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MBF Trading Limited

**report and financial statements
for the year ended 31 December 2009**

Company number 3053538

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MBF Trading Limited
Year ended 31 December 2009

Report and financial statements

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Directors' report

The directors present their annual report together with the audited financial statements for the year ended 31 December 2009

Results and dividends

A profit of £ 19,841 (2008 £6,372) was made during the year, before payment under a deed of covenant. A summary of the results of the year's trading is given on page 5 of the financial statements.

Review of the business and future developments

The principal activity of the company is the sale of charity Christmas cards

In 2009 the company marketed an original commission and sold over 186,210 cards altogether (2008 184,000 cards). The marketing strategy included a decision to outsource overprinted card sales to a third party, which paid back a VATable royalty of 50 pence per card. Total sales amounted to £ 84,021 (2008 £78,200), but total costs were less than the previous year, resulting in an improvement in net profit.

The amount received in donations to the Musicians Benevolent Fund, accompanying card orders, came to £ 12,767 (2008 £8,158).

The directors are confident about the future prospects of the company.

Directors

The directors of the company during the year, and since the year end, and their shareholdings were -

	£1 ordinary shares	
	2009	2008
William Parker	-	-
Martin Ensom	1	1

Statement of directors' responsibilities

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 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 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.

Statement of directors' responsibilities

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 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.

Auditors

A resolution reappointing Haysmacintyre will be proposed at the AGM in accordance with the Companies Act 2006.

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

By order of the board

A handwritten signature in black ink, consisting of a stylized 'M' followed by a series of loops and a final horizontal stroke.

**Martin Ensom
Company Secretary**

Independent auditors' report to the members

of MBF Trading Limited

We have audited the financial statements of MBF Trading Limited for the year ended 31 December 2009 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. 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 Section 495 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.

Respective responsibilities of directors and auditors

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. 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 Practices Board's Ethical Standards for Auditors.

Scope of the audit of the 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 profit 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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, or
- we have not received all the information and explanations we require for our audit



Bernie Watson (Senior Statutory Auditor)
for and on behalf of haysmacintyre, Statutory Auditor

3 June 2010

Fairfax House
15 Fulwood Place
London
WC1V 6AY

MBF Trading Limited
Profit and loss account

Year ended 31 December 2009

	Note	2009 £	2008 £
Turnover	1(b)	84,021	78,200
Cost of sales	2	(51,891)	(50,807)
Gross profit		<u>32,130</u>	<u>27,393</u>
Other income	-	22	302
Marketing and Administrative expenses	3	(12,311)	(21,323)
Profit before tax and deed of covenant		<u>19,841</u>	<u>6,372</u>
Paid under deed of covenant		(19,704)	(6,372)
Result for the year		<u>137</u>	<u>-</u>
Profit and loss account brought forward		(137)	(137)
Profit and loss account carried forward		<u>-</u>	<u>(137)</u>

- All transactions are derived from continuing operations
- All recognised gains and losses are included in the profit and loss account

MBF Trading Limited
Balance sheet

Company number: 3053538

As at 31 December 2009

	Notes	2009 £	2008 £
Current assets			
Stock	4	4,233	7,298
Debtors	5	16,799	11,492
Cash at bank and in hand		84,751	50,276
		<u>105,783</u>	<u>69,066</u>
Creditors: amounts falling due within one year	6	(80,783)	(44,203)
Net current assets		<u>25,000</u>	<u>24,863</u>
Net assets		<u>25,000</u>	<u>24,863</u>
Capital and reserves			
Called up share capital	7	25,000	25,000
Profit and loss account		-	(137)
Equity shareholders' funds		<u>25,000</u>	<u>24,863</u>

These financial statements have been prepared in accordance with the special provisions for small companies under the Companies Act 2006

The financial statements were approved and authorised for issue by the Board of Directors on 13th May 2010 and were signed below on its behalf by



William Parker
 Director

MBF Trading Limited
Notes to the financial statements

Year ended 31 December 2009

1. Accounting policies

(a) Accounting basis

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

(b) Turnover

Turnover represents amounts invoiced by the company in respect of goods sold during the year

(c) Stock

Stocks are stated at the lower of cost and net realisable value.

2. Cost of sales	2009	2008
	£	£
Cost of cards	31,460	28,403
Service charges and commissions	11,174	10,816
Postage	9,257	11,048
Overprinting	-	540
	<u>51,891</u>	<u>50,807</u>
3. Marketing and administration expenses		
Marketing, accounting and general administration including auditors' remuneration of £332 (2008 £338)	<u>12,311</u>	<u>21,323</u>
4. Stock		
Christmas Cards	<u>4,233</u>	<u>7,298</u>
5. Debtors	2009	2008
	£	£
Trade debtors	<u>16,799</u>	<u>11,492</u>

6. Creditors: amounts falling due within one year	2009	2008
	£	£
Trade creditors	11,339	2,818
Accruals	3,543	338
VAT	1,413	71
Due to parent undertaking	63,392	40,976
Due To Music Education Fund	1,096	-
	<u>80,783</u>	<u>44,203</u>

Under an agreement with the parent undertaking, the company must pay interest at a rate of 1% per annum above interbank lending rate on all charges not paid within one month of invoice date

7. Called up share capital

Authorised		
25,000 ordinary shares of £1 each	£25,000	£25,000
	<u> </u>	<u> </u>
Allotted, issued and fully paid		
25,000 ordinary shares of £1 each	£25,000	£25,000
	<u> </u>	<u> </u>

8. Ultimate controlling undertaking

The Company is a wholly owned subsidiary of Musicians Benevolent Fund, a company limited by guarantee registered in England and a registered charity No 228089. Copies of the consolidated accounts of Musicians Benevolent Fund are available from Companies House

9. Related party transactions

The company has taken advantage of the exemptions conferred by Financial Reporting Standard No 8 from the requirement to make disclosures concerning intra group transactions with the parent undertaking and fellow subsidiary undertakings because consolidated financial statements are publicly available