

Unaudited Financial Statements for the Year Ended 29 February 2020

for

Phantom Music Management Ltd

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for the Year Ended 29 February 2020

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Phantom Music Management Ltd

Company Information
for the Year Ended 29 February 2020

DIRECTORS:

D Shackleton
R C Smallwood
A J Taylor

SECRETARY:

S H Pennington

REGISTERED OFFICE:

Bridle House
36 Bridle Lane
London
W1F 9BZ

REGISTERED NUMBER:

05919540 (England and Wales)

Balance Sheet
29 February 2020

	Notes	29.2.20 £	£	28.2.19 £	£
FIXED ASSETS					
Intangible assets	4		976		1,402
Tangible assets	5		58,767		53,498
Investments	6		<u>211,045</u>		<u>211,045</u>
			270,788		265,945
CURRENT ASSETS					
Debtors	7	5,184,447		6,151,920	
Prepayments and accrued income		11,667		11,667	
Cash at bank and in hand	8	<u>130,637</u>		<u>98,761</u>	
		5,326,751		6,262,348	
CREDITORS					
Amounts falling due within one year	9	<u>1,840,680</u>		<u>3,000,302</u>	
NET CURRENT ASSETS			<u>3,486,071</u>		<u>3,262,046</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			3,756,859		3,527,991
PROVISIONS FOR LIABILITIES			<u>8,117</u>		<u>5,180</u>
NET ASSETS			<u>3,748,742</u>		<u>3,522,811</u>
CAPITAL AND RESERVES					
Called up share capital			100		100
Retained earnings			<u>3,748,642</u>		<u>3,522,711</u>
SHAREHOLDERS' FUNDS			<u>3,748,742</u>		<u>3,522,811</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 29 February 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 29 February 2020 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.
- (b)

Phantom Music Management Ltd (Registered number: 05919540)

Balance Sheet - continued

29 February 2020

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 14 December 2020 and were signed on its behalf by:

A J Taylor - Director

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 29 February 2020

1. **STATUTORY INFORMATION**

Phantom Music Management Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the normal amount received is recognised as interest income.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Stamp duty and related costs is being amortised evenly over its estimated useful life of five years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery etc	- 25% on reducing balance
Memorabilia	- Not depreciated, valued at historical cost.

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

On disposal, the difference between the net disposal proceeds and the carrying amount of the item sold is recognised in profit or loss.

Notes to the Financial Statements - continued
for the Year Ended 29 February 2020

2. **ACCOUNTING POLICIES - continued**

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 accounts receivable and payable, loans from banks and other third parties, loans to related parties and other third parties and investments in non-puttable ordinary shares.

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 profit or loss.

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 the best estimate, which is an approximation, of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position 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.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Notes to the Financial Statements - continued
for the Year Ended 29 February 2020

2. ACCOUNTING POLICIES - continued

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Debtors and creditors

Short term debtors, classified as receivable in one year, 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.

Short term creditors, classified as payable in one year, 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.

Impairment of non-financial assets

At each reporting date non-financial assets not carried at fair value, like goodwill and plant, property and equipment, are reviewed to determine whether there is an indication that an asset may be impaired. If there is an indication of possible impairment, the recoverable amount of any asset or group of related assets, which is the higher of value in use and the fair value less cost to sell, is estimated and compared with its carrying amount. If the recoverable amount is lower, the carrying amount of the asset is reduced to its recoverable amount and an impairment loss is recognised immediately in profit or loss.

Inventories are also assessed for impairment at each reporting date. The carrying amount of each item of inventory, or group of similar items, is compared with its selling price less costs to complete and sell. If an item of inventory or group of similar items is impaired, its carrying amount is reduced to selling price less costs to complete and sell, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss is subsequently reversed, the carrying amount of the asset or group of related assets is increased to the revised estimate of its recoverable amount, but not to exceed the amount that would have been determined had no impairment loss been recognised for the asset or group of related assets in prior periods. A reversal of an impairment loss is recognised immediately in profit or loss.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 11 (2019 - 10) .

