Registered number: 08727321

Sound Moves Limited

Directors' Report and Financial Statements

for the year ended 31 December 2017

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Sound Moves Limited

Company Information

Directors	M S Corr D R Wood
Registered number	08727321
Registered office	Third Floor 24 Chiswell Street London EC1Y 4YX
Independent auditors	Kreston Reeves LLP Statutory Auditor & Chartered Accountants Third Floor 24 Chiswell Street London EC1Y 4YX

Sound Moves Limited

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Sound Moves Limited

Directors' Report
for the year ended 31 December 2017

The directors present their report and the financial statements for the year ended 31 December 2017.

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the company's financial statements and then apply them consistently;
- make judgments and accounting 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 to 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.

Principal activity

The company's principal activity during the year was that of renting its property to a fellow group undertaking.

Results and dividends

The profit for the year, after taxation, amounted to £107,546 (2016 - £99,379).

The directors do not recommend the payment of a dividend for the year ended 31 December 2017 (2016: £NIL)

Directors

The directors who served during the year were:

M S Corr
D R Wood

Future developments

The company has no plans for any significant developments.

Post balance sheet events

There have been no significant events affecting the company since the year end.

Directors' Report (continued)
for the year ended 31 December 2017

Disclosure of information to auditors

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

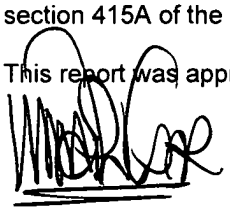
- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

Under section 487(2) of the Companies Act 2006, Kreston Reeves LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar of companies, whichever is earlier.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 21 MAY 2018 and signed on its behalf.



M S Corr
Director

Independent Auditors' Report to the Shareholders of Sound Moves Limited

Opinion

We have audited the financial statements of Sound Moves Limited (the 'company') for the year ended 31 December 2017, which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Independent Auditors' Report to the Shareholders of Sound Moves Limited (continued)

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Independent Auditors' Report to the Shareholders of Sound Moves Limited (continued)

Responsibilities of directors

As explained more fully in the directors' responsibilities statement on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of our report

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.

Kreston Reeves LLP

David Turner FCCA (senior statutory auditor)

for and on behalf of
Kreston Reeves LLP

Statutory Auditor
Chartered Accountants

London
Date: 31 May 2018

Sound Moves Limited

Statement of Comprehensive Income
for the year ended 31 December 2017

	2017 £	2016 £
Turnover	**192,500**	192,500
Gross profit	**192,500**	192,500
Administrative expenses	**(6,561)**	(10,524)
Operating profit	**185,939**	181,976
Interest payable and expenses	**(72,966)**	(74,357)
Profit before tax	**112,973**	107,619
Tax on profit	**(5,427)**	(8,240)
Profit for the year	**107,546**	99,379

There was no other comprehensive income for 2017 (2016: £NIL).

Sound Moves Limited
Registered number: 08727321

Balance Sheet
as at 31 December 2017

	Note		2017 £		2016 £
Fixed assets					
Investment property	5		**2,250,000**		2,250,000
Current assets					
Debtors: amounts falling due within one year	6	**62,020**		57,750	
Cash at bank and in hand		**232,028**		171,863	
		294,048		229,613	
Creditors: amounts falling due within one year	7	**(195,045)**		(175,932)	
Net current assets			**99,003**		53,681
Total assets less current liabilities			**2,349,003**		2,303,681
Creditors: amounts falling due after more than one year	8		**(1,720,478)**		(1,766,605)
Provisions for liabilities					
Deferred tax			**(17,977)**		(34,074)
Net assets			**610,548**		503,002
Capital and reserves					
Called up share capital			**1**		1
Other reserves			**261,836**		245,739
Profit and loss account			**348,711**		257,262
			610,548		503,002

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 21 MAY 2018.

M S Corr
Director

The notes on pages 9 to 14 form part of these financial statements.

Statement of Changes in Equity
for the year ended 31 December 2017

	Called up share capital	Non-distributable reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2016	**1**	**233,701**	**169,921**	**403,623**
Profit for the year	-	-	**99,379**	**99,379**
Transfer to/from profit and loss account	-	**12,038**	**(12,038)**	-
At 1 January 2017	**1**	**245,739**	**257,262**	**503,002**
Profit for the year	-	-	**107,546**	**107,546**
Transfer to/from profit and loss account	-	**16,097**	**(16,097)**	-
At 31 December 2017	**1**	**261,836**	**348,711**	**610,548**

Share capital

This represents the nominal value of shares that have been issued by the company.

Non-distributable reserve

This reserve represents non-distributable fair value movements on the investment property, less corresponding tax provisions.

