

Company Registration No. 04112932 (England and Wales)

SOUR MASH RECORDS LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018
PAGES FOR FILING WITH REGISTRAR

SOUR MASH RECORDS LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2018**

Directors	A McKinlay M Russell N Gallagher
Secretary	A McKinlay
Company number	04112932
Registered office	88-90 Baker Street London W1U 6TQ
Accountants	Dales Evans and Co Limited Chartered Accountants 88-90 Baker Street London W1U 6TQ

SOUR MASH RECORDS LIMITED

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FOR THE YEAR ENDED 31 DECEMBER 2018**

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SOUR MASH RECORDS LIMITED

**ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED
STATUTORY FINANCIAL STATEMENTS OF SOUR MASH RECORDS LIMITED FOR THE YEAR ENDED 31
DECEMBER 2018**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Sour Mash Records Limited for the year ended 31 December 2018 which comprise, the Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of Sour Mash Records Limited, as a body, in accordance with the terms of our engagement letter dated 29 September 2014. Our work has been undertaken solely to prepare for your approval the financial statements of Sour Mash Records Limited and state those matters that we have agreed to state to the Board of Directors of Sour Mash Records Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Sour Mash Records Limited and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that Sour Mash Records Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Sour Mash Records Limited. You consider that Sour Mash Records Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Sour Mash Records Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

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Dales Evans & Co Limited
Chartered Accountants
88-90 Baker Street
London
W1U 6TQ

26 September 2019
Date

SOUR MASH RECORDS LIMITED**BALANCE SHEET
AS AT 31 DECEMBER 2018**

		2018		2017	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	3		251		332
Current assets					
Stocks		36,913		110,929	
Debtors		511,429		2,309,685	
Cash at bank and in hand		1,727,205		624,990	
		<u>2,275,547</u>		<u>3,045,604</u>	
Creditors: amounts falling due within one year		<u>(450,744)</u>		<u>(1,997,627)</u>	
Net current assets			1,824,803		1,047,977
Total assets less current liabilities			<u>1,825,054</u>		<u>1,048,309</u>
Capital and reserves					
Called up share capital	4		100,000		100,000
Profit and loss reserves			1,725,054		948,309
Total equity			<u>1,825,054</u>		<u>1,048,309</u>

In accordance with section 444 of the Companies Act 2006 all of the members of the company have consented to the preparation of abridged financial statements pursuant to paragraph 1A of Schedule 1 to the Small Companies and Groups (Accounts and Directors' Report) Regulations (S.I. 2008/409)(b).

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 December 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 25 September 2019 and are signed on its behalf by:

A McKinlay
Director

Company Registration No. 04112932

SOUR MASH RECORDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1 Accounting policies

Company information

Sour Mash Records Limited is a private company limited by shares incorporated in England and Wales. The registered office is 88-90 Baker Street, London, W1U 6TQ.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest Pound Sterling.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Turnover

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided net of discounts, returns and VAT.

Revenue from the sale of goods is recognised when the risks and rewards of ownership have passed to the customer.

Royalties are recognised on receipt or as rights are utilised on an accruals basis where sufficient reliable information is available.

Income from services is recognised when it is performed and entitlement has arisen under the terms of the contract.

1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their estimated residual values over their useful lives on the following bases:

Plant and machinery	20% per annum on cost
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1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.5 Stocks

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

SOUR MASH RECORDS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

1 Accounting policies

(Continued)

1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

SOUR MASH RECORDS LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018****1 Accounting policies****(Continued)*****Deferred tax***

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 0 (2017 - 0).

3 Tangible fixed assets

	Total £
Cost	
At 1 January 2018 and 31 December 2018	4,164
Depreciation and impairment	
At 1 January 2018	3,832
Depreciation charged in the year	81
At 31 December 2018	3,913
Carrying amount	
At 31 December 2018	251
At 31 December 2017	332

4 Called up share capital

	2018 £	2017 £
Ordinary share capital		
Issued and fully paid		
80,000 Ordinary A shares of £1 each	80,000	80,000
20,000 Ordinary B shares of £1 each	20,000	20,000
	<u>100,000</u>	<u>100,000</u>

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.