

REGISTERED NUMBER: 03643252 (England and Wales)

Financial Statements for the Year Ended 31 December 2016

for

Defected Records Limited

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for the Year Ended 31 December 2016

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Defected Records Limited

Company Information
for the Year Ended 31 December 2016

DIRECTOR: S Dunmore

SECRETARY: Northfield Co Sec Limited

REGISTERED OFFICE: Third Floor
23 Curtain Road
London
London
EC2A 3LT

REGISTERED NUMBER: 03643252 (England and Wales)

ACCOUNTANTS: Mansfield & Co Chartered Accountants
55 Kentish Town Road
Camden Town
London
NW1 8NX

Balance Sheet
31 December 2016

	Notes	31.12.16 £	£	31.12.15 £	£
FIXED ASSETS					
Tangible assets	4		40,050		39,250
CURRENT ASSETS					
Stocks		34,136		25,714	
Debtors	5	846,444		1,167,663	
Prepayments and accrued income		261,177		309,794	
Cash at bank and in hand		292,888		246,967	
		<u>1,434,645</u>		<u>1,750,138</u>	
CREDITORS					
Amounts falling due within one year	6	<u>1,632,420</u>		<u>2,189,935</u>	
NET CURRENT LIABILITIES			<u>(197,775)</u>		<u>(439,797)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(157,725)</u>		<u>(400,547)</u>
CAPITAL AND RESERVES					
Called up share capital			100		100
Retained earnings			<u>(157,825)</u>		<u>(400,647)</u>
SHAREHOLDERS' FUNDS			<u>(157,725)</u>		<u>(400,547)</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2016.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2016 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the director on 29 September 2017 and were signed by:

S Dunmore - Director

Notes to the Financial Statements
for the Year Ended 31 December 2016

1. **STATUTORY INFORMATION**

Defected Records Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 23.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2016

4. **TANGIBLE FIXED ASSETS**

	Plant and machinery etc £
COST	
At 1 January 2016	218,857
Additions	9,175
Disposals	(112,490)
At 31 December 2016	<u>115,542</u>
DEPRECIATION	
At 1 January 2016	179,607
Charge for year	8,375
Eliminated on disposal	(112,490)
At 31 December 2016	<u>75,492</u>
NET BOOK VALUE	
At 31 December 2016	<u>40,050</u>
At 31 December 2015	<u>39,250</u>

5. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.16 £	31.12.15 £
Trade debtors	180,398	125,121
Other debtors	<u>666,046</u>	<u>1,042,542</u>
	<u>846,444</u>	<u>1,167,663</u>

6. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.16 £	31.12.15 £
Trade creditors	185,968	230,470
Taxation and social security	219,622	182,509
Other creditors	<u>1,226,830</u>	<u>1,776,956</u>
	<u>1,632,420</u>	<u>2,189,935</u>

7. **DIRECTOR'S ADVANCES, CREDITS AND GUARANTEES**

During the year Mr Dunmore, the director of the company was paid, in addition to his salary from the company. fees on a self employed basis in respect of services as a record producer to the company in the amount of £9,000 (2015 : £0).

8. RELATED PARTY DISCLOSURES

At the end of the year S Dunmore, a director of Defected Records Limited owned 100% (2015 : 100%) of the issued ordinary share capital of the company. He has the following interests:

Defected Music Limited

S Dunmore is also a director of Defected Music Limited and owned 100% (2015 : 100%) of the issued ordinary share capital of the company at 31 December 2016.

During the year Defected Records Limited recharged Defected Music Limited £8,305 in respect of central overhead (2015 : £116,604) and £30,000 (2015 : £0) in respect of brand usage.

As at 31 December 2016 the amount due from Defected Music Limited to Limited Defected Records Limited was £33,016 (2015 : creditor of £100,637).

ITH Limited

S Dunmore is also a director of ITH Ltd and owned 100% of the issued ordinary share capital of the company at 31 December 2016 (2015 : 100%)

During the year Defected Records Limited recharged a share of salaries and overheads in the amount of £78,089 (2015 : £73,926) to ITH Limited.

As at 31 December 2016 the amount due from ITH Ltd to Defected Records Limited was £565,750 (2015 : £866,178).

Colluded Management Limited

S Dunmore is also a director of Colluded Management Limited and owned 40% of the issued ordinary share capital of the company at 31 December 2016 (2015 : 40%).

During the year Defected Records received income on behalf of Colluded Management Limited in the amount of £65,192 (2015 : £151,629).

During the year Defected Records paid direct costs for Colluded Management Limited in the amount of £1,712 (2015 : £91,400) in respect of overheads.

During the year Defected Records recharged Colluded Management Limited the amount of £0 (2015 : £63,872) in respect of overheads and £14,000 (2015 :£19,630) in respect of profit share..

As at 31 December 2016 the amount due from Colluded Management Limited to Defected Records Limited was £20,625 (2015 : £23,268)

Mrs Y Dunmore

During the year Mrs Y Dunmore, the director's wife received consultancy fees for public relations services from the company in the amount of £36,000 (2015 : £36,000.)

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.