

Registered number
3385395

Red Girl Productions Ltd

Report and Accounts

31 August 2007



Red Girl Productions Ltd

Directors' Report

The directors present their report and accounts for the year ended 31 August 2007

Principal activities

The company's principal activity during the year continued to be the exploitation of the talents of the recording artist and entertainer Melanie Chisholm

Directors

The directors who served during the year and their interests in the share capital of the company were as follows

	£1 Ordinary shares	
	31 Aug 2007	1 Sep 2006
M J Chisholm	2	2
A J Thompson	-	-
N Phillips	-	-

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the company's state of affairs at the end of the period and of the profit or loss for that period. In preparing those financial statements, the directors are required to -

- select suitable accounting policies and then apply them consistently

- make judgements and estimates that are reasonable and prudent

- follow applicable accounting standards, 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

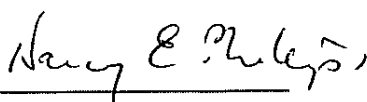
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. The directors are also responsible for safeguarding the assets of the company and for this reason taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm that the financial statements comply with these requirements.

Small company special provisions

The report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the board on 15 November 2008



N Phillips
Director

Red Girl Productions Ltd
Profit and Loss Account
for the year ended 31 August 2007

	Notes	2007 £	2006 £
Turnover	2	356,972	238,049
Cost of sales		(157,500)	(133,384)
Gross profit		199,472	104,665
Administrative expenses		(122,201)	(121,335)
Operating profit/(loss)	3	77,271	(16,670)
Interest receivable		14,947	21,037
Profit on ordinary activities before taxation		92,218	4,367
Tax on profit on ordinary activities	4	(22,092)	(2,732)
Profit for the financial year		70,126	1,635
Retained profit for the financial year	10	<u>70,126</u>	<u>1,635</u>

Red Girl Productions Ltd
Balance Sheet
as at 31 August 2007

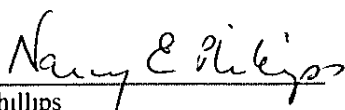
	Notes	2007 £	2006 £
Fixed assets			
Tangible assets	5	1,957	2,937
Investments	6	82	82
		2,039	3,019
Current assets			
Debtors	7	898,204	809,837
Cash at bank and in hand		44,071	45,658
		942,275	855,495
Creditors amounts falling due within one year	8	(224,808)	(209,132)
Net current assets		717,467	646,363
Net assets		719,506	649,382
Capital and reserves			
Called up share capital	9	2	2
Profit and loss account	10	719,504	649,380
Shareholders' funds		719,506	649,382

The directors are satisfied that the company is entitled to exemption under Section 249A(1) of the Companies Act 1985 and that no member or members have requested an audit pursuant to section 249B(2) of the Act

The directors acknowledge their responsibilities for

- ensuring that the company keeps proper accounting records which comply with Section 221 of the Companies Act 1985 and
- preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226 of the Companies Act 1985 and which otherwise comply with the requirements of this Act relating to accounts so far as applicable to the company

The accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985 and the Financial Reporting Standard for Smaller Entities (effective January 2007)


N Phillips

Director

Approved by the board on 15 November 2008


M J Chisholm

Director

Red Girl Productions Ltd
Notes to the Accounts
for the year ended 31 August 2007

1 Accounting policies

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007)

Turnover

Turnover represents the invoiced value of goods and services supplied by the company net of value added tax and trade discounts

Royalties

Royalties receivable from sub-licensees are recognised in respect of each of their royalty accounting periods ending within the company's financial year

Advances

Non-returnable advances received from record companies, licensees and sub-licensees are taken to income when contractually due. Returnable advances received from licensees are carried forward until they are recouped or returned

Depreciation

Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives

Musical and office equipment	25% straight line
Home studio	25% straight line

Deferred taxation

Full provision is made for deferred taxation resulting from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes. Deferred taxation is calculated on an un-discounted basis at the tax rates which are expected to apply in the periods when the timing differences will reverse

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account

Fixed asset investment

Investments held as fixed assets are stated at cost less provision for impairment

Group Accounts

The company is exempt from the requirement to prepare group accounts as it qualifies as the parent company of a small sized group under section 248 of the Companies Act 1985. Accordingly, these financial statements represent information about the individual company and not about its group

Red Girl Productions Ltd
Notes to the Accounts
for the year ended 31 August 2007

2 Turnover	2007	2006
Turnover attributable to geographical markets outside the UK	4.6%	14.0%

3 Operating profit/Loss	2007	2006
	£	£
This is stated after charging		
Depreciation of owned fixed assets	<u>979</u>	<u>3,265</u>

4 Taxation	2007	2006
	£	£
UK Corporation Tax	22,092	2,732
	<u>22,092</u>	<u>2,732</u>

A deferred tax asset has not been recognised in respect of timing differences relating to capital allowances and revenue losses as there is insufficient evidence that the asset will be recovered. The amount of the asset not recognised is £7,955 (2006 - £10,509). The asset would be recovered if taxable profits arise such that the company may use these assets to shelter it.

