

Company Registration No. 06058541 (England and Wales)

IMPERIAL MUSIC & MEDIA PLC
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2010



IMPERIAL MUSIC & MEDIA PLC

COMPANY INFORMATION

Directors	Mr G Collier Mr N Graves (Appointed 5 June 2009)
Secretary	Nominee Secretaries Limited
Company number	06058541
Registered office	1 Bacon Lane Hayling Island Hants PO11 ODN
Auditors	Saffery Champness Lion House Red Lion Street London WC1R 4GB
Business address	1 Bacon Lane Hayling Island Hants PO11 ODN

IMPERIAL MUSIC & MEDIA PLC

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IMPERIAL MUSIC & MEDIA PLC

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 JANUARY 2010

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

Principal activities and review of the business

Imperial Music & Media plc is a company established by the directors as an investment vehicle to seek investment and acquisition opportunities in the music talent, music and media markets

The company was admitted to PLUS-quoted trading on 9th June 2010. Immediately prior to admission, the company undertook and completed a placing of 225,000,000 of new ordinary shares of £0.001, raising £225,000.

The results for this period partially reflect the associated costs incurred for the PLUS application.

Results and dividends

The results for the year are set out on page 5.

Directors

The following directors have held office since 1 February 2009:

Mr G Collier

Mr N Graves

(Appointed 5 June 2009)

IMPERIAL MUSIC & MEDIA PLC

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2010

Statement of directors responsibilities

The directors are responsible for preparing 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). The financial statements are required by law to 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,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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 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.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



30th June 2010

Mr G Collier
Director

IMPERIAL MUSIC & MEDIA PLC

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF IMPERIAL MUSIC & MEDIA PLC

We have audited the financial statements of Imperial Music & Media Plc for the year ended 31 January 2010 set out on pages 5 to 11. 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 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.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement, 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 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 January 2010 and of its loss for the year then ended, and
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- the financial statements have been prepared in accordance with 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.

IMPERIAL MUSIC & MEDIA PLC

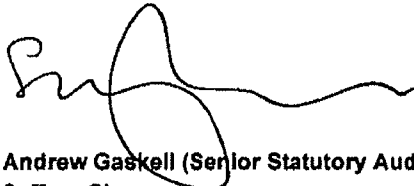
INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF IMPERIAL MUSIC & MEDIA PLC

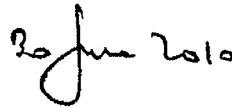
Matters on which we are required to report by exception

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



Andrew Gaskell (Senior Statutory Auditor)
Saffery Champness
Chartered Accountants
Statutory Auditor
Lion House
Red Lion Street
London
WC1R 4GB



IMPERIAL MUSIC & MEDIA PLC

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 JANUARY 2010

	Notes	2010 £	2009 £
Administrative expenses		(1,618)	-
Loss on ordinary activities before taxation		<u>(1,618)</u>	<u>-</u>
Tax on loss on ordinary activities	2	-	-
Loss for the year	6	<u><u>(1,618)</u></u>	<u><u>-</u></u>

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

IMPERIAL MUSIC & MEDIA PLC

BALANCE SHEET

AS AT 31 JANUARY 2010

	Notes	2010 £	£	2009 £	£
Current assets					
Debtors	3	47,864		50,000	
Cash at bank and in hand		893		-	
		<u>48,757</u>		<u>50,000</u>	
Creditors, amounts falling due within one year	4	<u>(375)</u>		<u>-</u>	
Total assets less current liabilities			<u>48,382</u>		<u>50,000</u>
Capital and reserves					
Called up share capital	5		50,000		50,000
Profit and loss account	6		<u>(1,618)</u>		<u>-</u>
Shareholders' funds	7		<u>48,382</u>		<u>50,000</u>

Approved by the Board and authorised for issue on *30th June 2010*



Mr G Collier
Director

Company Registration No. 06058541

IMPERIAL MUSIC & MEDIA PLC

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 JANUARY 2010

	£	2010 £	£	2009 £
Net cash outflow from operating activities		893		-
Net cash inflow/(outflow) before management of liquid resources and financing		893		-
		<hr/>		<hr/>
Increase in cash in the year		893		-
		<hr/> <hr/>		<hr/> <hr/>

IMPERIAL MUSIC & MEDIA PLC

NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 JANUARY 2010

1	Reconciliation of operating loss to net cash inflow/(outflow) from operating activities		2010	2009	
			£	£	
	Operating (loss)/profit		(1,618)	-	
	Decrease/(increase) in debtors		2,136	-	
	Increase in creditors within one year		375	-	
	Net cash inflow/(outflow) from operating activities		893	-	
2	Analysis of net funds/(debt)	1 February 2009	Cash flow	Other non-cash changes	31 January 2010
		£	£	£	£
	Net cash				
	Cash at bank and in hand	-	893	-	893
	Net (debt)/funds	-	893	-	893
3	Reconciliation of net cash flow to movement in net funds		2010	2009	
			£	£	
	Increase in cash in the year		893	-	
	Movement in net funds in the year		893	-	
	Opening net debt		-	-	
	Closing net funds		893	-	

IMPERIAL MUSIC & MEDIA PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2010

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

2 Taxation	2010	2009
Current tax charge	-	-
	<hr/>	<hr/>
Factors affecting the tax charge for the year		
Loss on ordinary activities before taxation	(1,618)	-
	<hr/>	<hr/>
	<hr/>	<hr/>
Current tax charge	-	-
	<hr/>	<hr/>
3 Debtors	2010	2009
	£	£
Called up share capital not paid	37,500	50,000
Prepayments and accrued income	10,364	-
	<hr/>	<hr/>
	47,864	50,000
	<hr/>	<hr/>
4 Creditors amounts falling due within one year	2010	2009
	£	£
Accruals and deferred income	375	-
	<hr/>	<hr/>

IMPERIAL MUSIC & MEDIA PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2010

5 Share capital	2010	2009
	£	£
Authorised		
1,000,000,000 Ordinary shares of £0.001 each	1,000,000	50,000
	<u> </u>	<u> </u>
Allotted, called up and fully paid		
50,000,000 Ordinary shares of £0.001 each	50,000	50,000
	<u> </u>	<u> </u>

By way of a resolution dated 8th May 2009, the authorised share capital of the company was increased to £1,000,000 by the creation of 950,000,000 ordinary shares of £0.001 each

On 19th January 2007, the company granted Ashwillow Limited a non assignable warrant, which is exercisable in whole or part, to subscribe for up to an additional 100,000,000 at a price of £0.001 per ordinary share

By way of a resolution dated 8th May 2009, the company's existing ordinary shares totalling £50,000 were subdivided into 50,000,000 shares of £0.001 each

6 Statement of movements on profit and loss account	Profit and loss account £
Loss for the year	(1,618)
	<u> </u>

7 Reconciliation of movements in shareholders' funds	2010	2009
	£	£
Loss for the financial year	(1,618)	-
Opening shareholders' funds	50,000	50,000
	<u> </u>	<u> </u>
Closing shareholders' funds	48,382	50,000
	<u> </u>	<u> </u>

IMPERIAL MUSIC & MEDIA PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2010

8 Employees

Number of employees

The average monthly number of employees (including directors) during the year was

	2010 Number	2009 Number
Administrative staff	<u>2</u>	<u>2</u>

9 Control

The immediate parent company is Ashwillow Limited by virtue of its 92% shareholding. The ultimate controlling party as at 31st January 2010 is Mr Terry Burnett.

10 Related party transactions

There are no related party transactions within the financial statements.