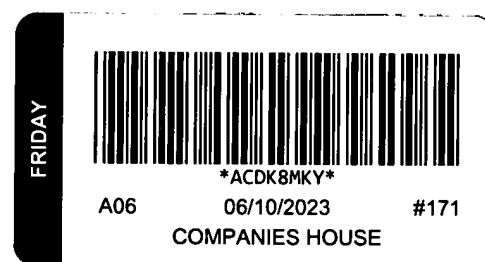


Company registration number 06750159 (England and Wales)

**BOOSEY & HAWKES HOLDINGS LIMITED**  
**ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**



# BOOSEY & HAWKES HOLDINGS LIMITED

## COMPANY INFORMATION

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**Directors**

K Hoskins  
J Minch  
V Pascucci  
J E Susskind  
J Valentine

**Secretary**

Mr J A Prakash

**Company number**

06750159

**Registered office**

c/o Concord Music Group  
Aldwych House  
71-91 Aldwych  
London  
United Kingdom  
WC2B 4HN

**Auditor**

Azets Audit Services  
Ashcombe Court  
Woolsack Way  
Godalming  
Surrey  
United Kingdom  
GU7 1LQ

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# **BOOSEY & HAWKES HOLDINGS LIMITED**

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# **BOOSEY & HAWKES HOLDINGS LIMITED**

## **STRATEGIC REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2021**

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The directors present the Strategic Report, the Directors' Report and the audited financial statements for the year ended 31 December 2021.

#### **Principal activities**

The principal activity remained unchanged throughout the year and continues to be classical music publishing. The directors do not anticipate that this activity will change in the foreseeable future.

#### **Review of the business**

During the year, the group traded satisfactorily, although still recovering from the reduced level of activity experienced during the Covid-19 pandemic. The board uses the production of an annual budget as the main performance indicator to judge business progress through the year. This budget is reinforced by a half year reforecast, undertaken on a 6 months actual, plus 6 months reforecast basis. In addition, the board constantly reviews the net publishers share generated on the various revenue formats.

As part of the ongoing review of business risk and performance, the UK group parent company board met quarterly to review the company's trading results, in light of the principal risks and uncertainties facing the business detailed below.

At the year end, the board considers the group to be well placed to continue to exploit its valuable range of catalogues, although the board remains vigilant to further opportunities for increased business efficiency, either through catalogue acquisition, or cost savings.

The directors believe the group has adequate financial resources to continue in operation for the foreseeable future and is in full compliance with all its debt obligations. The accounts have therefore been prepared on a going concern basis.

During the year, the directors undertook a review of the company's investment in Boosey & Hawkes Ltd and subsidiaries, concluding that a further impairment of £6,487,000 (2020: £nil) was appropriate, reducing the carry value to £77,176,000. The directors will continue to keep this under review.

The key performance indicator used to measure the performance of the company is Net Publisher's Share, or NPS, and resultant margin, which is the difference between royalty income received and royalty expense paid and equates to the group's gross profit. Monthly actual performance is monitored against a budget drawn up in conjunction with the previous year's results and remedial action taken as and when necessary.

The financial results of the group for the year, set out in the statement of comprehensive income on page 8, detail the total comprehensive loss of £7,322,874 (2020: total comprehensive loss of £18,863,399). Gross profit amounted to £10,809,267 in the year (2020: £9,095,038).

No charitable or political donations were made in the year (2020: £nil).

#### **Pension scheme**

During December 2020, the company agreed the on-going scheme valuation as at 1 January 2020, as calculated by the scheme actuaries, with the scheme trustees. This valuation gave rise to a surplus of £2,500,000. During August 2020, the trustees entered into a buy-in contract with AVIVA at a cost of £55m.

