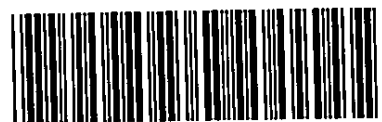


Financial Statements Development Hell Limited

For the year ended 31 December 2012



A37 *A2FCZSDV* #135
23/08/2013
COMPANIES HOUSE

Registered number: 4333049

Development Hell Limited

Company Information

Directors	D Hepworth I M Brown J W Perkins P Strong S Gulliford
Company secretary	D Joseph
Registered number	4333049
Registered office	90-92 Pentonville Road London N1 9HS
Auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Colmore Plaza 20 Colmore Circus Birmingham B4 6AT

Contents

	Page
Directors' report	1 - 2
Independent auditor's report	3 - 4
Profit and loss account	5
Balance sheet	6
Cash flow statement	7
Notes to the financial statements	8 - 15

Directors' report

For the year ended 31 December 2012

The directors present their report and the financial statements for the year ended 31 December 2012

Principal activities

The principal activity of the business is in marketing and packaging content in the dance sector through print, digital media, and through events

Directors

The directors who served during the year were

D Hepworth
I M Brown
J W Perkins
P Strong
S Gulliford

Directors' responsibilities statement

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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company 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,
- 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Provision of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information.

Development Hell Limited

Directors' report


For the year ended 31 December 2012

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006

This report was approved by the board and signed on its behalf

A handwritten signature in black ink, appearing to be 'J W Perkins', with a horizontal line extending to the left.

J W Perkins
Director

Date 17/06/2013

Independent auditor's report to the members of Development Hell Limited

We have audited the financial statements of Development Hell Limited for the year ended 31 December 2012, which comprise the Profit and loss account, the Balance sheet, the Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Auditing Practices Board's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.



Independent auditor's report to the members of Development Hell Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' report

Grant Thornton UK LLP -

Rebecca Eagle (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Chartered Accountants
Statutory Auditor
Birmingham

Date *27 June 2013.*

Profit and loss account

For the year ended 31 December 2012

	Note	2012 £	2011 £
Turnover	2	2,029,664	2,381,670
Cost of sales		<u>(1,595,120)</u>	<u>(1,804,744)</u>
Gross profit		434,544	576,926
Distribution costs		(137,949)	(170,761)
Administrative expenses		<u>(463,090)</u>	<u>(1,099,384)</u>
Operating loss	3	(166,495)	(693,219)
Interest payable and similar charges	5	<u>(15,300)</u>	<u>(15,300)</u>
Loss on ordinary activities before taxation		(181,795)	(708,519)
Tax on loss on ordinary activities		<u>-</u>	<u>-</u>
Loss for the financial year	14	<u>(181,795)</u>	<u>(708,519)</u>

The notes on pages 8 to 15 form part of these financial statements

Balance sheet

As at 31 December 2012

	Note	£	2012 £	£	2011 £
Fixed assets					
Intangible assets	6		464,770		500,243
Tangible assets	7		23,744		35,215
Investments	8		50		-
			<u>488,564</u>		<u>535,458</u>
Current assets					
Stocks	9	21,524		20,568	
Debtors	10	177,476		304,092	
Cash at bank		18,040		130,852	
			<u>217,040</u>	<u>455,512</u>	
Creditors: amounts falling due within one year	11	(612,987)		(716,558)	
Net current liabilities			<u>(395,947)</u>		<u>(261,046)</u>
Total assets less current liabilities			<u>92,617</u>		<u>274,412</u>
Creditors: amounts falling due after more than one year	12		<u>(170,003)</u>		<u>(170,003)</u>
Net (liabilities)/assets			<u><u>(77,386)</u></u>		<u><u>104,409</u></u>
Capital and reserves					
Called up share capital	13		3,519		3,519
Share premium account	14		2,744,513		2,744,513
Profit and loss account	14		<u>(2,825,418)</u>		<u>(2,643,623)</u>
Equity shareholders' (deficit)/funds	15		<u><u>(77,386)</u></u>		<u><u>104,409</u></u>

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved and authorised for issue by the board and were signed on its behalf by



J W Perkins

Director

Date 17/06/2013.