Profit and loss account

This reserve comprises all current and prior period retained profits and losses after deducting any distributions made to the company's shareholders and removing any non-distributable fair value movements and corresponding tax provisions.

Notes to the Financial Statements for the year ended 31 December 2017

1. Company information

Sound Moves Limited is a private, limited liability company incorporated in England and Wales. The company's registered number is 08727321. The company's registered office is 24 Chiswell Street, London, EC1Y 4YX. The address of the company's principal place of business is Abbeygate House, Challenge Road, Ashford, Middlesex, TW15 1AX. The company's principal activity is that of the rental of its property to a fellow group undertaking.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Rental income is recognised in the statement of comprehensive income on a straight-line basis over the term of the lease.

2.3 Investment property

Investment property is carried at fair value determined annually and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the statement of comprehensive income.

This treatment is contrary to the Companies Act 2006 which states that fixed assets should be depreciated but is, in the opinion of the directors, necessary in order to give a true and fair view of the financial position of the company and is otherwise compliant with the Companies Act 2006. If this departure from the Act had not been made, the profit for the financial year would have been reduced by depreciation. However, depreciation is only one of many factors reflected in the annual valuation and the amount attributable to this factor cannot reasonably be separately identified or quantified.

2.4 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.5 Cash

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2. Accounting policies (continued)

2.6 Financial instruments

The company enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other amounts receivable and payable, loans from banks and other third parties and loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other amounts receivable and payable, are initially measured at the present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.7 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.8 Finance costs

Finance costs are charged to the statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.9 Borrowing costs

All borrowing costs are recognised in the statement of comprehensive income in the year in which they are incurred.

2. Accounting policies (continued)

2.10 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the statement of comprehensive income in the year that the company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the balance sheet.

2.11 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Notes to the Financial Statements
for the year ended 31 December 2017

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires the directors to make judgments, estimates and assumptions that can affect the amounts reported for assets and liabilities, and the results for the year. The nature of estimation is such though that actual outcomes could differ significantly from those estimates.

The following judgment has had the most significant impact on amounts recognised in the financial statements:

Investment property

The company holds an investment property with a fair value of £2,250,000 at the year end (see note 5). In order to determine the fair value of the investment property the company has historically engaged independent valuation specialists with experience in the location and nature of the property being valued. They have used a valuation technique based on comparable market data. This is reviewed annually by the Directors of the company. The determined fair value of the investment property is most sensitive to fluctuations in the property market.

4. Employees

The average monthly number of employees, including directors, during the year was 2 (2016 - 2).

5. Investment property

	Freehold investment property £
Valuation	
At 1 January 2017	**2,250,000**
At 31 December 2017	**2,250,000**

The 2017 valuation was made by the directors, on an open market value for existing use basis. The property was initially valued by Matthews & Goodman, a RICS registered entity, on 18 March 2016 for £2,250,000.

If the investment property had been accounted for under the historic cost accounting rules, the property would have been measured at £1,970,187.

Notes to the Financial Statements
for the year ended 31 December 2017

6. Debtors

	2017 £	2016 £
Amounts owed by group undertakings	**57,750**	57,750
Other debtors	**4,270**	-
	62,020	57,750

7. Creditors: Amounts falling due within one year

	2017 £	2016 £
Bank loans	**83,467**	80,809
Trade creditors	**1,560**	1,560
Amounts owed to group undertakings	**59,003**	37,479
Taxation and social security	**-**	5,069
Accruals and deferred income	**51,015**	51,015
	195,045	175,932

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

	2017 £	2016 £
Bank loans	**1,014,763**	1,102,134
Amounts owed to group undertakings	**705,715**	664,471
	1,720,478	1,766,605

Secured loans

Bank loans are secured by way of a first legal charge over the company's property, a debenture over the assets of the company and a guarantee with Sound Moves (UK) Limited, supported by a debenture.

Amounts owed to group undertakings are repayable in full by February 2029. Interest is accrued on the loan at a rate of 7.5%. There are no set instalment payments.

Notes to the Financial Statements for the year ended 31 December 2017

9. Loans

Analysis of the maturity of loans is given below:

	2017 £	2016 £
Amounts falling due within one year		
Bank loans	**83,467**	80,809
Amounts falling due 1-2 years		
Bank loans	**86,092**	83,350
Amounts falling due 2-5 years		
Bank loans	**274,861**	266,106
Amounts falling due after more than 5 years		
Bank loans repayable by installments	**653,810**	752,678

10. Controlling party

The company's immediate parent undertaking is Rich Forwarding Limited of Third Floor, Chiswell Street, London, EC1Y 4YX. Consolidated financial statements of Rich Forwarding Limited are publicly available from the Registrar of Companies.