The contract with AVIVA is being treated as a special investment type and has transferred many of inherent scheme risks, mortality risk, inflation risk, interest rate risk, among others, to AVIVA. This is reflected in the current FRS 102 value attributable to the scheme deficit of £345,000 (2020: deficit of £117,000). At the date of signature, the company is still to finally conclude the Buy-Out stage of the disposal to AVIVA, due to extensive GMP calculations necessary to conform to the Lloyds Bank judgment applying to the equalisation of male and female pensions. It is hoped that the final deal will be concluded within 6 months.

However it bears recording that Boosey & Hawkes Music Publishers Ltd in the 20 years since the group was taken private in 2003, has made special contributions to the scheme in excess of £17,000,000 and additional payments in respect of specific circumstances of another £500,000.

## BOOSEY & HAWKES HOLDINGS LIMITED

### STRATEGIC REPORT (CONTINUED)

#### FOR THE YEAR ENDED 31 DECEMBER 2021

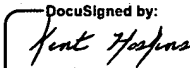
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##### Principal risks and uncertainties

The directors are of the opinion that the principal risks and uncertainties potentially affecting the group are:-

- the group's revenues are substantially made up of royalty revenues on classical composers signed to its subsidiaries. Although the group has taken many steps to broaden the musical base under-pinning group revenues, it is dependent on classical music titles continuing to be commercially successful; and
- the group through its subsidiaries receives its revenues in Sterling, Euros and US Dollars and is therefore subject to potentially adverse exchange movements; and
- the group and its subsidiaries are potentially at risk from downturns in the economies in which they operate.
- the group continues to experience the effects of BREXIT, as the operating subsidiaries send out orchestral hire material from the central warehouse in Mainz, Germany and there have been cost increases from courier companies used, as they process the extra customs procedures for sales requiring deliveries to and from the United Kingdom. These will continue until such time as a more benign customs arrangements with the European Union are in place.

On behalf of the board

DocuSigned by:  
  
.....  
K M Hoskins  
B491328C3ED3498...  
**Director**

10/5/2023  
Date: ..... (5 October 2023 UK)

# BOOSEY & HAWKES HOLDINGS LIMITED

## DIRECTORS' REPORT

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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### Results and dividends

The results for the year are set out on page 8.

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

K Hoskins

J Minch

V Pascucci

J E Susskind

J Valentine

L Blake

(Resigned 25 October 2021)

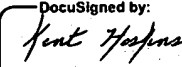
### Auditor

Azets Audit Services were appointed as auditor to the group and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

By order of the board

DocuSigned by:  
  
K M Hoskins  
Director

10/5/2023 (5 October 2023 UK)  
Date: .....

## **BOOSEY & HAWKES HOLDINGS LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

#### ***FOR THE YEAR ENDED 31 DECEMBER 2021***

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The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# BOOSEY & HAWKES HOLDINGS LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF BOOSEY & HAWKES HOLDINGS LIMITED

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#### Opinion

We have audited the financial statements of Boosey & Hawkes Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2021 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.



## **BOOSEY & HAWKES HOLDINGS LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE MEMBERS OF BOOSEY & HAWKES HOLDINGS LIMITED**

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##### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

##### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the parent company or to cease operations, or have no realistic alternative but to do so.

##### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

## BOOSEY & HAWKES HOLDINGS LIMITED

### INDEPENDENT AUDITOR'S REPORT (CONTINUED)

#### TO THE MEMBERS OF BOOSEY & HAWKES HOLDINGS LIMITED

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**Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

**Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Russell Chowney BFP FCA (Senior Statutory Auditor)**  
For and on behalf of Azets Audit Services