The notes on pages 8 to 15 form part of these financial statements

Cash flow statement

For the year ended 31 December 2012

	2012	2011
	£	£
Cash generated / (used) from operations		
Operating loss	(166,495)	(693,219)
Depreciation of tangible fixed assets	14,204	21,201
Amortisation of intangible fixed assets	35,473	107,650
Increase in stocks	(956)	(4,803)
Decrease in trade debtors	37,064	72,127
Decrease in other debtors	89,552	12,957
Increase in trade creditors	22,385	17,445
Decrease in other creditors	(141,256)	(37,749)
Impairment of intangible fixed assets	-	527,000
	(110,029)	22,609
Application of cash		
Purchase of tangible fixed assets	(2,733)	(37,108)
Purchase of fixed asset investments	(50)	-
	(2,783)	(37,108)
Net decrease in cash	(112,812)	(14,499)
Cash at bank and in hand less overdrafts at beginning of the year	130,852	145,351
Cash at bank and in hand less overdrafts at end of the year	18,040	130,852
Consisting of		
Cash at bank and in hand	18,040	130,852
	18,040	130,852

The notes on pages 8 to 15 form part of these financial statements

Notes to the financial statements

For the year ended 31 December 2012

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

1.2 Going concern

The financial statements have been prepared on a going concern basis. The company recorded a loss of £181,795 for the period (2011 - £708,519) and had net current liabilities of £395,947 and net liabilities of £77,386 at the balance sheet date.

The directors have prepared cash flow forecasts and considered the cash flow requirement for the company for a period including twelve months from the date of the approval of these financial statements. These forecasts show that based on the cash reserves of the company, as at the date of these financial statements, and the cash expected to be generated from the company's operations that the company has sufficient resources available in order to continue trading for a period of at least 12 months from the date of these accounts. Based on these forecasts the directors are confident that the company has sufficient flexibility of resources to enable it to pay its debts as they fall due.

As a result of the above, the directors consider it appropriate to prepare the financial statements on a going concern basis.

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

Revenue from services provided by the company is recognised when the company has performed its obligations and in exchange obtained the right to consideration.

1.4 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. Acquired goodwill is written off in equal annual instalments over its estimated useful economic life up to a maximum of 20 years. The carrying values of intangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures & fittings	-	33% per annum
Computer equipment	-	33% per annum
Website costs	-	25% per annum

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Notes to the financial statements

For the year ended 31 December 2012

1. Accounting policies (continued)

1.6 Investments

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

1.7 Foreign currency transactions

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange gains and losses are recognised in the Profit and loss account.

1.8 Pensions

The company operates a defined contribution pension scheme. The assets of the Scheme are invested and managed independently of the finances of the company. The pension cost charge represents contributions payable in the year.

1.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost is determined on a weighted average basis.

1.10 Deferred taxation

Deferred tax is recognised on all timing differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance date.

1.11 Financial instruments

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 entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability. Dividends on preference share capital which is recognised as a financial liability are recognised as finance costs in the profit and loss account.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Notes to the financial statements

For the year ended 31 December 2012

2. Turnover

The turnover and loss before tax are attributable to the one principal activity of the company

During the year ended 31 December 2012, 5% (2011 7%) of the company's turnover was to markets outside the United Kingdom

3. Operating loss

The operating loss is stated after charging

	2012	2011
	£	£
Amortisation - intangible fixed assets	35,473	107,650
Depreciation of tangible fixed assets		
- owned by the company	14,204	21,201
Auditor's remuneration	10,400	10,000
Auditors' remuneration - non-audit	3,650	2,900
Pension costs	492	492
Impairment of intangible fixed assets	-	527,000

4. Directors' remuneration

Remuneration was paid in respect of the company's directors as follows

	2012	2011
	£	£
Emoluments	91,700	95,900

In 2012 there were no directors accruing benefits under defined contribution money purchase schemes (2011 nil)

5. Interest payable

	2012	2011
	£	£
Preference share dividend (note 12)	15,300	15,300

Notes to the financial statements

For the year ended 31 December 2012

6. Intangible fixed assets

	Goodwill £
Cost	
At 1 January 2012	1,554,837
Disposals	(199,384)
At 31 December 2012	1,355,453
Amortisation	
At 1 January 2012	1,054,594
Charge for the year	35,473
On disposals	(199,384)
At 31 December 2012	890,683
Net book value	
At 31 December 2012	464,770
At 31 December 2011	500,243