Notes to the Financial Statements - continued
for the Year Ended 29 February 2020

4. **INTANGIBLE FIXED ASSETS**

Other
intangible
assets
£

COST

At 1 March 2019
and 29 February 2020

2,130

AMORTISATION

At 1 March 2019
Charge for year
At 29 February 2020

728

426

1,154

NET BOOK VALUE

At 29 February 2020
At 28 February 2019

976

1,402

5. **TANGIBLE FIXED ASSETS**

Plant and
machinery
etc
£

COST

At 1 March 2019
Additions
At 29 February 2020

104,918

7,483

112,401

DEPRECIATION

At 1 March 2019
Charge for year
At 29 February 2020

51,420

2,214

53,634

NET BOOK VALUE

At 29 February 2020
At 28 February 2019

58,767

53,498

Notes to the Financial Statements - continued
for the Year Ended 29 February 2020

6. **FIXED ASSET INVESTMENTS**

	Other investments £
COST	
At 1 March 2019 and 29 February 2020	<u>211,045</u>
NET BOOK VALUE	
At 29 February 2020	<u>211,045</u>
At 28 February 2019	<u>211,045</u>

7. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	29.2.20 £	28.2.19 £
Trade debtors	1,313,742	1,259,042
Other debtors	<u>3,870,705</u>	<u>4,892,878</u>
	<u>5,184,447</u>	<u>6,151,920</u>

8. **CASH AT BANK AND IN HAND**

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings under current liabilities.

9. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	29.2.20 £	28.2.19 £
Trade creditors	1,217,014	461,909
Amounts owed to group undertakings	199,868	199,868
Taxation and social security	321,000	80,558
Other creditors	<u>102,798</u>	<u>2,257,967</u>
	<u>1,840,680</u>	<u>3,000,302</u>

10. **LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	29.2.20 £	28.2.19 £
Within one year	140,000	140,000
Between one and five years	<u>180,833</u>	<u>320,833</u>
	<u>320,833</u>	<u>460,833</u>

Notes to the Financial Statements - continued
for the Year Ended 29 February 2020

11. SECURED DEBTS

The below overdraft facility has been cleared but the charge satisfied and removed after year end:

Date	Name	Amount	Description
14/06/07	HSBC Private Bank (UK) Ltd	All monies due or to become due from the company.	Fixed and floating charges over the undertaking and all property and assets present and future including goodwill bookdebts uncalled capital buildings fixtures fixed plant and machinery.

The following rent deposit deed's also apply at year end:

26/06/12	GMS Estates Limited	All monies due or to become due from the company to the chargee under the terms of the aforementioned instrument creating or evidencing the charge.	The deposit monies.
18/06/07	The Royal bank of Scotland PLC (As Trustee of the Royal London Exempt Property Unit Trust)	All monies due or to become due from the company to the chargee under the terms of the aforementioned instrument creating or evidencing the charge.	£50,000 net, see mortgage charge document registered at companies house fro full details.

12. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

12. RELATED PARTY DISCLOSURES - continued

A J Taylor and R C Smallwood

Companies in which A J Taylor and R C Smallwood are both directors.

During the year the following transactions occurred between the company and related parties (all amounts are repayable on demand and interest-free):

Concept Venues Ltd:

During the year Concept Venues Ltd was advanced £749,433 (2019: £75,000) and owes £15,246 (2019: £NIL) in recharges (recharges are classified under trade debtors). At the balance sheet date Phantom Music Management Ltd was owed £3,530,177 (2019: £4,697,711) by Concept Venues Ltd. Of this amount £1,220,000 (2019: £1,220,000) relates to loan notes.

In 2015 an impairment provision was made against unsecured monies owed by Concept Venues Ltd of £1,170,672, this was increased to £2,353,451 at the balance sheet date 29 February 2020.

Raw Power Management Ltd:

During the year Phantom Music Management Ltd made advances to the value of £NIL (2019: £105,705) and was repaid £4,490 (2018: £NIL). Phantom Music Management is owed £1,384,395 (2019: £1,260,204) in recharges (recharges are classified under trade debtors). At the balance sheet date Phantom Music Management Ltd was owed £1,642,541 (2019: £1,327,700) by Raw Power Management Ltd.

At the balance sheet date the impairment provision made against this loan is £200,000 (2019 £395,141). The company has indicated in a letter of support that it will not recall or demand any repayment of this loan unless such repayment by Raw Power Management Ltd does not affect its ability to continue as a going concern.

Sanctuary Management Productions Ltd:

During the year the company was advanced £400 (2018: £NIL) by Sanctuary Management Productions Ltd. At the balance sheet date company owed £39,400 (2019: £39,000) to Sanctuary Management Productions Ltd in relation to a loan.

Sphere Entertainment Ltd

During the year Phantom Music Management Ltd made advances to the value of £198,027 (2018: £NIL) and was repaid £118,000 (2018: £NIL). At the balance sheet date Phantom Music Management Ltd was owed £80,027 (2018: £NIL).

All of the above loan amounts are classified as current creditors / debtors and are repayable on demand, no interest is charged.

13. ULTIMATE CONTROLLING PARTY

The ultimate controlling parties are A J Taylor and R C Smallwood.

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.