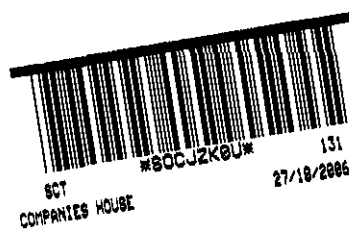


Registration number 04034449

Hot Wax Records Limited

Abbreviated accounts

for the year ended 30 September 2005



# Hot Wax Records Limited

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# Hot Wax Records Limited

## Abbreviated balance sheet as at 30 September 2005

		2005		2004	
	Notes	£	£	£	£
<b>Current assets</b>					
Stocks		55,000		80,000	
Debtors		-		788	
		<u>55,000</u>		<u>80,788</u>	
<b>Creditors: amounts falling due within one year</b>	2	<u>(72,637)</u>		<u>(107,967)</u>	
<b>Net current liabilities</b>			<u>(17,637)</u>		<u>(27,179)</u>
<b>Total assets less current liabilities</b>			<u>(17,637)</u>		<u>(27,179)</u>
<b>Creditors: amounts falling due after more than one year</b>	3		<u>(115,796)</u>		<u>(131,568)</u>
<b>Deficiency of assets</b>			<u>(133,433)</u>		<u>(158,747)</u>
<b>Capital and reserves</b>					
Called up share capital	4		800		800
Profit and loss account			<u>(134,233)</u>		<u>(159,547)</u>
<b>Shareholders' funds</b>			<u>(133,433)</u>		<u>(158,747)</u>

The directors' statements required by Section 249B(4) are shown on the following page which forms part of this Balance Sheet.

The notes on pages 3 to 4 form an integral part of these financial statements.

**Hot Wax Records Limited**

**Abbreviated balance sheet (continued)**

**Directors' statements required by Section 249B(4)  
for the year ended 30 September 2005**

In approving these abbreviated accounts as directors of the company we hereby confirm:

(a) that for the year stated above the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985 ;

(b) that no notice has been deposited at the registered office of the company pursuant to Section 249B(2) requesting that an audit be conducted for the year ended 30 September 2005 and

(c) that we acknowledge our responsibilities for:

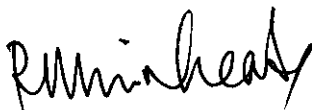
(1) ensuring that the company keeps accounting records which comply with Section 221, and

(2) preparing financial statements 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 year then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

These abbreviated accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies .

The abbreviated accounts were approved by the Board on 26 October 2006 and signed on its behalf by

**R Muirhead**  
Director



**The notes on pages 3 to 4 form an integral part of these financial statements.**

# Hot Wax Records Limited

## Notes to the abbreviated financial statements for the year ended 30 September 2005

### 1. Accounting policies

#### 1.1. Accounting convention

The accounts are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

#### 1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

#### 1.3. Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

#### 1.4. Stock

Stock is valued at the lower of cost and net realisable value.

#### 1.5. Going concern

The company had a deficiency of assets amounting to £128,432 at the balance sheet date. The company's operations are being financed through support from the company's bankers and the directors. From October 2003 until December 2005 the company directors were employed by River Records Limited, a subsidiary of Scottish Radio Holdings PLC, and the company entered into a profit sharing agreement with River Records Limited. Scottish Radio Holdings PLC was taken over by EMAP PLC in November 2005 and in April 2006 the one of the directors of Hot Wax Records Limited acquired the share capital and back catalogue of River Records Ltd from EMAP PLC. They are confident that the combined operation can trade profitably.

### 2. Creditors: amounts falling due within one year

2005	2004
£	£

Creditors include the following:

Secured creditors	<u>18,800</u>	<u>18,800</u>
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### 3. Creditors: amounts falling due after more than one year

2005	2004
£	£

Creditors include the following:

Secured creditors	<u>115,796</u>	<u>131,568</u>
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**Hot Wax Records Limited**

**Notes to the abbreviated financial statements  
for the year ended 30 September 2005**

..... continued

<b>4. Share capital</b>	<b>2005</b>	<b>2004</b>
	<b>£</b>	<b>£</b>
<b>Authorised</b>		
1,000 Ordinary shares of £1 each	1,000	1,000
	<u>          </u>	<u>          </u>
<b>Allotted, called up and fully paid</b>		
800 Ordinary shares of £1 each	800	800
	<u>          </u>	<u>          </u>
<b>5. Transactions with directors</b>		

During the year R Muirhead has advanced a net amount of £3,539 to the company.

**Hot Wax Records Limited**

**The following pages do not form part of the statutory accounts.**

# Hot Wax Records Limited

## Detailed trading profit and loss account and expenses schedule for the year ended 30 September 2005

	2005		2004	
	£	£	£	£
<b>Sales</b>				
Sales		70,464		12,813
		<u>70,464</u>		<u>12,813</u>
<b>Cost of sales</b>				
Opening stock	80,000		85,000	
Purchases	<u>1,779</u>		<u>-</u>	
	81,779		85,000	
Closing stock	<u>(55,000)</u>		<u>(80,000)</u>	
		(26,779)		(5,000)
<b>Gross profit</b>	62%	43,685	61%	7,813
<b>Distribution costs</b>				
Internet connection charge	-		1,220	
Carriage outwards	<u>-</u>		<u>1,442</u>	
		-		2,662
<b>Administrative expenses</b>				
Rent payable	-		2,333	
Rates	-		299	
Insurance	495		482	
Leasing of plant and machinery	-		1,185	
Telephone	-		280	
Travelling and subsistence	2,023		-	
Legal and professional	1,000		-	
Accountancy	800		1,000	
Bank charges	803		2,387	
Credit card charges	1,814		1,275	
General expenses	<u>73</u>		<u>121</u>	
		7,008		9,362
<b>Operating profit/(loss)</b>	52%	<u>36,677</u>	33%	<u>(4,211)</u>
<b>Other income and expenses</b>				
<b>Interest receivable</b>				
Bank deposit interest	<u>10</u>		<u>2</u>	
		10		2
<b>Interest payable</b>				
Bank interest	9,502		9,964	



**Hot Wax Records Limited**

**Detailed trading profit and loss account  
and expenses schedule  
for the year ended 30 September 2005**

	2005		2004	
	£	£	£	£
Interest on overdue tax	<u>1,871</u>		<u>450</u>	
		(11,373)		(10,414)
<b>Net profit/(loss) for the year</b>		<u><u>25,314</u></u>		<u><u>(14,623)</u></u>