

Wrathchild Limited

Registered number: 06054244

Directors' report and financial statements

For the year ended 31 January 2014



WRATHCHILD LIMITED

CONTENTS

	Page
Company Information Page	1
Directors' Report	2 - 3
Independent Auditors' Report	4 - 5
Profit and Loss Account	6
Balance Sheet	7
Notes to the Financial Statements	8 - 14

WRATHCHILD LIMITED

COMPANY INFORMATION

Directors	Mr A Taylor Mr R Smallwood
Company secretary	Mrs S E Atalay
Registered number	06054244
Registered office	Bridle House 36 Bridle Lane London W1F 9BZ
Independent auditors	Mazars LLP Chartered Accountants & Statutory Auditors 14th Floor The Plaza 100 Old Hall Street Liverpool L3 9QJ
Bankers	Handelsbanken 5th Floor 13 Charles II Street London SW1Y 4QU
Solicitors	Michael Simpkins LLP Lynton House 7-12 Tavistock Square London WC1H 9LT

WRATHCHILD LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 JANUARY 2014

The directors present their report and the financial statements for the year ended 31 January 2014.

Principal activities

The principal activity of the company is the exploitation of music copyrights.

Directors

The directors who served during the year were:

Mr A Taylor
Mr R Smallwood

Results and dividends

The loss for the year, after taxation, amounted to £54,806 (2013 - profit £5,554).

Particulars of dividends paid are detailed in note 14 to the financial statements.

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 accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, 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 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.

WRATHCHILD LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 JANUARY 2014

Disclosure of information to auditors

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 auditors are 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 relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

The auditors, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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



Mr A Taylor
Director

Date: 7/10/14

Bridle House
36 Bridle Lane
London
W1F 9BZ

WRATHCHILD LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDER OF WRATHCHILD LIMITED

We have audited the financial statements of Wrathchild Limited for the year ended 31 January 2014, which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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 Ethical Standards for Auditors. 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 Auditors' 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.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 January 2014 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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.

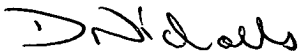
WRATHCHILD LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDER OF WRATHCHILD 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.



David Nicholls (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditors

14th Floor
The Plaza
100 Old Hall Street
Liverpool
L3 9QJ

16 October 2014

WRATHCHILD LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 JANUARY 2014

	Note	2014 £	2013 £
Turnover	1,2	1,089,907	1,208,849
Administrative expenses		(1,144,713)	(1,201,906)
		<hr/>	<hr/>
Operating (loss)/profit	3	(54,806)	6,943
		<hr/>	<hr/>
(Loss)/profit on ordinary activities before taxation		(54,806)	6,943
Tax on (loss)/profit on ordinary activities	5	-	(1,389)
		<hr/>	<hr/>
(Loss)/profit for the financial year	12	(54,806)	5,554
		<hr/> <hr/>	<hr/> <hr/>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the profit and loss account.

The notes on pages 8 to 14 form part of these financial statements.

WRATHCHILD LIMITED

Registered number: 06054244

BALANCE SHEET**AS AT 31 JANUARY 2014**

	Note	£	2014 £	£	2013 £
Fixed assets					
Intangible assets	6		2,171,884		2,792,423
Investments	7		100		100
			<u>2,171,984</u>		<u>2,792,523</u>
Current assets					
Debtors	8	355,340		267,657	
Cash at bank		19,290		162,396	
		<u>374,630</u>		<u>430,053</u>	
Creditors: amounts falling due within one year	9	(1,189,856)		(1,261,012)	
Net current liabilities			(815,226)		(830,959)
Total assets less current liabilities			<u>1,356,758</u>		<u>1,961,564</u>
Creditors: amounts falling due after more than one year	10		(961,181)		(1,511,181)
Net assets			<u>395,577</u>		<u>450,383</u>
Capital and reserves					
Called up share capital	11		100		100
Profit and loss account	12		395,477		450,283
Shareholders' funds	13		<u>395,577</u>		<u>450,383</u>

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



Mr A Taylor
Director

Date: 7/10/14

The notes on pages 8 to 14 form part of these financial statements.

WRATHCHILD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2014

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 applicable accounting standards.

The company is the parent undertaking of a small group and as such is not required by the Companies Act 2006 to prepare group accounts. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.2 Cash flow

The company has taken advantage of the exemption in Financial Reporting Standard No.1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

1.3 Turnover

Recording and publishing income is generated from the exploitation of music copyrights, in the form of royalties, and accounted for in the period in which they are received or are contractually due for payment.

All revenue is stated in the profit and loss account net of Value Added Tax.

1.4 Intangible fixed assets and amortisation

The intangible asset has arisen from the purchase of the right to future income on a catalogue of 15 albums previously produced by the band Iron Maiden. It is amortised to the profit and loss account over its estimated economic life.

The directors review the music market on an annual basis in conjunction with the performance of the back catalogue in determining the useful economic life and appropriate amortisation rate.

Amortisation is provided at the following rates:

Other intangible fixed assets - 4.5 years straight line basis

1.5 Investments

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

1.6 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

WRATHCHILD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2014

1. Accounting Policies (continued)

1.7 Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the 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 differences are taken into account in arriving at the operating profit.

1.8 Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

1.9 Provisions

Provisions are set up only where it is probable that a present obligation exists as a result of an event prior to the balance sheet date and that a payment will be required in settlement that can be estimated reliably.

2. Turnover

The whole of the turnover is attributable to the exploitation of music copyrights around the world.

