

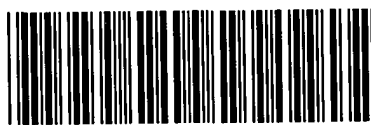
Company registration number: 08990230

Laced Music Ltd

Directors Report and Financial Statements

**For the period ending
31 December 2018**

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Laced Music Ltd

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Laced Music Ltd

Directors and other information

Directors

Mr David Joseph Broderick	(Appointed 7 April 2018)
Mr Andrew John Day	(Appointed 7 April 2018)
Mr Daniel Mark Kelleher	
Mr Daniel Mark Jackson	(Resigned 7 April 2018)

Company number

08990230

Registered office

201 Temple Chambers
3-7 Temple Avenue
London
England
EC4Y 0DT

Auditor

BDO Ireland
Beaux Lane House
Mercer Street Lower
Dublin 2
Ireland

Laced Music Ltd

**Directors responsibilities statement
Period ended 31 December 2018**

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 period. 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 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; and
- 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.

Laced Music Ltd

**Statement of financial position
31 December 2018**

	Note	31/12/18 £	£	30/06/17 £	£
Fixed assets					
Tangible assets	6	3,461		341	
			3,461		341
Current assets					
Debtors	7	102,566		86,037	
Cash at bank and in hand		83,220		11,079	
		185,786		97,116	
Creditors: amounts falling due within one year	8	(229,334)		(171,913)	
Net current liabilities			(43,548)		(74,797)
Total assets less current liabilities			(40,087)		(74,456)
Net liabilities			(40,087)		(74,456)
Capital and reserves					
Called up share capital	9		85		85
Profit and loss account			(40,172)		(74,541)
Shareholders deficit			(40,087)		(74,456)

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

These financial statements were approved by the board of directors and authorised for issue on 27 September 2019, and are signed on behalf of the board by:


Mr David Joseph Broderick
Director

The notes on pages 4 to 9 form part of these financial statements.

Laced Music Ltd

Notes to the financial statements Period ended 31 December 2018

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 201 Temple Chambers, 3-7 Temple Avenue, London, England, EC4Y 0DT.

2. Statement of compliance

These financial statements have been prepared in accordance with FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS102") 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 FRS102 have been applied other than where additional disclosure is required to show a true and fair view.

3. Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The financial statements have been prepared in Pound Sterling (£), which is also the functional currency of the company. Please note that the parent company, Keywords Studios PLC, report in Euro (€)

The company was acquired on 7 April 2018 by Keywords UK Holdings Limited and the decision was taken to align the company's year-end with the rest of the group. Therefore the period was lengthened to cover the period 1 July 2017 – 31 December 2018. The prior period covered 1 July 2016 – 30 June 2017.

No material uncertainties that may cast doubt about the ability of the company to continue as a going concern have been identified by the directors.

Turnover

Fee income represents revenue earned under a wide variety of contracts to provide professional services. Revenue is recognised as earned when, as to that, the firm obtains the right to consideration in exchange for its performance under these contracts. It is measured at the fair value of the right to consideration, which represents amounts chargeable to clients, including expenses and disbursements but excluding value added tax.

Revenue is generally recognised as contract activity progresses so that for incomplete contracts it reflects the partial performance of the contractual obligations. For such contracts, the amount of revenue reflects the accrual of the right to consideration by reference to the value of work performed. Revenue not billed to clients is included in debtors and payments on account in excess of the relevant amount of revenue are included within creditors.

Fee income that is contingent on events outside the control of the firm is recognised when the contingent event occurs.

Laced Music Ltd

Notes to the financial statements (continued) **Period ended 31 December 2018**

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.

Deferred tax

Deferred taxation is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. The carrying amount of deferred tax assets is reviewed at the end of each reporting period 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. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements.

Research and development

Research expenditure is written off in the period in which it is incurred.

Development expenditure incurred is capitalised as an intangible asset only when all of the following criteria are met:

- It is technically feasible to complete the intangible asset so that it will be available for use or sale;
 - There is the intention to complete the intangible asset and use or sell it;
 - There is the ability to use or sell the intangible asset;
 - The use or sale of the intangible asset will generate probable future economic benefits;
 - There are adequate technical, financial and other resources available to complete the development and to use or sell the intangible asset; and
 - The expenditure attributable to the intangible asset during its development can be measured reliably.
- Expenditure that does not meet the above criteria is expensed as incurred.

Tangible assets

Tangible fixed assets held for the company's own use are stated at cost less accumulated depreciation and accumulated impairment losses.

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, as follows:

Computer equipment	- 33.33% straight line
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Assets held under finance leases are depreciated in the same way as owned assets.

