

Tecjet Limited

Report And Financial Statements

31 December 2010

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COMPANY INFORMATION

Directors	J Northcote T Rolph M Mackie S Douglas P Latham
Company secretary	S H Emeny
Registered office	Whitehall House 33 Yeaman Shore Dundee Scotland DD1 4BJ
Auditors	Rees Pollock 35 New Bridge Street London EC4V 6BW
Bankers	HSBC Bank plc 60 Queen Victoria Street London EC4N 4TR Santander UK plc 2 Triton Square Regent's Place London NW1 3AN
Company number	SC253459 (Scotland)

DIRECTORS' REPORT
for the period ended 31 December 2010

The directors present their report and the financial statements for the year ended 31 December 2010.

Principal activities and review of business

The principal activity of the company during the period was that of a music venue operator.

The directors are satisfied with the performance of the venue for the period and expect continuing growth over the coming year.

Results and dividends

The profit for the year, after taxation, amounted to £305,025 (2009 - £174,655).

The directors have not recommended a dividend (2009: £nil).

Directors

The directors who served during the year were:

J Northcote
T Rolph
M Mackie
S Douglas
P Latham

Statement of directors' responsibilities

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.

DIRECTORS' REPORT
for the period ended 31 December 2010

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Provision of information to auditors

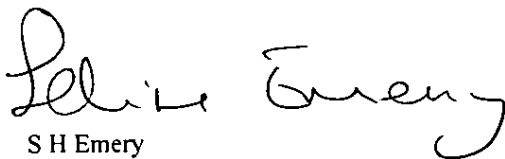
Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- 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 information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

Auditors

Rees Pollock were auditors for the year.

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



S H Emery
Secretary

Date: 5 May 2011



REES POLLOCK

Chartered Accountants

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London EC4V 6BW
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TECJET LIMITED

We have audited the financial statements of Tecjet Limited for the year ended 31 December 2010, set out on pages 4 to 13. 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).

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the statement of directors' responsibilities, 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 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.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

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 2010 and of its profit 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.

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.

Philip Vipond (Senior statutory auditor)
for and on behalf of
Rees Pollock (Statutory auditor)

5 May 2011

PROFIT AND LOSS ACCOUNT
for the period ended 31 December 2010

		31 December 2010 £	Period ended 31 December 2009 £
	Note		
TURNOVER	1	2,958,271	1,794,634
Cost of sales		(549,745)	(326,231)
GROSS PROFIT		2,408,526	1,468,403
Administrative expenses		(1,985,443)	(1,187,293)
OPERATING PROFIT	3	423,083	281,110
Interest receivable and similar income		4,040	-
Interest payable and similar charges	5	-	(33,616)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		427,123	247,494
Tax on profit on ordinary activities	6	(122,098)	(72,839)
PROFIT FOR THE FINANCIAL YEAR	14	305,025	174,655

All amounts relate to continuing operations.

There were no recognised gains and losses for 2010 or 2009 other than those included in the profit and loss account.

The notes on pages 6 to 13 form part of these financial statements.

BALANCE SHEET
as at 31 December 2010

	Note	£	2010 £	£	2009 £
FIXED ASSETS					
Tangible assets	7		1,361,852		1,614,548
CURRENT ASSETS					
Stocks	8	52,069		30,928	
Debtors	9	342,825		125,744	
Cash in hand		370,249		877,440	
		<u>765,143</u>		<u>1,034,112</u>	
CREDITORS: amounts falling due within one year	10	(566,419)		(388,004)	
NET CURRENT ASSETS			<u>198,724</u>		<u>646,108</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,560,576</u>		<u>2,260,656</u>
CREDITORS: amounts falling due after more than one year	11		-		(945,139)
PROVISIONS FOR LIABILITIES					
Deferred tax	12		(67,371)		(127,337)
NET ASSETS			<u><u>1,493,205</u></u>		<u><u>1,188,180</u></u>
CAPITAL AND RESERVES					
Called up share capital	13		70,000		70,000
Share premium account	14		630,000		630,000
Profit and loss account	14		793,205		488,180
SHAREHOLDERS' FUNDS	15		<u><u>1,493,205</u></u>		<u><u>1,188,180</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 5 May 2011.



