

# **MSFC LIMITED**

Registered number: 3287591

## **Directors' report and financial statements**

**Year ended 31 July 2008**

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**MSFC LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**  
31 July 2008

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**MSFC LIMITED**  
**COMPANY INFORMATION**  
31 July 2008

<b>Full name of company:</b>	MSFC Limited
<b>Company registration number:</b>	3287591
<b>Directors:</b>	Eric Nicoli CBE John Deacon CBE Janie Orr
<b>Secretary:</b>	Mawlaw Secretaries Limited
<b>Registered office:</b>	27 Wrights Lane London W8 5SW
<b>Bankers:</b>	Barclays Bank plc Hammersmith London W6 9HY
<b>Auditors:</b>	KPMG LLP 8 Salisbury Square London EC4Y 8BB

**MSFC LIMITED**  
**DIRECTORS' ANNUAL REPORT**  
31 July 2008

The directors present their annual report and financial statements of MSFC Limited for the year ended 31 July 2008.

**State of affairs of the company**

In the year to 31 July 2008, MSFC Limited made a profit of £74 (2007: profit £1,393.)

**Principal activity**

The company is the wholly owned subsidiary of EMI Music Sound Foundation and as such operates in support of the Charity by fundraising and undertaking trading activities which are outside the Charity's objects. MSFC Limited has entered into a deed of covenant whereby it covenants its taxable profits to EMI Music Sound Foundation.

**Future developments**

It is intended that the company should continue to be available to complement the work of EMI Music Sound Foundation.

**Proposed dividend**

No dividends were paid in the year (2007: nil). The directors do not recommend the payment of a final dividend (2007: nil).

**Directors**

The directors who held office during the year were:

Eric Nicoli CBE  
John Deacon CBE  
Janie Orr

**Disclosure of Information to Auditors**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

**Auditors**

In accordance with section 384 of the Companies Act 1985 a resolution for the re-appointment of KPMG LLP as auditors is to be proposed at the next Annual General Meeting.

Approved by the Directors on 28/5/09

and signed by



Director

**MSFC LIMITED**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT  
AND THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2008**

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss 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 estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



## KPMG LLP

8 Salisbury Square  
London  
EC4Y 8BB  
United Kingdom

### **Independent auditors' report to the members of MSFC Limited**

We have audited the financial statements of MSFC Limited for the year ended ended 31 July 2008 which comprises the Profit and Loss Account, the Balance Sheet, and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 3.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

#### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

## **Independent auditors' report to the members of MSFC Ltd (*continued*)**

### **Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 July 2008 and of its result for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

*KPMG LLP*

**KPMG LLP**  
*Chartered Accountants*  
*Registered Auditor*

*29 May* 2009

**MSFC LIMITED**

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 JULY 2008**

	<i>Notes</i>	<b>31 July 2008 £</b>	<b>31 July 2007 £</b>
Turnover		-	9,424
Cost of sales		-	(8,330)
<b>GROSS PROFIT</b>		<b>-</b>	<b>1,094</b>
Administrative expenses	4, 5	(29)	-
<b>OPERATING (LOSS) / PROFIT</b>		<b>(29)</b>	<b>1,094</b>
Finance income	3	103	99
Covenant payment to parent charity		(74)	(1,193)
<b>PROFIT ON ORDINARY ACTIVITIES</b>		<b>-</b>	<b>-</b>
<b>RETAINED PROFIT FOR THE YEAR</b>		<b>-</b>	<b>-</b>

The company had no recognised gains or losses other than those included in the profit and loss account and therefore no separate statement of total recognised gains or losses has been prepared.

There is no difference between the result on ordinary activities before taxation and the result for the financial year stated above, and their historical cost equivalents.

The results in the above profit and loss account relate entirely to continuing operations.



**MSFC LIMITED**

**BALANCE SHEET**

at 31 July 2008

	<i>Notes</i>	31 July 2008 £	31 July 2007 £
<b>CURRENT ASSETS</b>			
Debtors		16	907
Short term deposits		4,805	4,721
Cash		4,117	4,062
		<u>8,938</u>	<u>8,783</u>
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>			
	7	<u>(8,938)</u>	<u>(9,689)</u>
		(8,938)	(9,689)
<b>NET ASSETS</b>			
		<u>1</u>	<u>1</u>
<b>SHAREHOLDERS' FUNDS</b>			
Share capital	9	1	1
Profit and loss account		-	-
<b>TOTAL SHAREHOLDERS' FUNDS</b>			
	8	<u>1</u>	<u>1</u>

Approved by the directors on

29/5/09

and signed by

Director

*John Dawson*

**MSFC LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**at 31 July 2008**

**1. Accounting policies**

**Basis of preparation**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements:

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

Under FRS 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that its parent undertaking includes the company in its own published consolidated financial statements.

As the company is a wholly owned subsidiary of EMI Music Sound Foundation Limited, the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities that form part of the group. The consolidated financial statements of EMI Music Sound Foundation Limited, within which this company is included, can be obtained from the address 27 Wrights Lane, London, W8 5SW.

**Turnover**

Turnover represents the invoiced value of goods and services supplied by the company. Turnover excludes value added tax.

**2. Taxation**

The company is a wholly owned subsidiary of the EMI Music Sound Foundation (charity registration number 5062390) and has entered into a deed of covenant whereby it covenants its taxable profits to the EMI Music Sound Foundation.

**3. Finance income**

	<b>31 July 2008</b>	<b>31 July 2007</b>
	<b>£</b>	<b>£</b>
Bank interest received	<b>103</b>	99

**4. Auditors' remuneration**

	<b>31 July 2008</b>	<b>31 July 2007</b>
	<b>£</b>	<b>£</b>
Auditors' remuneration	-	-

The auditors' remuneration for 2008 of £nil has been borne by the parent company (2007: £nil borne by the company).

**5. Directors' remuneration**

The Directors were not remunerated (2007: £nil).

**MSFC LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**at 31 July 2008**  
**MSFC LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**at 31 July 2008**

**6. Share Capital**

	Authorised		Alloted, called up and fully paid	
	2008 No.	2007 No.	2008 £	2007 £
Ordinary shares of £1 each	1,000	1,000	1	1

**7. Creditors: amounts falling due within one year**

	31 July 2008 £	31 July 2007 £
Amounts owed to parent undertaking	8,938	9,689

**8. Reconciliation of movement in shareholders' funds**

	Share capital £	Profit and loss account £	Total funds £
Opening and closing shareholders' funds:	1	-	1