

Report of the Directors and
Unaudited Financial Statements for the Year Ended 28 February 2022
for
Raw Power Management Limited

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for the Year Ended 28 February 2022

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Raw Power Management Limited

Company Information
for the Year Ended 28 February 2022

DIRECTORS:

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

SECRETARY:

S H Pennington

REGISTERED OFFICE:

1st Floor
56 Brewer Street
London
W1F 9TJ

REGISTERED NUMBER:

06031020 (England and Wales)

Report of the Directors
for the Year Ended 28 February 2022

The directors present their report with the financial statements of the company for the year ended 28 February 2022.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of music artist management.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 March 2021 to the date of this report.

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

DONATIONS AND EXPENDITURE

During the year the company made charitable donations totalling £1,385 (2021: £1,100) to causes which the company supports. The donations made are less than £500 each in value and were made to various charities.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

D Jenkins - Director

28 November 2022

Balance Sheet
28 February 2022

| | Notes | 28.2.22 £ | £ | 28.2.21 £ | £ |
|--|-------|------------------|--------------------|------------------|--------------------|
| FIXED ASSETS | | | | | |
| Intangible assets | 4 | | - | | - |
| Tangible assets | 5 | | <u>7,986</u> | | <u>9,497</u> |
| | | | 7,986 | | 9,497 |
| CURRENT ASSETS | | | | | |
| Debtors | 6 | 600,341 | | 649,835 | |
| Prepayments and accrued income | | 342,317 | | 83,913 | |
| Cash at bank and in hand | 7 | <u>36,094</u> | | <u>123,014</u> | |
| | | 978,752 | | 856,762 | |
| CREDITORS | | | | | |
| Amounts falling due within one year | 8 | <u>3,547,204</u> | | <u>3,655,157</u> | |
| NET CURRENT LIABILITIES | | | <u>(2,568,452)</u> | | <u>(2,798,395)</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | (2,560,466) | | (2,788,898) |
| CREDITORS | | | | | |
| Amounts falling due after more than one year | 9 | | <u>38,137</u> | | <u>46,667</u> |
| NET LIABILITIES | | | <u>(2,598,603)</u> | | <u>(2,835,565)</u> |
| CAPITAL AND RESERVES | | | | | |
| Called up share capital | | | 1,600 | | 1,600 |
| Retained earnings | | | <u>(2,600,203)</u> | | <u>(2,837,165)</u> |
| SHAREHOLDERS' FUNDS | | | <u>(2,598,603)</u> | | <u>(2,835,565)</u> |

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 28 February 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 28 February 2022 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- 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.

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 Statement of Income and Retained Earnings has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 28 November 2022 and were signed on its behalf by:

D Jenkins - Director

Notes to the Financial Statements
for the Year Ended 28 February 2022

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.

Preparation of consolidated financial statements

The financial statements contain information about Raw Power Management Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

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.

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 - 25% on cost

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.

Notes to the Financial Statements - continued
for the Year Ended 28 February 2022

2. ACCOUNTING POLICIES - continued

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Notes to the Financial Statements - continued
for the Year Ended 28 February 2022

2. ACCOUNTING POLICIES - continued

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in a non-derivative financial instrument that is equity of the issuer is publicly traded or the fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, 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.

Notes to the Financial Statements - continued
for the Year Ended 28 February 2022

2. ACCOUNTING POLICIES - continued

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 £2,598,603 (2021: £2,835,565). The company relies on the support of Phantom Music Management Ltd. At the balance sheet date the company owed £1,760,514 (2021: £1,728,072) to Phantom Music Management Ltd. The amount owed to Phantom Music Management Ltd is classified as a current creditor and is repayable on demand, no interest is charged. Phantom Music Management Ltd 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. The directors of Phantom Music Management Ltd have confirmed the company's 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 28 February 2022

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 12 (2021 - 12) .