T Rolph
Director

The notes on pages 6 to 13 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
for the period ended 31 December 2010

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.

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

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

1.4 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:

Freehold property	-	2% per annum straight line
Leasehold property & improvements		over the term of the lease
Plant & machinery	-	straight line over 6 years
Fixtures & fittings	-	straight line over 7 years

The company has changed the methods by which it depreciates plant & machinery and fixtures & fittings. In prior periods, these assets were depreciated on the following bases:

Plant & machinery	-	20% per annum on a reducing balance basis
Plant & machinery (sound and lighting rig)	-	10% per annum straight line
Fixtures & fittings	-	20% per annum on a reducing balance basis

1.5 Finance leases

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.6 Operating leases

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

1.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

NOTES TO THE FINANCIAL STATEMENTS
for the period ended 31 December 2010

1. ACCOUNTING POLICIES (continued)

1.8 Deferred taxation

Deferred taxation is provided on all timing differences, without discounting, calculated at the rate at which it is estimated that tax will be payable, except where otherwise required by accounting standards.

1.9 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.

2. TURNOVER

All turnover arose within the United Kingdom.

3. OPERATING PROFIT

The operating profit is stated after charging:

	31 December 2010 £	Period ended 31 December 2009 £
Depreciation of tangible fixed assets:		
- owned by the company	281,238	24,977
Auditors' remuneration	7,500	-
Auditors' remuneration - non-audit	2,500	-
Operating lease rentals:		
- other operating leases	214,496	141,379
	<u>214,496</u>	<u>141,379</u>

During the year, no director received any emoluments (2009 - £NIL).

NOTES TO THE FINANCIAL STATEMENTS
for the period ended 31 December 2010

4. STAFF COSTS

Staff costs were as follows:

	31 December 2010 £	Period ended 31 December 2009 £
Wages and salaries	546,291	299,371
Social security costs	29,254	10,682
	<u>575,545</u>	<u>310,053</u>

The average monthly number of employees, including the directors, during the year was as follows:

	31 December 2010 No.	Period ended 31 December 2009 No.
Number of operations staff (part-time)	37	18
Number of administrative staff	9	9
	<u>46</u>	<u>27</u>

5. INTEREST PAYABLE

	31 December 2010 £	Period ended 31 December 2009 £
On loans from group undertakings	-	33,616

NOTES TO THE FINANCIAL STATEMENTS
for the period ended 31 December 2010

6. TAXATION

	31 December 2010 £	Period ended 31 December 2009 £
Analysis of tax charge in the year/period		
Current tax (see note below)		
UK corporation tax charge on profit for the year/period	182,064	-
	<u>182,064</u>	<u>-</u>
Payment made for group relief	-	62,653
Total current tax	<u>182,064</u>	<u>62,653</u>
Deferred tax		
Movement in year	(57,471)	10,186
Impact of change in rate of corporation tax	(2,495)	-
Total deferred tax (see note 12)	<u>(59,966)</u>	<u>10,186</u>
Tax on profit on ordinary activities	<u>122,098</u>	<u>72,839</u>

Factors affecting tax charge for the year/period

The tax assessed for the year/period differs from the standard rate of corporation tax in the UK (28%). The differences are explained below:

	31 December 2010 £	Period ended 31 December 2009 £
Profit on ordinary activities before tax	<u>427,123</u>	<u>247,494</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28%	119,594	69,298
Effects of:		
Expenses not deductible for tax purposes	20	3,541
Capital allowances for year/period (in excess)/less than depreciation	62,450	(10,186)
Group relief	-	(62,653)
Payments made for group relief	-	62,653
Current tax charge for the year/period (see note above)	<u>182,064</u>	<u>62,653</u>

In 2009, the corporation tax payable for the year was reduced by £62,653 because of group relief received from a fellow group member. A payment of £62,653 was made to the fellow group member in consideration for this relief.

