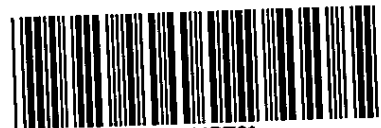


**Ace Records (Sales & Distribution) Limited**  
**Report and unaudited financial statements**  
**31 March 2010**

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**Company Registration No 03162737**  
**(England and Wales)**

# **Ace Records (Sales & Distribution) Limited**

## **Report and unaudited financial statements For the year ended 31 March 2010**

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## **Ace Records (Sales & Distribution) Limited**

**Report and unaudited financial statements**  
**For the year ended 31 March 2010**

### **Company Information**

<b>Directors</b>	T A J Churchill D J P Carroll R C Armstrong P M Stoker C A Fawcett D W Vallero
<b>Secretary</b>	T A J Churchill
<b>Business address</b>	48-50 Steele Road London, NW10 7AS
<b>Registered office</b>	48-50 Steele Road London, NW10 7AS
<b>Company No</b>	03162737
<b>Principal bankers</b>	National Westminster Bank Plc 106 Finchley Road London NW3 5JN
<b>Solicitors</b>	Clintons Solicitors 55 Drury Lane London WC2B 5RZ

## Ace Records (Sales & Distribution) Limited

### Directors' Report

For the year ended 31 March 2010

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

#### Principal activities

The principal activity of the company is that of the sale and distribution of compact discs, tapes and records

#### Directors

The following directors have held office since 1 April 2009

T A J Churchill  
D J P Carroll  
R C Armstrong  
P M Stoker  
C A Fawcett  
D W Vallero

Charitable Donations	2010 £	2009 £
During the year the company made the following payments Charitable Donations	585	585

The recipients, amounts and purpose of the charitable donations are as follows

- Shelter £500 helping to alleviate problems caused by homelessness and bad housing
- Elisabeth Svendsen Trust £85 to provide therapy and activities for children with special educational needs

#### Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which 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 those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure 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.

The directors confirm that the accounts comply with these requirements

This report has been prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies

On behalf of the Board



T A J Churchill  
Secretary

## Ace Records (Sales & Distribution) Limited

### Profit And Loss Account For the year ended 31 March 2010

	Note	2010 £	2009 £
Turnover	2	2,353,892	2,324,659
Cost of sales		(1,757,974)	(1,732,512)
<b>Gross profit</b>		<u>595,918</u>	<u>592,147</u>
Administrative expenses		(466,901)	(674,796)
Other operating income		2,100	2,100
<b>Profit / (loss) on ordinary activities before taxation</b>	3	<u>131,117</u>	<u>(80,549)</u>
Tax on profit/(loss) on ordinary activities		- 12,336	-
<b>Profit / (loss) for the financial year</b>		<u>118,781</u>	<u>(80,549)</u>

## Ace Records (Sales & Distribution) Limited

### Balance Sheet

As at 31 March 2010

	Notes	2010 £	2009 £
<b>Fixed assets</b>			
Tangible assets	6	15,435	20,715
<b>Current Assets</b>			
Debtors	7	397,338	383,310
Cash at Bank and in hand		<u>315,204</u>	<u>170,085</u>
		<u>712,542</u>	<u>553,395</u>
<b>Creditors due within one year</b>	8	<u>(340,077)</u>	<u>(289,992)</u>
		<u>372,464</u>	<u>263,403</u>
<b>Total assets less current liabilities</b>		<u>387,899</u>	<u>284,118</u>
<b>Capital and reserves</b>			
Called up share capital	10	200	200
Profit and loss account	11	387,699	283,918
<b>Shareholders' funds</b>		<u>387,899</u>	<u>284,118</u>

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

For the financial year ended 31 March 2010 the company was entitled to exemption from audit under section 477 of the Companies Act 2006, and no notice has been deposited under section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for 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 financial year in accordance with the requirement of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

Approved by the board for issue on 8th December 2010



**T A J Churchill**  
Director

Company registration No 03162737

## Ace Records (Sales & Distribution) Limited

### Notes to the financial statements for the year ended 31 March 2010

#### 1 Accounting Policies

##### 1.1 Accounting convention

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

##### 1.2 Turnover

Turnover represents the invoiced value of goods supplied by the company net of value added tax

##### 1.3 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 less estimated residual value of each asset over its expected useful life, as follows

