

**GEARBOX RECORDS LTD  
UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2019**

**Gearbox Records Ltd**  
**Unaudited Financial Statements**  
**For The Year Ended 30 June 2019**

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**Gearbox Records Ltd**  
**Balance Sheet**  
**As at 30 June 2019**

Registered number: 08877667

		<b>2019</b>		<b>2018</b>	
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>FIXED ASSETS</b>					
Intangible Assets	<b>3</b>		304,113		201,345
Tangible Assets	<b>4</b>		68,288		77,836
			372,401		279,181
<b>CURRENT ASSETS</b>					
Stocks	<b>5</b>	179,446		117,943	
Debtors	<b>6</b>	101,097		54,428	
Cash at bank and in hand		476,250		83,687	
			756,793		256,058
<b>Creditors: Amounts Falling Due Within One Year</b>	<b>7</b>	(190,520 )		(41,267 )	
<b>NET CURRENT ASSETS (LIABILITIES)</b>			566,273		214,791
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			938,674		493,972
<b>NET ASSETS</b>			938,674		493,972
<b>CAPITAL AND RESERVES</b>					
Called up share capital	<b>8</b>	173,140		173,122	
Share premium account		1,383,246		838,265	
Profit and Loss Account		(617,712 )		(517,415 )	
<b>SHAREHOLDERS' FUNDS</b>			938,674		493,972

**Gearbox Records Ltd**  
**Balance Sheet (continued)**  
**As at 30 June 2019**

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For the 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.

**Director's responsibilities**

- The member has not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.
- These accounts have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.
- The company has taken advantage of section 444(1) of the Companies Act 2006 and opted not to deliver to the registrar a copy of the company's Profit and Loss Account.

On behalf of the board

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**Mr Darrel Sheinman**

**09/12/2019**

The notes on pages 3 to 6 form part of these financial statements.

**Gearbox Records Ltd**  
**Notes to the Financial Statements**  
**For The Year Ended 30 June 2019**

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**1. Accounting Policies**

**1.1. Basis of Preparation of Financial Statements**

The financial statements are prepared under the historical cost convention and in accordance with the FRS 102 Section 1A Small Entities - The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

**1.2. Turnover**

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover is reduced for estimated customer returns, rebates and other similar allowances.

**Sale of goods**

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer. This is usually at the point that the customer has signed for the delivery of the goods.

**Rendering of services**

Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs. Turnover is only recognised to the extent of recoverable expenses when the outcome of a contract cannot be estimated reliably.

**1.3. Intangible Fixed Assets and Amortisation - Goodwill**

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the separable net assets. It is amortised to profit and loss account over its estimated economic life of 5 years.

**1.4. Tangible Fixed Assets and Depreciation**

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant & Machinery	10% straight line
Computer Equipment	10% straight line

**1.5. Stocks and Work in Progress**

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads. Work-in-progress is reflected in the accounts on a contract by contract basis by recording turnover and related costs as contract activity progresses.

**1.6. Foreign Currencies**

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

**Gearbox Records Ltd**  
**Notes to the Financial Statements (continued)**  
**For The Year Ended 30 June 2019**

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**1.7. Royalties**

Royalty income is included on a receivable basis calculated on sales of records arising during each financial year as reported by licensees. Where royalty income cannot be reliably estimated for the period, it is recognised on a receipts basis. Where income is received but not accompanied by sufficient data to a recognisable project, the income is recognised on subsequent receipt of that data. Royalties payable are charged against relevant income of the same period except where they are paid in advance, carried forward and recognised as an asset such advances relate to current released and unreleased products and where it is estimated that future royalties will be earned from recoupment from those products.

Advances received are carried forward and recognised over the expected life of each individual license.

**1.8. Advances to artists**

Advances to artists represent advances made direct to artists for recording and other costs made on behalf of artists under contract. These advances, which are only recoverable against future royalties, are charged to the profit and loss account as they are recouped or where the probability for future recoupment in respect thereof is unlikely.

**2. Average Number of Employees**

Average number of employees, including directors, during the year was 5 (2018 - 5).

**3. Intangible Assets**

	<b>Goodwill</b>	<b>Other</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
As at 1 July 2018	-	206,026	206,026
Additions	-	102,768	102,768
As at 30 June 2019	-	308,794	308,794
<b>Amortisation</b>			
As at 1 July 2018	-	4,681	4,681
As at 30 June 2019	-	4,681	4,681
<b>Net Book Value</b>			
As at 30 June 2019	-	304,113	304,113
As at 1 July 2018	-	201,345	201,345

**Gearbox Records Ltd**  
**Notes to the Financial Statements (continued)**  
**For The Year Ended 30 June 2019**

**4. Tangible Assets**

	<b>Plant &amp; Machinery</b>	<b>Computer Equipment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
As at 1 July 2018	120,515	1,036	121,551
Additions	1,431	-	1,431
As at 30 June 2019	121,946	1,036	122,982
<b>Depreciation</b>			
As at 1 July 2018	42,910	805	43,715
Provided during the period	10,748	231	10,979
As at 30 June 2019	53,658	1,036	54,694
<b>Net Book Value</b>			
As at 30 June 2019	68,288	-	68,288
As at 1 July 2018	77,605	231	77,836

**5. Stocks**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Stock - finished goods	179,446	117,943
	179,446	117,943

**6. Debtors**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Due within one year</b>		
Trade debtors	29,011	18,137
Prepayments and accrued income	20,054	4,801
Other debtors	52,032	29,001
VAT	-	2,489
	101,097	54,428

**Gearbox Records Ltd**  
**Notes to the Financial Statements (continued)**  
**For The Year Ended 30 June 2019**

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**7. Creditors: Amounts Falling Due Within One Year**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Trade creditors	38,144	25,474
Bank loans and overdrafts	10,606	-
Corporation tax	-	(30,662 )
Other taxes and social security	42,072	39,864
VAT	4,842	-
Net wages	-	140
Other creditors	94,856	6,451
	<u>190,520</u>	<u>41,267</u>

**8. Share Capital**

	<b>2019</b>	<b>2018</b>
Allotted, Called up and fully paid	<u>173,140</u>	<u>173,122</u>

**9. Related Party Transactions**

At the balance sheet date the company owed £34,412 to Mr Sheinman, a director of the company (2018 - £34,883).

The company transacted with The Specialist Factor Limited during the year, a company owned and controlled by Mr Sheinman. At the year end the company was owed £5,197 from The Specialist Factory Limited (2018 - £6,172).

**10. General Information**

Gearbox Records Ltd is a private company, limited by shares, incorporated in England & Wales, registered number 08877667. The registered office is 8 Tileyard Road, London, N7 9AH.



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.