5 Tangible fixed assets

	Land and buildings £	Plant and machinery etc £	Total £
Cost			
At 1 September 2006	<u>63,663</u>	<u>74,659</u>	<u>138,322</u>
At 31 August 2007	<u>63,663</u>	<u>74,659</u>	<u>138,322</u>
Depreciation			
At 1 September 2006	63,663	71,723	135,386
Charge for the year	-	979	979
At 31 August 2007	<u>63,663</u>	<u>72,702</u>	<u>136,365</u>
Net book value			
At 31 August 2007	<u>-</u>	<u>1,957</u>	<u>1,957</u>
At 31 August 2006	<u>-</u>	<u>2,936</u>	<u>2,936</u>

Red Girl Productions Ltd
Notes to the Accounts
for the year ended 31 August 2007

6 Investments

	Investments in subsidiary undertakings £
Cost	
At 1 September 2006	82
At 31 August 2007	<u>82</u>

7 Debtors

	2007 £	2006 £
Trade debtors	5,920	4,960
Amounts owed by group undertakings	806,514	742,142
Other debtors	85,770	<u>62,735</u>
	<u>898,204</u>	<u>809,837</u>

The amounts owed by subsidiary undertakings are not expected to be due within one year. All other debtors are due within one year.

8 Creditors: amounts falling due within one year

	2007 £	2006 £
Trade creditors	14,698	6,605
Corporation tax	386	386
Other taxes and social security costs	6,450	3,287
Accruals & deferred income	44,139	54,772
Director's current account	<u>159,135</u>	<u>144,082</u>
	<u>224,808</u>	<u>209,132</u>

9 Share capital

	2007 £	2006 £
Authorised		
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

	2007 No	2006 No	2007 £	2006 £
Allotted, called up and fully paid				
Ordinary shares of £1 each	2	2	<u>2</u>	<u>2</u>

Red Girl Productions Ltd
Notes to the Accounts
for the year ended 31 August 2007

10 Profit and loss account	2007	2006
	£	£
At 1 September	649,378	647,745
Retained profit	70,126	1,635
At 31 August	<u>719,504</u>	<u>649,380</u>

11 Related parties

During the year there was a fee payable of £15,000 (2006-£15,000) to Spice Girls Ltd in respect of administration fees. As at 31 8 07 the company owed £5,084 owed to Spice Girls Ltd. Ms M Chisholm is a director and Shareholder of Spice Girls Ltd.

During the year the company lent its subsidiary company, Red Girl Records Ltd £317,265 (2006-£109,188). This loan is interest free and with no fixed repayment date. At 31 August 2007 £1,051,880 (2006 £734,615) was due from Red Girl Records Ltd.

At the year end the company is owed £98,337 (2006-£351,229) by its subsidiary company, Red Girl Touring Ltd. This loan has no fixed repayment date.

N Phillips, a director of the company, is also a director and controlling shareholder of 45 Management Ltd. This company provides management services to Red Girl Productions Ltd and its subsidiary companies. During the year management commission and fees of £46,178 (2006-£32,494) were charged for these services. As at 31 8 07 the company owed £13,936 to 45 Management Ltd. As at 31 8 07 the company was owed £355 by 45 Management Ltd.

	2007	2006
	£	£
Amounts owed by subsidiary undertakings include:		
Red Girl Records Ltd	1,051,880	734,615
Red Girl Touring Ltd	98,337	351,229
Less provision	(343,702)	(343,703)
	<u>806,515</u>	<u>742,141</u>

12 Controlling party

Red Girl Productions Ltd is controlled by Ms M Chisholm.

Red Girl Productions Ltd
Profit and Loss Account
for the year ended 31 August 2007
for the information of the directors only

	2007	2006
	£	£
Sales	356,972	238,049
Cost of sales	(157,500)	(133,384)
Gross profit	199,472	104,665
Administrative expenses	(122,201)	(121,335)
Operating profit/(loss)	77,271	(16,670)
Interest receivable	14,947	21,037
Profit before tax	<u>92,218</u>	<u>4,367</u>

Red Girl Productions Ltd
Schedule to the Profit and Loss Account
for the year ended 31 August 2007
for the information of the directors only

	2007	2006
	£	£
Sales		
Royalties & fees receivable	<u>356,972</u>	<u>238,049</u>
Cost of sales		
45 Management commission	46,178	32,494
Management commission	7,129	3,683
Agency commission	3,871	5,490
Photography	232	550
Video costs	-	970
Video duplication	6,914	-
Hair/makeup/etc	5,516	1,401
Stage clothes	17,660	16,504
Promotion	70,000	70,000
Tour accommodation	-	2,292
	<u>157,500</u>	<u>133,384</u>
Administrative expenses		
Employee costs		
Wages and salaries	37,794	37,000
Employer's NI	4,215	4,102
Travel and subsistence	22,669	17,171
Entertaining	1,571	1,294
	<u>66,249</u>	<u>59,567</u>
General administrative expenses		
Telephone and fax	7,866	13,946
Postage	3,101	1,163
Stationery and printing	1,818	74
Subscriptions	340	325
Bank charges	236	163
Insurance	1,233	899
Repairs and maintenance	597	351
Depreciation	979	3,265
CDs & DVDs	397	-
Computer expenses	-	196
Vocal coaching	1,050	1,550
Penalties	200	100
Administration	15,000	15,000
Withholding tax	1,351	-
Sundry expenses	172	642
	<u>34,340</u>	<u>37,674</u>

Red Girl Productions Ltd
Schedule to the Profit and Loss Account
for the year ended 31 August 2007
for the information of the directors only

	2007	2006
	£	£
Legal and professional costs		
Accountancy fees	20,654	24,094
Legal fees	958	-
	<u>21,612</u>	<u>24,094</u>
	<u>122,201</u>	<u>121,335</u>