Plant and machinery	25% straight line
Fixtures, fittings & equipment	15% straight line
Motor vehicles	25% straight line

##### 1.4 Leasing

Rentals payable under operating leases are charged to the profit and loss account as incurred

##### 1.5 Pensions

The company operates a number of money purchase pension schemes and contributions are charged to the profit and loss account in the year they are paid

##### 1.6 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account

#### 2 Turnover

In the year to 31st March 2010 55% (2009 - 63%) of the company's turnover was to markets outside the United Kingdom

#### 3 Operating profit/(loss)

	2010 £	2009 £
Operating profit/(loss) is stated after charging		
Depreciation of tangible assets	11,675	16,157
Directors' emoluments	129,409	152,898

The number of directors for whom retirement are accruing under money purchase pension schemes amounted to 3 (2009 - 2)

# Ace Records (Sales & Distribution) Limited

## Notes to the financial statements For the year ended 31 March 2010

4	Taxation	2010 £	2009 £
	Domestic current year tax		
	U K corporation tax	12,335 61	-
		<u>12,335 61</u>	<u>-</u>

The company has estimated losses of £0 (2009 - 71,060) available for carry forward against future trading profits

5	Dividends	2010 £	2009 £
	Ordinary interim paid	15,000	10,500

6	Tangible fixed assets	Plant and Machinery etc £
	Cost	
	At 1 April 2009	232,789
	Additions	6,396
	At 31 March 2010	<u>239,185</u>
	Depreciation	
	At 1 April 2009	212,074
	Charge for the year	11,675
	At 31 March 2010	<u>223,749</u>
	Net book value	
	At 31 March 2010	<u>15,435</u>
	At 31 March 2009	<u>20,715</u>

7	Debtors	2010 £	2009 £
	Trade debtors	385,104	369,839
	Amounts owed by fellow subsidiary	5,088	5,073
	Other debtors	7,146	8,398
		<u>397,338</u>	<u>383,310</u>

8	Creditors amounts falling due within one year	2010 £	2009 £
	Trade creditors	47,457	91,513
	Amounts owed to parent company	254,509	182,316
	Taxation and social security	31,753	13,580
	Other creditors	6,358	2,583
		<u>340,077</u>	<u>289,992</u>



# Ace Records (Sales & Distribution) Limited

## Notes to the financial statements For the year ended 31 March 2010

### 9 Pension costs

Defined contribution

	2010 £	2009 £
Contributions payable by the company for the year	<u>16,258</u>	<u>16,572</u>

### 10 Share Capital

	2010 £	2009 £
<b>Authorised</b>		
200 Ordinary shares of £1 each	<u>200</u>	<u>200</u>
<b>Alloted, called up and fully paid</b>		
200 Ordinary shares of £1 each	<u>200</u>	<u>200</u>

### 11 Statement of movements on profit and loss account

Profit and loss  
account

	£
Balance at 1 April 2009	283,918
Profit for the year	131,117
Dividends paid	(15,000)
Balance at 31 March 2010	<u>400,035</u>

### 12 Financial commitments

At 31 March 2010 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2011

	2010 £	2009 £
Operating leases which expire		
Within one year	<u>48,000</u>	<u>48,000</u>

### 13 Transactions with directors

During the year sales of £9,570 (2009 £10,857) were made to DJP Carroll trading as Last Chance on normal commercial terms

At the year end Last Chance owed the company £4,240 (2009 £6,326)

### 14 Control

The ultimate parent company which has remained unchanged from the previous year is Ace Records Limited, a company registered in England and Wales

The directors of that company are the ultimate controlling party by virtue of their shareholding which has remained unchanged from the previous year

## Ace Records (Sales & Distribution) Limited

### Notes to the financial statements

For the year ended 31 March 2010

#### 15 Related party transactions

The company has provided an unlimited guarantee to secure the bank facilities of the parent company Ace Records Limited ("Ace") A similar cross guarantee has been provided by Ace to secure the bank facilities of the company

Expenses of the company include transactions with Ace and a fellow subsidiary Sound Mastering Limited ("SML") paid for on normal commercial terms as follows

	2010 £	2009 £
Cost of sales paid to Ace	1,716,588	1,699,077
Recording costs paid to SML	64,822	67,936
Rent paid to Ace	48,000	48,000
Amounts owed to and from the company at the year end were as follows	2010 £	2009 £
Amount owed to SML	5,088	5,073
Amount owed to Ace	254,509	182,316