

Registered number  
5037672

Red Girl Records Ltd

Report and Accounts

31 August 2011



Red Girl Records Ltd

Registered number 5037672

## Directors' Report

The directors present their report and accounts for the year ended 31 August 2011

### Principal activities

The company's principal activity during the year continued to be the production of the albums of the artist Melanie Chisholm

### Directors

The following persons served as directors during the year

N Phillips  
M Chisholm

### Directors' responsibilities

The directors are responsible for preparing the report and accounts in accordance with applicable law and regulations

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts 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 accounts 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 accounts the directors are required to

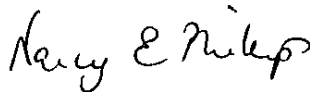
- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business

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 accounts 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.

### Small company provisions

This report has been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

This report was approved by the board on 30 April 2012 and signed on its behalf



N Phillips  
Director

Red Girl Records Ltd  
Profit and Loss Account  
for the year ended 31 August 2011

|   | Notes | 2011<br>£       | 2010<br>£       |
|---|-------|-----------------|-----------------|
| Turnover                                    |       | 213,604         | 32,886          |
| Cost of sales                               |       | (184,295)       | (7,793)         |
| Gross profit                                |       | <u>29,309</u>   | <u>25,093</u>   |
| Distribution costs                          |       | (2,169)         | (3,694)         |
| Administrative expenses                     |       | (87,303)        | (53,490)        |
| Operating loss                              |       | <u>(60,163)</u> | <u>(32,091)</u> |
| Loss on ordinary activities before taxation |       | <u>(60,163)</u> | <u>(32,091)</u> |
| Tax on loss on ordinary activities          | 2     | -               | 2               |
| Loss for the financial year                 |       | <u>(60,163)</u> | <u>(32,089)</u> |

Red Girl Records Ltd  
Balance Sheet  
as at 31 August 2011

|  | Notes | 2011<br>£        | 2010<br>£        |
|--|-------|------------------|------------------|
| Current assets   |       |                  |                  |
| Debtors  | 3     | 135,859          | 119,479          |
| Cash at bank and in hand                               |       | <u>94,823</u>    | <u>88,384</u>    |
|  |       | 230,682          | 207,863          |
| Creditors amounts falling due within one year          | 4     | (116,695)        | (83,471)         |
| Net current assets                                     |       | <u>113,987</u>   | <u>124,392</u>   |
| Total assets less current liabilities                  |       | 113,987          | 124,392          |
| Creditors amounts falling due after more than one year | 5     | (841,325)        | (791,567)        |
| Net liabilities  |       | <u>(727,338)</u> | <u>(667,175)</u> |
| Capital and reserves                                   |       |                  |                  |
| Called up share capital                                | 6     | 100              | 100              |
| Profit and loss account                                | 7     | (727,438)        | (667,275)        |
| Shareholders' funds                                    |       | <u>(727,338)</u> | <u>(667,175)</u> |

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006

Members have not required the company to obtain an audit in accordance with section 476 of the Act

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime

*Nancy E Phillips*

N Phillips  
Director

Approved by the board on 30 April 2012

Red Girl Records Ltd  
Notes to the Accounts  
for the year ended 31 August 2011

1 Accounting policies

*Basis of preparation*

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

*Turnover*

Turnover represents the value, net of value added tax and discounts, of goods provided to customers and work carried out in respect of services provided to customers

*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

*Foreign currencies*

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

|   |   |                |                |
|---|---|----------------|----------------|
| 2 | Taxation  | 2011<br>£      | 2010<br>£      |
|   | UK corporation tax  | -              | (2)            |
| 3 | Debtors   | 2011<br>£      | 2010<br>£      |
|   | Trade debtors   | 14,274         | 23,450         |
|   | Amounts owed by group undertakings and undertakings in which the company has a participating interest | 22,185         | 12,044         |
|   | Other debtors   | 99,400         | 83,985         |
|   |   | <u>135,859</u> | <u>119,479</u> |
| 4 | Creditors amounts falling due within one year   | 2011<br>£      | 2010<br>£      |
|   | Trade creditors   | 49,785         | 20,687         |
|   | Director's account  | 502            | 5,469          |
|   | Other creditors   | 66,408         | 57,315         |
|   |   | <u>116,695</u> | <u>83,471</u>  |

Red Girl Records Ltd  
Notes to the Accounts  
for the year ended 31 August 2011

|   |  |           |           |
|---|--|-----------|-----------|
| 5 | Creditors amounts falling due after one year | 2011<br>£ | 2010<br>£ |
|---|--|-----------|-----------|