At each balance sheet date, the company reviews the carrying amount of its tangible fixed assets to determine whether there is any indication that any items have suffered an impairment loss. If any such indication exists, the recoverable amount of an 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 the asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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Notes to the financial statements (continued) Period ended 31 December 2018

Cash and cash equivalents

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

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.

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. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies, are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

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.

Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

Laced Music Ltd

Notes to the financial statements (continued) **Period ended 31 December 2018**

Share-based payments

Equity-settled share-based payment transactions are measured at fair value at the date of grant. The fair value is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity. This is based upon the company's estimate of the shares or share options that will eventually vest which takes into account all vesting conditions and non-market performance conditions, with adjustments being made where new information indicates the number of shares or share options expected to vest differs from previous estimates.

Fair value is determined using an appropriate pricing model. All market conditions and non-vesting conditions are taken into account when estimating the fair value of the shares or share options. As long as all other vesting conditions are satisfied, no adjustment is made irrespective of whether market or non-vesting conditions are met.

Where the terms of an equity-settled transaction are modified, an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the fair value of the transaction, as measured at the date of modification.

Where an equity-settled transaction is cancelled or settled, it is treated as if it had vested on the date of cancellation or settlement, and any expense not yet recognised in profit or loss is expensed immediately.

Cash-settled share-based payment transactions are measured at the fair value of the liability. Until the liability is settled, the fair value of the liability is re-measured at each reporting date and at the date of settlement, with any changes in fair value recognised in profit or loss for the period.

Judgement in applying accounting policies

In preparing these financial statements, the directors have made the following judgements:

Determine whether there are indicators of impairment of the company's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected financial performance of the asset.

Determine whether leases entered into by the company either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risk and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

Other key sources of estimation uncertainty

Tangible fixed assets, other than investment properties, are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

4. Auditors remuneration

	Period ended 31/12/18 £	Year ended 30/06/17 £
Fees payable to BDO Ireland		
Fees payable for the audit of the financial statements	<u>5,000</u>	<u>-</u>

Laced Music Ltd

Notes to the financial statements (continued)
Period ended 31 December 2018

5. Employee numbers

The average number of persons employed by the company during the period amounted to 2 (2017: 2).

6. Tangible assets

	Computer equipment	Total
	£	£
Cost		
At 1 July 2017	532	532
Additions	3,258	3,258
At 31 December 2018	<u>3,790</u>	<u>3,790</u>
Depreciation		
At 1 July 2017	191	191
Charge for the year	138	138
At 31 December 2018	<u>329</u>	<u>329</u>
Carrying amount		
At 31 December 2018	<u>3,461</u>	<u>3,461</u>
At 30 June 2017	<u>341</u>	<u>341</u>

7. Debtors

	31/12/18	30/06/17
	£	£
Trade debtors	51,640	46,539
Amounts owed by group undertakings and undertakings in which the company has a participating interest	12,664	1,800
Other debtors	38,262	37,698
	<u>102,566</u>	<u>86,037</u>

8. Creditors: amounts falling due within one year

	31/12/18	30/06/17
	£	£
Trade creditors	2,815	1,923
Amounts owed to group undertakings and undertakings in which the company has a participating interest	139,289	160,228
Corporation tax	5,000	-
Social security and other taxes	3,822	-
Other creditors	78,408	9,762
	<u>229,334</u>	<u>171,913</u>

Laced Music Ltd

Notes to the financial statements (continued)
Period ended 31 December 2018

9. Called up share capital
Issued, called up and fully paid

	31/12/18		30/06/17	
	No	£	No	£
Ordinary shares of £ 0.01 each	8,500	85	8,500	85

Each share is entitled to one vote in any circumstances. Each class of share has a separate entitlement to dividends as determined by the board of directors.

10. Summary audit opinion

The auditor's report for the period dated 31 December 2018 was unqualified.

The senior statutory auditor was Stephen McCallion, for and on behalf of BDO Ireland.

11. Related party transactions

As a wholly owned subsidiary undertaking of Keywords Studios PLC, the company has taken advantage of the exemption under Financial Reporting Standards 102, Paragraph 33.1A not to disclose transactions with other group companies.

12. Ultimate Parent and Controlling Party

The parent company of Laced Music Ltd is Keywords UK Holdings Limited. The ultimate parent undertaking is Keywords Studios PLC and its registered office is 201 Temple Chambers, 3-7 Temple Avenue, London, England, EC4Y 0DT. Keywords Studios PLC heads the group for which consolidated financial statements are prepared, that include the results of the company. Copies can be obtained from the Companies House website.