

Unaudited Financial Statements for the Year Ended 29 February 2020

for

Raw Power Management Limited

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for the Year Ended 29 February 2020

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Raw Power Management Limited

Company Information
for the Year Ended 29 February 2020

DIRECTORS:

C A Jennings
R C Smallwood
A J Taylor
M Ash
D Jenkins

SECRETARY:

S H Pennington

REGISTERED OFFICE:

Bridle House
36 Bridle Lane
London
W1F 9BZ

REGISTERED NUMBER:

06031020 (England and Wales)

Balance Sheet
29 February 2020

		29.2.20		28.2.19 as restated	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	4		480		1,402
Tangible assets	5		<u>12,819</u>		<u>10,256</u>
			13,299		11,658
CURRENT ASSETS					
Debtors	6	295,157		177,662	
Prepayments and accrued income		273,472		168,013	
Cash at bank and in hand	7	<u>24,286</u>		<u>37,822</u>	
		592,915		383,497	
CREDITORS					
Amounts falling due within one year	8	<u>3,123,781</u>		<u>2,966,487</u>	
NET CURRENT LIABILITIES			<u>(2,530,866)</u>		<u>(2,582,990)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(2,517,567)</u>		<u>(2,571,332)</u>
CAPITAL AND RESERVES					
Called up share capital			1,600		1,600
Retained earnings			<u>(2,519,167)</u>		<u>(2,572,932)</u>
SHAREHOLDERS' FUNDS			<u>(2,517,567)</u>		<u>(2,571,332)</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)

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 30 November 2020 and were signed on its behalf by:

D Jenkins - Director

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

1. STATUTORY INFORMATION

Raw Power Management Limited 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.

Related party exemption

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.

Turnover

Turnover is derived from ordinary activities and represents invoiced commission for the provision of management services to music artists, net of value added tax. Revenue is recognised when the company becomes entitled to commission on its clients income. This is deemed to occur upon the completion of deals negotiated by the company on their clients' behalf, and upon the subsequent completion of satisfaction of the clients' contractual obligations to their customers, even where agreements have yet to be signed.

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 & associated costs is being amortised evenly over its estimated useful life of five years.

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

2. ACCOUNTING POLICIES - continued

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 cost

Furniture, fixtures and fittings (relating to bar refurbishment) - depreciated over the remaining length of the property lease.

Computers and office equipment - 25% on 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.

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.

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

2. ACCOUNTING POLICIES - continued

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.

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.

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.

Going concern

At the period end the company's liabilities exceeded its assets by £2,517,567 (2019: £2,571,332). The company relies on the support of Phantom Music Management Ltd whose directors have confirmed its ability to give ongoing financial support to the company for the foreseeable future. For this reason the financial statements have been prepared on the going concern basis.

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

2. **ACCOUNTING POLICIES - continued**

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 13 (2019 - 12) .

4. **INTANGIBLE FIXED ASSETS**

	Other intangible assets £
COST	
At 1 March 2019	
and 29 February 2020	2,130
AMORTISATION	
At 1 March 2019	728
Charge for year	922
At 29 February 2020	1,650
NET BOOK VALUE	
At 29 February 2020	480
At 28 February 2019	1,402

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

5. **TANGIBLE FIXED ASSETS**

	Plant and machinery etc £
COST	
At 1 March 2019	58,200
Additions	10,160
At 29 February 2020	<u>68,360</u>
DEPRECIATION	
At 1 March 2019	47,944
Charge for year	7,597
At 29 February 2020	<u>55,541</u>
NET BOOK VALUE	
At 29 February 2020	<u>12,819</u>
At 28 February 2019	<u>10,256</u>

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

	29.2.20	28.2.19 as restated
	£	£
Trade debtors	37,998	66,936
Other debtors	<u>257,159</u>	<u>110,726</u>
	<u>295,157</u>	<u>177,662</u>

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.

7. **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.