Amounts owed to group undertakings and undertakings in which the company has a participating interest

|         |         |
|---------|---------|
| 841,325 | 791,567 |
|---------|---------|

|   |                                    |               |             |           |           |
|---|------------------------------------|---------------|-------------|-----------|-----------|
| 6 | Share capital                      | Nominal value | 2011 Number | 2011<br>£ | 2010<br>£ |
|   | Allotted, called up and fully paid |               |             |           |           |
|   | Ordinary shares                    | £1 each       | 100         | 100       | 100       |

|   |                         |           |
|---|-------------------------|-----------|
| 7 | Profit and loss account | 2011<br>£ |
|   | At 1 September 2010     | (667,275) |
|   | Loss for the year       | (60,163)  |
|   | At 31 August 2011       | (727,438) |

|   |                            |           |           |
|---|----------------------------|-----------|-----------|
| 8 | Related party transactions | 2011<br>£ | 2010<br>£ |
|---|----------------------------|-----------|-----------|

Red Girl Productions Ltd  
M Chisholm & N Phillips are directors of the above company

Loans were received from Red Girl Productions Ltd

|  |         |         |
|--|---------|---------|
| Amount due to Red Girl Productions Ltd | 841 325 | 791,566 |
|--|---------|---------|

Red Girl Touring Ltd  
M Chisholm & N Phillips are directors of the above company

Loans were paid to Red Girl Touring Ltd

|                                      |        |        |
|--------------------------------------|--------|--------|
| Amount due from Red Girl Touring Ltd | 22,185 | 12,044 |
|--------------------------------------|--------|--------|

45 Management Ltd  
N Phillips is a director of the above company  
Management charges of £24,000 (2010-£24,000) were paid to 45 Management Ltd for management services

9 Ultimate controlling party

The company is controlled by the director, M Chisholm, by virtue of her holding 100% of the issued share capital of Red Girl Productions Ltd. Red Girl Productions Ltd holds the majority of issued share capital of Red Girl Records Ltd.

Red Girl Records Ltd  
Detailed profit and loss account  
for the year ended 31 August 2011

|                         | 2011<br>£       | 2010<br>£       |
|-------------------------|-----------------|-----------------|
| Sales                   | 213,604         | 32,886          |
| Cost of sales           | (184,295)       | (7,793)         |
| Gross profit            | <u>29,309</u>   | <u>25 093</u>   |
| Distribution costs      | (2,169)         | (3,694)         |
| Administrative expenses | (87,303)        | (53,490)        |
| Operating loss          | <u>(60,163)</u> | <u>(32,091)</u> |
| Loss before tax         | <u>(60,163)</u> | <u>(32 091)</u> |

Red Girl Records Ltd  
Detailed profit and loss account  
for the year ended 31 August 2011

|                                 | 2011<br>£      | 2010<br>£     |
|---------------------------------|----------------|---------------|
| Sales                           |                |               |
| Sales                           | <u>213,604</u> | <u>32,886</u> |
| Cost of sales                   |                |               |
| Band royalties                  | -              | 750           |
| Consultant royalties            | -              | 250           |
| Consultant commission           | 16,846         | 1,091         |
| Copyright royalties             | 899            | -             |
| Manufacturing costs             | 378            | 3,502         |
| Mastering                       | 3,260          | -             |
| Marketing                       | 7,424          | -             |
| Photography                     | 29,382         | 200           |
| Producer royalties              | 35,250         | 2,000         |
| Video production                | 34,718         | -             |
| Musicians fees                  | 11,394         | -             |
| Studio costs                    | 43,744         | -             |
| International promotion         | 1,000          | -             |
|                                 | <u>184,295</u> | <u>7,793</u>  |
| Distribution costs              |                |               |
| Distribution costs              | <u>2,169</u>   | <u>3,694</u>  |
| Administrative expenses         |                |               |
| Employee costs                  |                |               |
| Travel and subsistence          | <u>6,508</u>   | <u>73</u>     |
|                                 | <u>6,508</u>   | <u>73</u>     |
| General administrative expenses |                |               |
| Postage                         | 182            | 211           |
| Bank charges                    | 445            | 374           |
| Website                         | 7,984          | 11,673        |
| Exchange differences & charges  | 911            | 2,244         |
| Withholding Tax                 | -              | 3,556         |
| Sundry expenses                 | 153            | -             |
|                                 | <u>9,675</u>   | <u>18,058</u> |
| Legal and professional costs    |                |               |
| Accountancy fees                | 2,500          | 2,500         |
| Book-keeping                    | 19,860         | 8,740         |
| Management fees                 | 24,000         | 24,000        |
| Advertising and PR              | -              | 119           |
| Press & PR                      | 21,776         | -             |
| Legal fees                      | 2,984          | -             |
|                                 | <u>71,120</u>  | <u>35,359</u> |
|                                 | <u>87,303</u>  | <u>53,490</u> |