NOTES TO THE FINANCIAL STATEMENTS
for the period ended 31 December 2010

7. TANGIBLE FIXED ASSETS

	Leasehold property & improvements £	Plant & machinery £	Fixtures & fittings £	Total £
Cost				
At 1 January 2010	1,461,868	422,589	176,297	2,060,754
Additions	-	26,484	2,058	28,542
Transfer between classes	(18,309)	18,309	-	-
At 31 December 2010	<u>1,443,559</u>	<u>467,382</u>	<u>178,355</u>	<u>2,089,296</u>
Depreciation				
At 1 January 2010	165,808	184,032	96,366	446,206
Charge for the year	37,874	210,464	32,900	281,238
At 31 December 2010	<u>203,682</u>	<u>394,496</u>	<u>129,266</u>	<u>727,444</u>
Net book value				
At 31 December 2010	<u>1,239,877</u>	<u>72,886</u>	<u>49,089</u>	<u>1,361,852</u>
At 31 December 2009	<u>1,296,060</u>	<u>238,557</u>	<u>79,931</u>	<u>1,614,548</u>

8. STOCKS

	2010 £	2009 £
Goods held for sale	<u>52,069</u>	<u>30,928</u>

9. DEBTORS

	2010 £	2009 £
Trade debtors	17,093	80,196
Amounts owed by group undertakings	272,009	-
Other debtors	468	45,348
Prepayments and accrued income	53,255	200
	<u>342,825</u>	<u>125,744</u>

NOTES TO THE FINANCIAL STATEMENTS
for the period ended 31 December 2010

10. CREDITORS:

Amounts falling due within one year

	2010 £	2009 £
Trade creditors	62,031	125,134
Corporation tax	94,607	-
Social security and other taxes	101,354	65,244
Other creditors	141,827	109,342
Accruals and deferred income	166,600	88,284
	<u>566,419</u>	<u>388,004</u>

11. CREDITORS:

Amounts falling due after more than one year

	2010 £	2009 £
Amounts owed to group undertakings	-	945,139
	<u>-</u>	<u>945,139</u>

12. DEFERRED TAXATION

	2010 £	2009 £
At beginning of year/period	127,337	117,151
(Released during)/charge for year/period	(59,966)	10,186
At end of year/period	<u>67,371</u>	<u>127,337</u>

The provision for deferred taxation is made up as follows:

	2010 £	2009 £
Excess of taxation allowance over depreciation of fixed assets	<u>67,371</u>	<u>127,337</u>

13. SHARE CAPITAL

	2010 £	2009 £
Allotted, called up and fully paid		
7,000,000 Ordinary shares of 1p each	<u>70,000</u>	<u>70,000</u>

NOTES TO THE FINANCIAL STATEMENTS

for the period ended 31 December 2010

14. RESERVES

	Share premium account £	Profit and loss account £
At 1 January 2010	630,000	488,180
Profit for the year	-	305,025
	<u>630,000</u>	<u>793,205</u>
At 31 December 2010	<u>630,000</u>	<u>793,205</u>

15. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2010 £	2009 £
Opening shareholders' funds	1,188,180	1,013,525
Profit for the year/period	305,025	174,655
	<u>1,493,205</u>	<u>1,188,180</u>
Closing shareholders' funds	<u>1,493,205</u>	<u>1,188,180</u>

16. OPERATING LEASE COMMITMENTS

At 31 December 2010 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2010 £	2009 £
Expiry date:		
After more than 5 years	<u>200,000</u>	<u>175,000</u>

17. RELATED PARTY TRANSACTIONS

S Moran owns 20% of the shares in the parent company, Academy Music Holdings Limited. Included within turnover are venue hire fees of £nil (2009: £4,550) from SJM Concerts Limited, a company in which S Moran is the majority shareholder.

RBH Angus, directly and indirectly, owns 24% of the shares in the parent company, Academy Music Holdings Limited. Included within turnover are venue hire fees of £nil (2009: £5,250) from Metropolis Music Limited, a company controlled by RBH Angus.

M. Mackie is a director of and owns 100% of ABC2 Limited, a company which owns 1,225,000 shares of the company. There were no transactions with this company during the year. Included within turnover are venue hire fees of £7,914 (2009: £4,900) from Regular Limited, a company in which M. Mackie holds 75% of the issued share capital. At the year end £9,261 was due to (2009: £400 due from) Regular Limited.

NOTES TO THE FINANCIAL STATEMENTS
for the period ended 31 December 2010

18. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The ultimate parent undertaking and ultimate controlling party of this company is Live Nation Entertainment Inc. incorporated in the state of Delaware, United States of America.