Date: 6 October 2023

**Chartered Accountants**  
**Statutory Auditor**

Ashcombe Court  
Woolsack Way  
Godalming  
Surrey  
United Kingdom  
GU7 1LQ

**BOOSEY & HAWKES HOLDINGS LIMITED****GROUP STATEMENT OF COMPREHENSIVE INCOME****FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	2021 £	2020 £
Turnover	3	16,491,230	14,380,000
Cost of sales		(5,681,963)	(5,284,962)
<b>Gross profit</b>		<b>10,809,267</b>	<b>9,095,038</b>
Administrative expenses		(20,077,783)	(19,760,000)
Other operating income		1,290,624	187,391
<b>Operating loss</b>	4	<b>(7,977,892)</b>	<b>(10,477,571)</b>
Interest receivable and similar income	8	445,200	581,917
Interest payable and similar expenses	9	(1,273,695)	(1,807,523)
<b>Loss before taxation</b>		<b>(8,806,387)</b>	<b>(11,703,177)</b>
Tax on loss	10	676,521	861,642
<b>Loss for the financial year</b>		<b>(8,129,866)</b>	<b>(10,841,535)</b>
<b>Other comprehensive income</b>			
Actuarial gain/(loss) on defined benefit pension schemes		270,401	(9,263,000)
Currency translation gain/(loss) taken to retained earnings		558,591	(325,000)
Tax relating to other comprehensive income		(22,000)	1,566,136
<b>Total comprehensive income for the year</b>		<b>(7,322,874)</b>	<b>(18,863,399)</b>

Loss for the financial year is all attributable to the owners of the parent company.

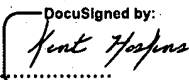
Total comprehensive income for the year is all attributable to the owners of the parent company.

**BOOSEY & HAWKES HOLDINGS LIMITED****GROUP BALANCE SHEET****AS AT 31 DECEMBER 2021**

		2021		2020 as restated	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Goodwill	11		5,056,283		6,162,779
Other intangible assets	11		63,083,443		72,485,129
Total intangible assets			68,139,726		78,647,908
Tangible assets	12		626,692		365,157
Investments	13		20,477		20,477
			68,786,895		79,033,542
<b>Current assets</b>					
Stocks	15	147,452		184,304	
Debtors	16	14,438,417		16,488,022	
Cash at bank and in hand		2,874,534		2,441,564	
			17,460,403		19,113,890
<b>Creditors: amounts falling due within one year</b>	17	(11,061,576)		(12,467,408)	
<b>Net current assets</b>			6,398,827		6,646,482
<b>Total assets less current liabilities</b>			75,185,722		85,680,024
<b>Creditors: amounts falling due after more than one year</b>	18		(26,850,143)		(28,767,355)
<b>Provisions for liabilities</b>					
Provisions	20	1,181,796		1,056,212	
Deferred tax liability	21	5,546,645		6,926,445	
			(6,728,441)		(7,982,657)
<b>Net assets</b>			41,607,138		48,930,012
<b>Capital and reserves</b>					
Called up share capital	23		30,000,000		30,000,000
Profit and loss reserves			11,607,138		18,930,012
<b>Total equity</b>			41,607,138		48,930,012

10/5/2023 (5 October 2023 UK)

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

DocuSigned by:  
  
 .....  
 B491329C3ED3498...  
 K M Hoskins  
 Director

Company registration number 06750159 (England and Wales)

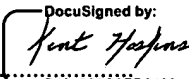
**BOOSEY & HAWKES HOLDINGS LIMITED****COMPANY BALANCE SHEET****AS AT 31 DECEMBER 2021**

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Investments	13		77,176,000		83,663,000
<b>Current assets</b>					
Debtors	16	13,916,417		101,385,167	
Cash at bank and in hand		14,993		948,625	
			13,931,410		102,333,792
<b>Creditors: amounts falling due within one year</b>	17	(1,461,220)		(1,849,338)	
<b>Net current assets</b>			12,470,190		100,484,454
<b>Total assets less current liabilities</b>			89,646,190		184,147,454
<b>Creditors: amounts falling due after more than one year</b>	18		-		(88,215,514)
<b>Net assets</b>			89,646,190		95,931,940
<b>Capital and reserves</b>					
Called up share capital	23	30,000,000		30,000,000	
Profit and loss reserves		59,646,190		65,931,940	
<b>Total equity</b>			89,646,190		95,931,940

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's loss for the year was £6,285,750 (2020 - £128,195 profit).