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

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

	29.2.20	28.2.19 as restated
	£	£
Trade creditors	346,860	214,713
Taxation and social security	155,742	107,899
Other creditors	2,621,179	2,643,875
	<u>3,123,781</u>	<u>2,966,487</u>

9. **SECURED DEBTS**

The following secured debts are included within creditors:

	29.2.20	28.2.19 as restated
	£	£
Cash Credit Card	<u>-</u>	<u>27,500</u>

Date	Name	Amount	Brief Description
30/11/2018	Svenska Handelsbanken Ab Publ	All monies due or to become due to the company.	Contains fixed charges, contains negative pledge. Charge code 0603 1020 0001 registered at Companies House.

10. **DIRECTORS' ADVANCES, CREDITS AND GUARANTEES**

The following advances and credits to directors subsisted during the years ended 29 February 2020 and 28 February 2019:

	29.2.20	28.2.19 as restated
	£	£
R C Smallwood		
Balance outstanding at start of year	350	250
Amounts advanced	-	100
Amounts repaid	-	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>350</u>	<u>350</u>

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

10. **DIRECTORS' ADVANCES, CREDITS AND GUARANTEES - continued**

C A Jennings

Balance outstanding at start of year	-	7,959
Amounts advanced	5,056	450
Amounts repaid	(5,056)	(8,409)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>-</u>	<u>-</u>

A J Taylor

Balance outstanding at start of year	350	250
Amounts advanced	-	100
Amounts repaid	-	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>350</u>	<u>350</u>

D Jenkins

Balance outstanding at start of year	746	20,152
Amounts advanced	22,650	11,518
Amounts repaid	(64)	-
Amounts written off	-	(30,924)
Amounts waived	-	-
Balance outstanding at end of year	<u>23,332</u>	<u>746</u>

M Ash

Balance outstanding at start of year	1,350	-
Amounts advanced	874	1,350
Amounts repaid	-	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>2,224</u>	<u>1,350</u>

All amounts owing from directors are repayable on demand.

Interest is calculated on the average interest method at 2.5% (2019: 2.5 %) on amounts owed to the company by one director, on other amounts owed to the company by directors no interest is charged.

11. RELATED PARTY DISCLOSURES

Directors / Shareholders

Directors and shareholders of the company.

At the balance sheet date the directors owe the company £26,256 (2018: £2,795). During the year an amount owing to the company by a director of £NIL (2019: £30,924) was written off to the P&L. The amounts outstanding at the balance sheet date are classified as current debtors and are repayable on demand, Interest is calculated on the average interest method at 2.5% (2019: 2.5%) on amounts owed to the company by one director, on other amounts owed to the company by directors no interest is charged.

At the balance sheet date the company owes the directors £3,262 (2019: £7,705) in relation to money the directors have advanced the company. The amounts outstanding at the balance sheet date are classified as current creditors and are repayable on demand, no interest is charged.

Focus Business Management Ltd

A subsidiary of Phantom Music Management Ltd.

Phantom Music Management Ltd is controlled by two of the directors / shareholders of the company.

During the year the company received advances from Focus Business Management Ltd to the value of £124,400 (2019: £NIL) and repaid £NIL (2019: £NIL). At the balance sheet date the company owed £124,400 (2019: £NIL) to Focus Business Management Ltd. The amount is classified as a current creditor and is repayable on demand, no interest is charged.

Phantom Music Management Ltd

A Company controlled by two of the directors / shareholders.

During the year the company received recharges and loans to the value of £187,153 (2019: £553,572) and repaid £121,279 (2019: £234,335). In the year Phantom Music Management Ltd wrote off £200,000 (2019: £NIL) of the loan amount. At the balance sheet date the company owed £1,586,416 (2019: £1,720,542) to Phantom Music Management Ltd. The amount is classified as a current creditor and is repayable on demand, no interest is charged.

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

11. RELATED PARTY DISCLOSURES - continued

Search & Destroy Records Ltd

A Company controlled by two of the directors / shareholders.

During the year the company loaned Search & Destroy Records Ltd £301 (2019: £55,000) and Search & Destroy Records Ltd repaid £NIL (2019: £4,500). At the balance sheet date Search & Destroy Records Ltd owes the company £50,801 (2019: £50,500). The amount is classified as a current debtor and is repayable on demand, no interest is charged.

12. ULTIMATE CONTROLLING PARTY

Due to the shareholding there is no controlling or ultimate controlling party.

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.