fellow subsidiary company and has ceased trading. As required by FRS 18 "Accounting Policies", the directors have prepared the financial statements on the basis that the company is no longer a going concern. No adjustments arose as a result of ceasing to apply the going concern basis.

#### **Accounting convention**

The financial statements are prepared under the historical cost convention.

#### **Turnover**

Turnover represents the total amount receivable during the financial year for the sale of goods supplied and services provided, derived from the company's principal activity, after trade discounts, excluding value added tax.

#### **Work in progress**

Work in progress is recognised at the lower of cost and net realisable value. Costs of work in progress includes overheads appropriate to the stage of completion. Net realisable value is based on estimated selling price less further costs expected to be incurred to completion.

#### **Taxation**

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

#### **Cash flow statement**

The company's cash flows are included in the consolidated group cash flow statement of Chime Communications plc, the company's ultimate parent undertaking, whose consolidated financial statements are publicly available. Consequently, the company is exempt under the terms of Financial Reporting Standard No. 1 (revised) from publishing a cash flow statement.

# Accelerate Sport and Music Limited

## Notes to the accounts 31 December 2009

### 2 Loss on ordinary activities before taxation

	2009 £	2008 £
This is stated after charging		
Amounts written off investments		
Charge for the period – owned assets	-	-
Investment write-off	2,242	-
	<u>2,242</u>	<u>-</u>

The audit fee of £500 (2008 £500 has been borne by the parent company, Essentially Group Limited)

### 3 Information regarding directors and employees

The company had no employees during the year (2008 none) None of the directors received any remuneration from the company or any other group company for their services to the Company (2008 £nil)

### 4. Taxation on ordinary activities

	2009 £	2008 £
United Kingdom corporation tax at 28%		
(2008 – 28.5%) based on the profit for the year	-	(3,327)
Deferred tax	-	-
	<u>-</u>	<u>(3,327)</u>

Factors affecting the tax charge

The tax assessed for the year differs from that resulting from applying the standard rate of corporation tax in the UK of 28.0% (2008 28.5%) The differences are explained below

	2009 £	2008 £
Loss on ordinary activities before taxation	(78,302)	(7,670)
Loss on ordinary activities by rate of tax	(21,925)	(2,148)
Expenses not deductible	21,925	-
Other adjustments	-	(1,179)
	<u>-</u>	<u>(3,327)</u>

### 5. Investments

	£
At 1 January 2009 – cost and net book value	2,242
Written off on disposal of Insite Sports (Pty) Limited	(2,242)
At 31 December 2009	<u>-</u>

# Accelerate Sport and Music Limited

## Notes to the accounts 31 December 2009

### 6. Stocks

	2009 £	2008 £
Work in progress	-	225,940

### 7. Debtors

	2009 £	2008 £
Due within one year		
Trade debtors	98,815	41,186
Amounts due from group companies	123,978	-
Other debtors	-	3,553
	<u>222,793</u>	<u>44,739</u>

### 8. Creditors: amounts falling due within one year

	2009 £	2008 £
Trade creditors	12,215	2,581
Amounts due to Group undertakings	296,215	288,917
Other taxes and social security	8,312	16,549
Other creditors	1,464	-
	<u>318,206</u>	<u>308,047</u>

### 9. Creditors: amounts falling due after more than one year

	2009 £	2008 £
Amounts owed to group undertakings in which the company has a participating interest	-	150,000

### 10. Called up share capital

	2009 £	2008 £
<b>Authorised</b>		
1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
<b>Allotted, issued and fully paid</b>		
1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

# Accelerate Sport and Music Limited

## Notes to the accounts 31 December 2009

### 11. Reconciliation of movements in shareholders' funds

	2009 £	2008 £
Opening shareholders' deficit	(16,309)	(11,966)
Loss for the financial year	(78,302)	(4,343)
Closing shareholders' deficit	<u>(94,611)</u>	<u>(16,309)</u>

### 12. Profit and loss account

	2009 £	2008 £
At 1 January	(17,309)	(12,966)
Loss for the financial year	(78,302)	(4,343)
At 31 December	<u>(95,611)</u>	<u>(17,309)</u>

### 13. Ultimate parent undertaking

The ultimate parent company, controlling party and the parent undertaking of the largest group for which the group accounts are prepared and of which the company is a member is Chime Communications plc, which is incorporated in Great Britain and registered in England and Wales. Copies of its financial statements are available from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ. The company's immediate parent undertaking and its immediate controlling party is Essentially Group Limited, incorporated and registered in Jersey. Chime Communications plc is the parent of the smallest and largest group to consolidate these financial statements.

### 14. Related party transactions

As the company is a wholly owned subsidiary of Chime Communications plc, it 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 (or investees of the group as related parties). The consolidated financial statements of Chime Communications plc, within which this company is included, can be obtained from the registered office of the company.

### 15. Contingent liabilities

The company, together with the ultimate parent company and certain other companies in the Chime Communications plc group, has given an unlimited cross-guarantee in favour of its bankers.