Academy Chimes Limited

Registered number: 05510106

Financial statements

For the year ended 31 July 2017

ACADEMY CHIMES LIMITED

Company Information

Directors	Anthony Shepping Judith Barber
Secretary	Judith Barber
Registered number	05510106
Registered office	Marylebone Road London NW1 5HT
Auditors	Mazars LLP 90 Victoria Street Bristol BS1 6DP

ACADEMY CHIMES LIMITED

Contents

Directors' Report
For the Year Ended 31 July 2017

The directors present their report and the financial statements for the year ended 31 July 2017.

Directors' responsibilities statement

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting 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 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 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.

Directors

The directors who served during the year were:

Anthony Shepping
Judith Barber

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

The auditor, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Directors' Report (continued)
For the Year Ended 31 July 2017

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

MBarber

Judith Barber
Director

Date: 22.11.17

Independent Auditor's Report to the Shareholders of Academy Chimes Limited

Opinion

We have audited the financial statements of Academy Chimes Limited (the 'company') for the year ended 31 July 2017 which comprise the Profit and loss account, the Balance sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 July 2017 and of its results for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Independent Auditor's Report to the Shareholders of Academy Chimes Limited

Other information

The directors are responsible for the other information. The other information comprises the information included in the Directors report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on the other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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; or
- we have not received all the information and explanations we require for our audit; or
- the directors were entitled to take advantage of the small companies' exemption in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

Independent Auditor's Report to the Shareholders of Academy Chimes Limited

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK). Those standards require us to comply with the Financial Reporting Council's Ethical Standard. 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 auditor's 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Richard Bott (Senior Statutory Auditor)

for and on behalf of Mazars LLP

90 Victoria Street
Bristol
BS1 6DP

Date: 28/11/19

Profit and loss account
For the Year Ended 31 July 2017

	Note	2017 £	2016 £
Turnover		280,503	261,062
Cost of sales		(195,563)	(156,327)
Gross profit		84,940	104,735
Administrative expenses		(84,968)	(104,782)
Operating loss		(28)	(47)
Interest receivable and similar income		28	47
Profit for the financial year		-	-

There was no other comprehensive income for 2017 (2016:£NIL).

The notes on pages 8 to 12 form part of these financial statements.

ACADEMY CHIMES LIMITED
Registered number: 05510106

Balance Sheet
As at 31 July 2017

	Note		2017 £		2016 £
Fixed assets					
Current assets					
Stocks	5	94,741		111,762	
Debtors: amounts falling due within one year	6	5,038		19,511	
Cash at bank and in hand	7	35,199		16,679	
		134,978		147,952	
Creditors: amounts falling due within one year	8	(40,236)		(36,189)	
Net current assets			94,742		111,763
Total assets less current liabilities			94,742		111,763
Creditors: amounts falling due after more than one year	9		(94,741)		(111,762)
			1		1
Net assets			1		1
Capital and reserves					
Called up share capital			1		1
			1		1

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

JMBarber
Judith Barber
Director

Date: 22.11.17

The notes on pages 8 to 12 form part of these financial statements.

Notes to the Financial Statements
For the Year Ended 31 July 2017

1. General information

Academy Chimes Limited (No. 05510106) is a company limited by shares incorporated in England and Wales. Its registered office is Marylebone Road, London, NW1 5HT.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

These financial statements for the year ended 31 July 2017 are the first financial statements that comply with FRS 102 1A. The date of transition is 1 August 2015.

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d).

This information is included in the consolidated financial statements of the Royal Academy of Music as at 31 July 2017 and these financial statements may be obtained from Marylebone Road, London, NW1 5HT.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2. Accounting policies (continued)

2.4 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis.

At each balance sheet, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit and loss.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.7 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.8 Interest income

Interest income is recognised in the Profit and Loss account using the effective interest method.

3. Auditor's remuneration

	2017 £	2016 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	3,660	3,560

4. Employees

The average monthly number of employees, including directors, during the year was 0 (2016 - 0).

Notes to the Financial Statements
For the Year Ended 31 July 2017

5. Stocks

	2017 £	2016 £
Finished goods and goods for resale	94,741	111,762
	94,741	111,762

6. Debtors

	2017	2016
	£	£
Trade debtors	634	2,245
Other debtors	4,404	17,266
	5,038	19,511

7. Cash and cash equivalents

	2017	2016
	£	£
Cash at bank and in hand	35,199	16,679
Less: bank overdrafts	-	(78)
	35,199	16,601

8. Creditors: Amounts falling due within one year

	2017	2016
	£	£
Bank overdrafts	-	78
Trade creditors	14,908	9,446
Other creditors	25,328	26,665
	40,236	36,189

9. Creditors: Amounts falling due after more than one year

	2017	2016
	£	£
Loan from Chimes Consultants Limited	94,741	111,762
	94,741	111,762

The loan is from Chimes Consultants Limited and is provided to Academy Chimes Limited to cover the purchasing stock. There are no repayment terms other than if stock levels reduce, then the loan will be repaid as and when surplus funds allow.

10. Related party transactions

Kensington Chimes Limited and Academy Chimes Limited are commonly controlled by Anthony Shepping who has a directorship in both entities and holds a 100% ownership in Kensington Chimes. Chimes Consultants Limited, in which Anthony Shepping also holds a 55% ownership in, is responsible for the management and operations of Academy Chimes Limited. Anthony Shepping holds a 50% ownership in Kensington Music (Barbican) Limited.

During the year to 31st July 2017, sales and purchases of music books and accessories were made to/from Kensington Chimes Limited and Kensington Music (Barbican) Limited. Chimes Consultants Limited provided management services and a long term loan, detailed in note 9, to Academy Chimes Limited. The amounts involved in these transactions were as follows:

	Sales	Purchases	Year end debtor	Year end creditor
	£	£	£	£
Kensington Chimes	5,202	14,274	579	2,074
Barbican Chimes	1,873	2,912	247	121
Chimes Consultants	-	76,715	-	-
	7,075	93,901	826	2,195

No provision for doubtful debts or write off of debts were made during the year in respect of the entities detailed above.

The company has taken advantage of the exemption in the Financial Reporting Standard FRS102 Section 33 whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary of the group.

11. Controlling party

The company is controlled by the Royal Academy of Music, by virtue of its 100% shareholding. Copies of the group financial statements are available from the Royal Academy of Music, Marylebone Road, London, NW1 5HT.

12. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss. The company transitioned to FRS102 from previously existing UK GAAP at 1 August 2015.