

Company Registration No. 05560564 (England and Wales)

Spirit Music Publishing Limited

Annual report and financial statements

For the year ended 31 December 2021

Pages for filing with registrar

SPIRIT MUSIC PUBLISHING LIMITED

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SPIRIT MUSIC PUBLISHING LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2021

		2021		2020	
	Notes	£	£	£	£
Current assets					
Debtors	3	1,072,154		5,968,841	
Cash at bank and in hand		69,958		93,953	
		<u>1,142,112</u>		<u>6,062,794</u>	
Creditors: amounts falling due within one year					
	4	<u>(644,116)</u>		<u>(7,703,354)</u>	
Net current assets/(liabilities)			497,996		(1,640,560)
			<u></u>		<u></u>
Capital and reserves					
Called up share capital	5		1,000		1,000
Equity reserve			2,306,717		-
Profit and loss reserves			<u>(1,809,721)</u>		<u>(1,641,560)</u>
Total equity			<u>497,996</u>		<u>(1,640,560)</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

The 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 the provisions of FRS102 Section 1A - Small Entities.

The financial statements were approved by the board of directors and authorised for issue on 21 December 2022 and are signed on its behalf by:

L Padron
Director

Company Registration No. 05560564

SPIRIT MUSIC PUBLISHING LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

Spirit Music Publishing Limited is a private company limited by shares and is registered in England and Wales. The address of its registered office is 55 Loudoun Road, St. John's Wood, London, NW8 0DL and the address of its principal place of business during the year was 46A Great Marlborough Street, London, W1F 7JW.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") 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 FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

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

1.2 Going concern

As the directors' intention is to distribute profits to the shareholder and then liquidate the company they have prepared the financial statements on a basis other than going concern.

This has not had any impact on the carrying value of the company's assets or liabilities.

The company will retain sufficient cash to meet its ongoing administrative and liquidation costs.

1.3 Turnover

Turnover represents royalty income and is included on a receivable basis.

1.4 Cash at bank and in hand

Cash and cash equivalents represent cash held at bank.

1.5 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.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors, cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

SPIRIT MUSIC PUBLISHING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors and loans from fellow group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

1.6 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.7 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 tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date 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. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.8 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

SPIRIT MUSIC PUBLISHING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies (Continued)

1.9 Advances to artists

Advances to artists, presented within debtors on the balance sheet, represent advances made direct to artists and other costs incurred on behalf of artists under contract. These advances, which are only recoverable against future royalties, are charged to the profit and loss account as they are recouped or where the probability of future recoupment in respect thereof is unlikely.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 2 (2020: 2).

3 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Amounts due from parent and fellow group undertakings	914,107	5,654,295
Other debtors	158,047	314,546
	<u>1,072,154</u>	<u>5,968,841</u>

Amounts due from parent and fellow group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

4 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	7,109	7,123
Amounts due to parent and fellow group undertakings	350,672	7,524,843
Other taxation and social security	-	154,975
Other creditors	286,335	16,413
	<u>644,116</u>	<u>7,703,354</u>

Amounts due to parent and fellow group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

The reduction in the year of 'Amounts due to parent and fellow group undertakings' was the result of a capital contribution made by the parent which was subsequently used to part repay these balances.

SPIRIT MUSIC PUBLISHING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

5 Called up share capital

	2021	2020
	£	£
Ordinary share capital		
Issued and not fully paid		
1,000 Ordinary shares of £1 each	1,000	1,000
	1,000	1,000

There is a single class of ordinary share. There are no restrictions on the distribution of dividends and the repayment of capital.

6 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The audit report provided to the members of Spirit Music Publishing Limited on the financial statements for the year ended 31 December 2021 was not qualified.

The audit report was signed by Richard Gilbert (Senior Statutory Auditor) on behalf of SRLV Audit Limited, Chartered Accountants and Statutory Auditor.

7 Contingent liabilities

The company has a deposit agreement under which there is a charge for all monies due under a lease agreement entitled by LCH Properties Limited for £8,970 (2020: £8,970).

8 Related party transactions

The company has taken advantage of the exemption available in accordance with FRS102 Section 1A paragraph 1AC.35 not to disclose transactions entered into between two or more members of a group, as the company and the other subsidiaries are wholly owned subsidiary undertakings of the group to which they are party to the transactions.

The parent of the smallest group for which group accounts are drawn up, of which the company is a member, is Spirit Music Group, Inc., whose registered office is 9 East Loockerman Street, Dover, Delaware, 19901, USA.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.