3. Operating (loss)/profit

The operating (loss)/profit is stated after charging/(crediting):

	2014 £	2013 £
Amortisation - intangible fixed assets	620,539	492,781
Auditors' remuneration	5,150	8,750
Foreign exchange gains	95	2,464
	<u> </u>	<u> </u>

4. Staff costs

The company has no employees other than the directors, who did not receive any remuneration (2013 - £NIL).

5. Taxation

	2014 £	2013 £
UK corporation tax charge on (loss)/profit for the year	-	1,389
	<u> </u>	<u> </u>

WRATHCHILD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2014

5. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2013 - the same as) the standard rate of corporation tax in the UK of 20% (2013 - 20%). The differences are explained below:

	2014 £	2013 £
(Loss)/profit on ordinary activities before tax	(54,806)	6,943
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2013 - 20%)	(10,961)	1,389
Effects of:		
Unrelieved tax losses carried forward	10,961	-
Current tax charge for the year (see note above)	-	1,389

Factors that may affect future tax charges

The company has tax losses carried forward of £54,806 (2013: £nil) to offset against future taxable trading profits. The directors have determined that the deferred tax asset arising on these losses of £10,961, calculated at 20%, should not be recognised as the timing of their utilisation is not certain.

6. Intangible fixed assets

	Other intangibles £
Cost	
At 1 February 2013 and 31 January 2014	6,348,610
Amortisation	
At 1 February 2013	3,556,187
Charge for the year	620,539
At 31 January 2014	4,176,726
Net book value	
At 31 January 2014	2,171,884
At 31 January 2013	2,792,423

The intangible fixed asset comprises the right to exploit certain catalogue product relating to the heavy metal band, Iron Maiden.

WRATHCHILD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2014

7. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 February 2013 and 31 January 2014	100

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding
Transylvania Enterprises Limited	Ordinary	100%

The aggregate of the share capital and reserves as at 31 March 2014 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(loss) £
Transylvania Enterprises Limited	(2,586)	409

8. Debtors

	2014 £	2013 £
Amounts owed by group undertakings	64,400	64,400
VAT repayable	2,575	-
Other debtors	2,708	10,323
Prepayments and accrued income	285,657	192,934
	<u>355,340</u>	<u>267,657</u>

WRATHCHILD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2014

9. Creditors: Amounts falling due within one year

	2014 £	2013 £
Corporation tax	-	1,389
Other taxation and social security	-	54,142
Other creditors	1,020,248	1,172,086
Accruals and deferred income	169,608	33,395
	<u>1,189,856</u>	<u>1,261,012</u>

The company has granted a debenture to its bankers secured by a fixed and floating charge over the undertaking, and all property and assets, present and future, dated 15 October 2012. The facilities provided by the company's bankers are not currently being utilised.

10. Creditors: Amounts falling due after more than one year

	2014 £	2013 £
Other loans	<u>961,181</u>	<u>1,511,181</u>

11. Share capital

	2014 £	2013 £
Allotted, called up and fully paid		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

12. Reserves

	Profit and loss account £
At 1 February 2013	450,283
Loss for the financial year	(54,806)
	<u>395,477</u>
At 31 January 2014	

WRATHCHILD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2014

13. Reconciliation of movement in shareholders' funds

	2014 £	2013 £
Opening shareholders' funds	450,383	944,829
(Loss)/profit for the financial year	(54,806)	5,554
Dividends (Note 14)	-	(500,000)
	<hr/>	<hr/>
Closing shareholders' funds	395,577	450,383
	<hr/>	<hr/>

14. Dividends

	2014 £	2013 £
Dividends paid on equity capital	-	500,000
	<hr/>	<hr/>

15. Contingent liabilities

The company has given a debenture to its bankers to secure a cross guarantee with Iron Maiden Holdings Limited, Iron Maiden LLP, and Maiden Brews Limited in respect of all monies and liabilities which from time to time are due, owing or incurred in whatsoever manner, to the bank.

WRATHCHILD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2014

16. Related party transactions

The directors of the company, Mr A Taylor and Mr R Smallwood are also directors of Iron Maiden Holdings Limited and Phantom Music Management Limited. Iron Maiden Holdings Limited is a designated member of Iron Maiden LLP.

Mr A Taylor is also a director of Duellist Holdings Limited.

During the year, the company was charged £108,991 (2013: £126,275) in respect of an administration fee by Iron Maiden Holdings Limited. At 31 January 2013, the company owed £223,694 (2013: £372,691) to Iron Maiden Holdings Limited.

During the year, the company was charged £199,377 (2013: £221,842) in respect of commissions and services provided by Phantom Music Management Limited. At 31 January 2014, the company owed £68,508 (2013: £53,176) to Phantom Music Management Limited.

During the year, Iron Maiden LLP charged the company £210,000 (2013: £348,564) in respect of catalogue support. At 31 January 2014, the company owed £889,076 (2013: £770,347) to Iron Maiden LLP.

Included in other loans falling due after more than one year is a balance owed to Iron Maiden LLP of £961,181 (2013: £1,511,181). No interest is payable on this loan and there are no fixed dates for repayment.

At 31 January 2014, the company was owed £2,182 (2013: £10,323) from Duellist Holdings Limited.

At 31 January 2014, the company was owed £64,400 (2013: £64,400) by Transylvania Enterprises Limited, a wholly owned subsidiary of the company.

At 31 January 2014 the company owed £20 (2013: £20) to M H McBrain. M H McBrien is a designated member of Iron Maiden LLP.

During the year, the company paid a dividend of £Nil (2013: £500,000) to the 100% shareholder Mr S Harris.

No other transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.

17. Controlling party

The company was under the control of Mr S Harris during the current and prior period.