As a consequence of the challenging market conditions in which the business operates, the directors have performed an impairment review in accordance with FRS 11. It was concluded that no impairment was required to goodwill for the year (2011 £527,000)

7. Tangible fixed assets

	Computer equipment £	Fixtures & fittings £	Websites £	Total £
Cost				
At 1 January 2012	84,421	15,375	53,565	153,361
Additions	2,733	-	-	2,733
Disposals	(24,591)	-	-	(24,591)
At 31 December 2012	62,563	15,375	53,565	131,503
Depreciation				
At 1 January 2012	74,556	15,375	28,215	118,146
Charge for the year	6,812	-	7,392	14,204
On disposals	(24,591)	-	-	(24,591)
At 31 December 2012	56,777	15,375	35,607	107,759
Net book value				
At 31 December 2012	5,786	-	17,958	23,744
At 31 December 2011	9,865	-	25,350	35,215

Notes to the financial statements

For the year ended 31 December 2012

8. Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 1 January 2012	-
Additions	50
At 31 December 2012	50
Net book value	
At 31 December 2012	50
At 31 December 2011	-

During the year the company acquired 25% of the ordinary share capital of Love Socio Limited, a company incorporated in England and Wales

9. Stocks

	2012 £	2011 £
Raw materials	21,524	20,568

10. Debtors

	2012 £	2011 £
Trade debtors	103,293	140,357
Other debtors	74,183	163,735
	177,476	304,092

Notes to the financial statements

For the year ended 31 December 2012

11. Creditors:

Amounts falling due within one year

	2012	2011
	£	£
Trade creditors	255,078	232,693
Social security and other taxes	24,842	21,092
Preference share dividend	109,650	94,350
Other creditors	223,417	368,423
	<u>612,987</u>	<u>716,558</u>

Barclays Bank PLC hold a debenture dated 6 December 2005 over the company in respect of all monies due or to become due from the company to the bank

12. Creditors:

Amounts falling due after more than one year

	2012	2011
	£	£
Preference Share Capital	<u>170,003</u>	<u>170,003</u>

Preference shareholders are entitled to a dividend paid half yearly at 9% per annum based upon par value and any premium paid on the shares. During 2008 the shareholders gained the right to convert the preference shares into ordinary shares with no premium payable on demand

Authorised, allotted and fully paid

	2012	2011
	£	£
1,248 preference shares of 10p each	125	125
Share premium on issue of preference shares	169,878	169,878
	<u>170,003</u>	<u>170,003</u>

Notes to the financial statements

For the year ended 31 December 2012

13. Share capital

	2012 £	2011 £
Allotted, called up and fully paid		
35,190 Ordinary shares of £0.10 each	<u>3,519</u>	<u>3,519</u>

On 30 January 2003 the company issued 2 EMI share option agreements for 700 ordinary shares of 10p each, which can be exercised upon the earliest of the following events at 10p per share

- (i) Death in Service,
- (ii) Cessation of employment through injury or disability, retirement, transfer or sale of the undertaking or at the directors' discretion,
- (iii) Tenth anniversary of the agreement

14. Reserves

	Share premium account £	Profit and loss account £
At 1 January 2012	2,744,513	(2,643,623)
Loss for the year	-	(181,795)
At 31 December 2012	<u>2,744,513</u>	<u>(2,825,418)</u>

15. Reconciliation of movement in equity shareholders' funds

	2012 £	2011 £
Opening equity shareholders' funds	104,409	812,928
Loss for the year	<u>(181,795)</u>	<u>(708,519)</u>
Closing shareholders' equity (deficit)/funds	<u>(77,386)</u>	<u>104,409</u>

Notes to the financial statements

For the year ended 31 December 2012

16. Related party transactions

During the year the company was invoiced £71,742 (2011 £95,267) for accountancy services by Integral2 Limited, a company of which David Joseph is a director. At the balance sheet date the company owed £2,390 (2011 £8,063) to Integral2 Limited.

During the year the company charged £2,668 (2011 £Nil) and was recharged £214 (2011 £Nil) by Love Socio Limited, a company of which Jeremy Perkins is a director. At the balance sheet date the company was due £2,404 (2011 £Nil) from Love Socio Limited.

17. Controlling party

No one individual has overall control of the company based on their shareholding.