

REGISTRAR OF COMPANIES

Registration number: 08528890

Devine Music Limited
Unaudited Financial Statements
30 June 2019



Devine Music Limited

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**Chartered Accountants' Report to the Board of Directors on the Preparation of the
Unaudited Statutory Accounts of
Devine Music Limited
for the Year Ended 30 June 2019**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Devine Music Limited for the year ended 30 June 2019 as set out on pages 2 to 8 from the company's accounting records and from information and explanations you have given us.

As a member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/membershandbook>.

This report is made solely to the Board of Directors of Devine Music Limited, as a body, in accordance with the terms of our engagement letter dated 2 April 2019. Our work has been undertaken solely to prepare for your approval the accounts of Devine Music Limited and state those matters that we have agreed to state to the Board of Directors of Devine Music Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Devine Music Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Devine Music Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Devine Music Limited. You consider that Devine Music Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of Devine Music Limited. 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 statutory accounts.

Dodd & Co Limited

Chartered Accountants
FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
CARLISLE
CA1 2RW

11 March 2020

Devine Music Limited
(Registration number: 08528890)
Balance Sheet as at 30 June 2019

| | Note | 2019 £ | 2018 £ |
|---|----------|--------------------|------------------|
| Fixed assets | | | |
| Intangible assets | <u>4</u> | 181,351 | 218,221 |
| Tangible assets | <u>5</u> | <u>11,169</u> | <u>12,912</u> |
| | | <u>192,520</u> | <u>231,133</u> |
| Current assets | | | |
| Debtors | <u>6</u> | 12,960 | 41,757 |
| Cash at bank and in hand | | <u>2,998,604</u> | <u>1,697,329</u> |
| | | 3,011,564 | 1,739,086 |
| Creditors: Amounts falling due within one year | <u>7</u> | <u>(1,591,230)</u> | <u>(949,992)</u> |
| Net current assets | | <u>1,420,334</u> | <u>789,094</u> |
| Total assets less current liabilities | | 1,612,854 | 1,020,227 |
| Provisions for liabilities | | <u>(36,579)</u> | <u>(43,863)</u> |
| Net assets | | <u>1,576,275</u> | <u>976,364</u> |
| Capital and reserves | | | |
| Allotted, called up and fully paid share capital | | 100 | 100 |
| Profit and loss account | | <u>1,576,175</u> | <u>976,264</u> |
| Total equity | | <u>1,576,275</u> | <u>976,364</u> |

The notes on pages 4 to 8 form an integral part of these financial statements.
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Devine Music Limited

(Registration number: 08528890)

Balance Sheet as at 30 June 2019 (continued)

For the financial year ending 30 June 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 11 March 2020 and signed on its behalf by:

.....

S Devine

Director

.....

L Devine

Company secretary and director

The notes on pages 4 to 8 form an integral part of these financial statements.

Devine Music Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 June 2019

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

21 Clara Drive
Calverley
LEEDS
LS28 5QP

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when the amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity; and specific criteria have been met for each of the company's activities.

Income received from subscriptions will be deferred over the deemed length of the service. Annual subscriptions will be recognised over a 1 year period, and lifetime subscriptions over a 10 year period.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates. Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

Devine Music Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 June 2019 (continued)

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

| Asset class | Depreciation method and rate |
|--|------------------------------|
| Furniture, fittings and office equipment | 25% reducing balance |

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

| Asset class | Amortisation method and rate |
|---------------------|---|
| Website development | 3 year straight line (no amortisation charged until March 2018 as website under construction) |

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for the sale of goods or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Devine Music Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 June 2019 (continued)

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade creditors are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method where due after more than one year.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 5 (2018 - 5).

Devine Music Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 June 2019 (continued)

4 Intangible assets

| | Website development £ | Total £ |
|--------------------------|-----------------------------|------------|
| Cost or valuation | | |
| At 1 July 2018 | 243,108 | 243,108 |
| Additions | 60,000 | 60,000 |
| At 30 June 2019 | 303,108 | 303,108 |
| Amortisation | | |
| At 1 July 2018 | 24,887 | 24,887 |
| Amortisation charge | 96,870 | 96,870 |
| At 30 June 2019 | 121,757 | 121,757 |
| Carrying amount | | |
| At 30 June 2019 | 181,351 | 181,351 |
| At 30 June 2018 | 218,221 | 218,221 |

5 Tangible assets

| | Furniture, fittings and office equipment £ | Total £ |
|--------------------------|--|------------|
| Cost or valuation | | |
| At 1 July 2018 | 20,023 | 20,023 |
| Additions | 1,848 | 1,848 |
| At 30 June 2019 | 21,871 | 21,871 |
| Depreciation | | |
| At 1 July 2018 | 7,111 | 7,111 |
| Charge for the year | 3,591 | 3,591 |
| At 30 June 2019 | 10,702 | 10,702 |
| Carrying amount | | |
| At 30 June 2019 | 11,169 | 11,169 |
| At 30 June 2018 | 12,912 | 12,912 |

Devine Music Limited

Notes to the Unaudited Financial Statements for the Year Ended 30 June 2019 (continued)

6 Debtors

| | 2019 £ | 2018 £ |
|---------------|---------------|---------------|
| Other debtors | 12,960 | 41,757 |
| | <u>12,960</u> | <u>41,757</u> |

7 Creditors

| | Note | 2019 £ | 2018 £ |
|------------------------------|----------|------------------|----------------|
| Due within one year | | | |
| Loans and borrowings | <u>8</u> | 84,533 | 7,000 |
| Trade creditors | | 6,584 | 5,416 |
| Taxation and social security | | 15,645 | 1,080 |
| Corporation tax liability | | 204,951 | 74,461 |
| Accruals and deferred income | | <u>1,279,517</u> | <u>862,035</u> |
| | | <u>1,591,230</u> | <u>949,992</u> |

8 Loans and borrowings

| | 2019 £ | 2018 £ |
|-------------------------------------|---------------|--------------|
| Current loans and borrowings | | |
| Other borrowings | <u>84,533</u> | <u>7,000</u> |

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.