Registered number
4213421

Scandalous Music Limited

Report and Unaudited Accounts

31 August 2005



Scandalous Music Limited
Director's Report

The director presents his report and accounts for the year ended 31 August 2005.

Principal activities
The company's principal activity during the year continued to be that of freelance record producer

Director
The director who served during the year and his interest in the share capital of the company were as follows:

	£1 Ordinary shares	
	31 Aug 2005	1 Sep 2004
J Ravenhall	100	100

Small company special provisions
The report of the director has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the board on 26/6/06

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J Ravenhall
Director

Scandalous Music Limited
Profit and Loss Account
for the year ended 31 August 2005

	Notes	2005 £	2004 £
Turnover		153,700	73,986
Cost of sales		(93,173)	(51,379)
Gross profit		60,527	22,607
Administrative expenses		(42,140)	(24,378)
Operating profit/(loss)	2	18,387	(1,771)
Interest receivable		190	-
Interest payable	3	(1,899)	(65)
Profit/(loss) on ordinary activities before taxation		16,678	(1,836)
Tax on profit/(loss) on ordinary activities	4	(3,925)	-
Profit/(retained loss) for the financial year		12,753	(1,836)

Scandalous Music Limited
Balance Sheet
as at 31 August 2005

	Notes		2005 £		2004 £
Fixed assets					
Tangible assets	5		2,231		2,975
Current assets					
Stocks and work in progress		58,350		36,731	
Debtors	6	18,051		11,886	
Cash at bank and in hand		3,693		-	
		80,094		48,617	
Creditors: amounts falling due within one year	7	(10,832)		(54,583)	
Net current assets/(liabilities)			69,262		(5,966)
Total assets less current liabilities			71,493		(2,991)
Creditors: amounts falling due after more than one year	8		(61,731)		-
Net assets/(liabilities)			9,762		(2,991)
Capital and reserves					
Called up share capital	9		100		100
Profit and loss account	10		9,662		(3,091)
Shareholder's funds			9,762		(2,991)

The director is satisfied that the company is entitled to exemption under Section 249A(1) of the Companies Act 1985 and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The director acknowledges his responsibilities for:
(i) ensuring that the company keeps proper accounting records which comply with Section 221 of the Companies Act 1985; and
(ii) preparing accounts 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 requirements of Section 226 of the Companies Act 1985, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

The accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985.

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J Ravenhall
Director
Approved by the board on 26/6/06

Scandalous Music Limited
Notes to the Accounts
for the year ended 31 August 2005

1 Accounting policies

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005).

Turnover
Turnover represents the invoiced value of goods and services supplied by the company, net of value added tax and trade discounts.

Depreciation
Depreciation has been provided at the following rates in order to write off the assets over their estimated useful lives.

Plant and machinery	25% reducing balance

Stocks
Stock is valued at the lower of cost and net realisable value.

Deferred taxation
Full provision is made for deferred taxation resulting from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes. Deferred taxation is calculated on an un-discounted basis at the tax rates which are expected to apply in the periods when the timing differences will reverse.

2 Operating profit

	2005 £	2004 £
This is stated after charging:		
Depreciation of owned fixed assets	744	992

Operating Profit/ (Loss)

The operating profit is stated after charging:

	2005 £	2004 £
Depreciation - owned assets	744	992
Directors emoluments and other benefits	4,745	4,615

3 Interest payable

	2005 £	2004 £
Interest payable	1,899	65

Scandalous Music Limited
Notes to the Accounts
for the year ended 31 August 2005

4 Taxation	2005 £	2004 £
UK corporation tax	3,925	-

5 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 September 2004	5,468
At 31 August 2005	5,468
Depreciation	
At 1 September 2004	2,493
Charge for the year	744
At 31 August 2005	3,237
Net book value	
At 31 August 2005	2,231
At 31 August 2004	2,975

6 Debtors	2005 £	2004 £
Trade debtors	11,886	11,886
Other debtors	6,165	-
	18,051	11,886

7 Creditors: amounts falling due within one year	2005 £	2004 £
Bank loans and overdrafts	5,658	46,069
Corporation tax	3,925	-
Other taxes and social security costs	-	2,564
Other creditors	1,249	5,950
	10,832	54,583

8 Creditors: amounts falling due after one year	2005 £	2004 £
Bank loans	61,731	-

9 Share capital	2005	2004

Scandalous Music Limited
Notes to the Accounts
for the year ended 31 August 2005

			£	£
Authorised:				
Ordinary shares of £1 each			1,000	1,000

	2005 No	2004 No	2005 £	2004 £
Allotted, called up and fully paid:				
Ordinary shares of £1 each	100	100	100	100

Scandalous Music Limited
Notes to the Accounts
for the year ended 31 August 2005

10 Profit and loss account	2005 £	2004 £
At 1 September	(3,091)	(1,255)
Profit/(loss) for the year	12,753	(1,836)
At 31 August	9,662	(3,091)

8 Transactions with the director	2005 £	2004 £
Amount owing to the company by the director/(to the director by the company)	6,614	(588)

Amounts owing to the director by the company are interest free and repayable on demand. Amounts owing to the company by the director bear interest at marlet rates and are repayable on demand.