4. **INTANGIBLE FIXED ASSETS**

| | Other intangible assets £ |
|---|------------------------------------|
| COST | |
| At 1 March 2021 and 28 February 2022 | <u>2,130</u> |
| AMORTISATION | |
| At 1 March 2021 and 28 February 2022 | <u>2,130</u> |
| NET BOOK VALUE | |
| At 28 February 2022 | <u>-</u> |
| At 28 February 2021 | <u>-</u> |

Notes to the Financial Statements - continued
for the Year Ended 28 February 2022

5. **TANGIBLE FIXED ASSETS**

| | Plant and machinery etc £ |
|-----------------------|------------------------------------|
| COST | |
| At 1 March 2021 | 72,021 |
| Additions | 4,819 |
| At 28 February 2022 | <u>76,840</u> |
| DEPRECIATION | |
| At 1 March 2021 | 62,524 |
| Charge for year | 6,330 |
| At 28 February 2022 | <u>68,854</u> |
| NET BOOK VALUE | |
| At 28 February 2022 | <u>7,986</u> |
| At 28 February 2021 | <u>9,497</u> |

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

| | 28.2.22 £ | 28.2.21 £ |
|---------------|----------------|----------------|
| Trade debtors | 507,877 | 500,159 |
| Other debtors | <u>92,464</u> | <u>149,676</u> |
| | <u>600,341</u> | <u>649,835</u> |

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.

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

| | 28.2.22 £ | 28.2.21 £ |
|------------------------------|------------------|------------------|
| Bank loans and overdrafts | 9,600 | 3,333 |
| Trade creditors | 240,358 | 319,934 |
| Taxation and social security | 432,295 | 417,863 |
| Other creditors | <u>2,864,951</u> | <u>2,914,027</u> |
| | <u>3,547,204</u> | <u>3,655,157</u> |

Notes to the Financial Statements - continued
for the Year Ended 28 February 2022

9. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

| | 28.2.22 | 28.2.21 |
|--|---------------|---------------|
| | £ | £ |
| Bank loans | <u>38,137</u> | <u>46,667</u> |
| Amounts falling due in more than five years: | | |
| Repayable by instalments | | |
| Bank loans more 5 yr by instal | <u>-</u> | <u>6,667</u> |

10. **SECURED DEBTS**

The below charge relates to a cash bank account held at Svenska Handelsbanken Ab, the money held in the cash bank account relates to a guarantee against credit card bill payments. At the year end the balance of the Svenska Handelsbanken AB cash bank account was £1,844 (2021: £9,016).

| 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. |

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

The following advances and credits to directors subsisted during the years ended 28 February 2022 and 28 February 2021:

| | 28.2.22 | 28.2.21 |
|--------------------------------------|------------|---------------|
| | £ | £ |
| R C Smallwood | | |
| Balance outstanding at start of year | 350 | 350 |
| Amounts repaid | - | - |
| Amounts written off | - | - |
| Amounts waived | - | - |
| Balance outstanding at end of year | <u>350</u> | <u>350</u> |
| C A Jennings | | |
| Balance outstanding at start of year | 24,527 | - |
| Amounts advanced | 3,525 | 24,730 |
| Amounts repaid | (28,052) | (203) |
| Amounts written off | - | - |
| Amounts waived | - | - |
| Balance outstanding at end of year | <u>-</u> | <u>24,527</u> |

Notes to the Financial Statements - continued
for the Year Ended 28 February 2022

11. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES - continued

A J Taylor

| | | |
|--------------------------------------|------------|------------|
| Balance outstanding at start of year | 350 | 350 |
| 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 | 1,741 | 23,332 |
| Amounts advanced | - | 1,741 |
| Amounts repaid | (1,060) | (23,332) |
| Amounts written off | - | - |
| Amounts waived | - | - |
| Balance outstanding at end of year | <u>681</u> | <u>1,741</u> |

M Ash

| | | |
|--------------------------------------|----------|--------------|
| Balance outstanding at start of year | 2,224 | 2,224 |
| Amounts repaid | (2,224) | - |
| Amounts written off | - | - |
| Amounts waived | - | - |
| Balance outstanding at end of year | <u>-</u> | <u>2,224</u> |

All amounts owing from directors are classified as current debtors and are repayable on demand. At the balance sheet date the directors owe the company £1,381 (2021: £29,192). Interest is calculated on the average interest method using the HMRC official average interest rates of 2% for the tax year ending 5 April 2022 and 2.5 % for the tax year ending 5 April 2021. Interest is only calculated on balances owing to the company that exceed or exceeded £10,000 or above.

At the balance sheet date the company owes the directors £2,384 (2021: £NIL) in relation to money the directors have advanced the company. Amounts owing to directors at the balance sheet date are classified as current creditors and are repayable on demand, no interest is charged.

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.

A company, in which persons with significant control and influence, also have significant control and influence over.

During the year Raw Power Management Ltd loaned the company £NIL (2021: £1,000) and the company repaid £1,582 (2020: £NIL). At the balance sheet date the company owes Raw Power Management Ltd £50,219 (2021: £51,801). The amount is classified as a current debtor and is repayable on demand, no interest is charged.

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.