

Registered number: 05673644

PLAYLOUDER RECORDINGS LIMITED

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018



PLAYLOUDER RECORDINGS LIMITED
REGISTERED NUMBER: 05673644

BALANCE SHEET
AS AT 31 DECEMBER 2018

		2018 £	2017 £
	Note		
Current assets			
Stocks	5	308	288
Debtors: amounts falling due within one year	6	16,147	15,644
Cash at bank and in hand	7	27,831	78,086
		<u>44,286</u>	<u>94,018</u>
Creditors: amounts falling due within one year	8	(178,253)	(266,080)
Net current liabilities		<u>(133,967)</u>	<u>(172,062)</u>
Total assets less current liabilities		<u>(133,967)</u>	<u>(172,062)</u>
Net liabilities		<u>(133,967)</u>	<u>(172,062)</u>
Capital and reserves			
Called up share capital	9	1,000	1,000
Profit and loss account		(134,967)	(173,062)
		<u>(133,967)</u>	<u>(172,062)</u>

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 have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 12 JUL 2019



Martin Mills
Director

The notes on pages 2 to 6 form part of these financial statements.

PLAYLOUDER RECORDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. General information

The principal activity of the company was that of the production and sale of sound recordings and the licensing of such operations.

The company is a private company limited by shares and is registered in England and Wales. The address of its registered office is 17/19 Alma Road, London, SW18 1AA.

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 following principal accounting policies have been applied:

2.2 Going concern

The parent company, Beggars Group Limited, has committed to continuing to support the company for a period of not less than one year from the date of the signing of the financial statements. On this basis, the directors consider it appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from withdrawal of the parent company's support.

2.3 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 at fair value of the consideration received or receivable, net of discounts, excluding rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Physical sales

Revenues from the physical sale of recorded music are recognised on despatch. Where goods are sold on the company's behalf by third party distributors, revenue is recognised when the distributor reports sales to the company.

Digital sales

Revenues relating to digital products are recognised when the products are sold based on reports from digital service providers. Where revenue cannot be reliably estimated for the period, it is recognised on a receipts basis.

Royalties

Royalty income is included on a receivable basis calculated on sales of records arising during each financial year as reported by licensees. Where royalty income cannot be reliably estimated for the period, it is recognised on a receipts basis. Where income is received but not accompanied by sufficient data to attribute to a recognisable project, the income is recognised on subsequent receipt of that data. Royalties payable are charged against relevant income of the same period except where they are paid in advance, carried forward and recognised as an asset where such advances relate to current released and unreleased products and where it is estimated that sufficient future royalties will be earned from recoupment from those products.

Advances received are carried forward and recognised over the expected life of each individual licence

PLAYLOUDER RECORDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.4 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.6 Cash

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

2.7 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, and loans with related parties.

Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, 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 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 cost less impairment, the impairment loss is measured as the difference between an assets 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.

2.8 Creditors

Short term creditors are measured at the transaction price.

PLAYLOUDER RECORDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.9 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is pound sterling.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

2.10 Interest income

Interest income is recognised in the profit and loss account using the effective interest method.

2.11 Taxation

Tax is recognised in the profit and loss account, 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.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reserved 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.

2.12 Deferred income

Deferred income represents non-returnable advances on royalties receivable from other record companies. These amounts are credited to revenue as the royalty income arises or where the probability of future income in respect thereof is remote.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

2. Accounting policies (continued)

2.13 Advances to artists

Advances to artists represent advances made direct to artists for recording and other costs made 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 probability for future recoupment in respect thereof is unlikely.

3. Auditors' remuneration

The audit and tax fees for the current and prior year were borne by a group company.

4. Employees

The average monthly number of employees, including directors, during the year was 3 (2017 - 3).

5. Stocks

	2018	2017
	£	£
Finished goods and goods for resale	308	288

6. Debtors

	2018	2017
	£	£
Amounts owed by group undertakings	14,644	14,644
Other debtors	1,028	1,000
Prepayments and accrued income	475	-
	16,147	15,644

7. Cash

	2018	2017
	£	£
Cash at bank and in hand	27,831	78,086

PLAYLOUDERRECORDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

8. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	76	68
Amounts owed to group undertakings	174,611	237,752
Other creditors	1,282	1,246
Accruals and deferred income	2,284	27,014
	<u>178,253</u>	<u>266,080</u>

9. Share capital

	2018 £	2017 £
Allotted, called up and fully paid		
760 ordinary A shares of £1 each	760	760
240 ordinary B shares of £1 each	240	240
	<u>1,000</u>	<u>1,000</u>

There are no differences in the rights assigned to 'A' and 'B' class shares and they rank pari passu. There are no restrictions on the distribution of dividends and the repayment of capital.

10. Related party transactions

During the year, the company paid a general overhead charge of £5,000 (2017 - £5,000) and had net trade transactions of £68,141 (2017 - £55,015) with Beggars Group Limited, the parent company. At the balance sheet date, the company owed Beggars Group Limited £174,611 (2017 - £237,752) in respect of trade balances and working capital loans. These amounts are interest free and repayable on demand.

The parent of the smallest group for which consolidated accounts are drawn up of which this company is a member is Beggars Group Limited, a company registered in England and Wales, whose registered office is 17/19 Alma Road, London, SW18 1AA.

11. Auditors' information

The audit report provided to the members of Playluderecordings Limited on the financial statements for the year ended 31 December 2018 was not qualified.

The audit report was signed by Marc Voulters (Senior Statutory Auditor) for and on behalf of SRLV Audit Limited.