10/5/2023 (5 October 2023 UK)

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

DocuSigned by:  
  
 B491329C3ED03498...  
 K M Hoskins  
 Director

Company registration number 06750159 (England and Wales)

**BOOSEY & HAWKES HOLDINGS LIMITED****GROUP STATEMENT OF CHANGES IN EQUITY****FOR THE YEAR ENDED 31 DECEMBER 2021**

	<b>Share capital</b>	<b>Profit and loss reserves</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Balance at 1 January 2020</b>	30,000,000	37,793,411	67,793,411
<b>Year ended 31 December 2020:</b>			
Loss for the year	-	(10,841,535)	(10,841,535)
Other comprehensive income:			
Actuarial gains on defined benefit plans	-	(9,263,000)	(9,263,000)
Currency translation differences	-	(325,000)	(325,000)
Tax relating to other comprehensive income	-	1,566,136	1,566,136
<b>Total comprehensive income</b>	-	<b>(18,863,399)</b>	<b>(18,863,399)</b>
<b>Balance at 31 December 2020</b>	30,000,000	18,930,012	48,930,012
<b>Year ended 31 December 2021:</b>			
Loss for the year	-	(8,129,866)	(8,129,866)
Other comprehensive income:			
Actuarial gains on defined benefit plans	-	270,401	270,401
Currency translation differences	-	558,591	558,591
Tax relating to other comprehensive income	-	(22,000)	(22,000)
<b>Total comprehensive income</b>	-	<b>(7,322,874)</b>	<b>(7,322,874)</b>
<b>Balance at 31 December 2021</b>	30,000,000	11,607,138	41,607,138

**BOOSEY & HAWKES HOLDINGS LIMITED****COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2021**


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	Share capital	Profit and loss reserves	Total
	£	£	£
<b>Balance at 1 January 2020</b>	30,000,000	65,803,745	95,803,745
<b>Year ended 31 December 2020:</b>			
Profit and total comprehensive income for the year	-	128,195	128,195
<b>Balance at 31 December 2020</b>	30,000,000	65,931,940	95,931,940
<b>Year ended 31 December 2021:</b>			
Profit and total comprehensive income	-	(6,285,750)	(6,285,750)
<b>Balance at 31 December 2021</b>	30,000,000	59,646,190	89,646,190

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**BOOSEY & HAWKES HOLDINGS LIMITED****GROUP STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	25	1,477,227		252,865	
Interest paid		(1,273,695)			
Income taxes paid		(214,753)			
Effect of exchange rate fluctuations on foreign currency cash held by UK subsidiaries				66,400	
Effect of exchange rate fluctuations on cash held by foreign currency subsidiaries				105,400	
<b>Net cash (outflow)/inflow from operating activities</b>			(11,221) -		424,665
<b>Investing activities</b>					
Purchase of intangible assets		(108,612)		(73,000)	
Purchase of tangible fixed assets		(404,490)		(468,089)	
Purchase of investment property		-		(15,000)	
Purchase of subsidiaries		-		(450,000)	
Interest received		445,200		-	
<b>Net cash used in investing activities</b>			(67,902)		(1,006,089)
<b>Financing activities</b>					
Repayment of borrowings		(1,917,212)		-	
<b>Net cash used in financing activities</b>			(1,917,212)		-
<b>Net decrease in cash and cash equivalents</b>			(1,996,335)		(581,424)
Cash and cash equivalents at beginning of year		2,441,564		3,022,988	
Effect of foreign exchange rates		2,429,305		-	
<b>Cash and cash equivalents at end of year</b>		<u>2,874,534</u>		<u>2,441,564</u>	



# BOOSEY & HAWKES HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 1 Accounting policies

##### Company information

Boosey & Hawkes Holdings Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is c/o Concord Music Group, Aldwych House, 71-91 Aldwych, London, United Kingdom, WC2B 4HN.

The group consists of Boosey & Hawkes Holdings Limited and all of its subsidiaries.

##### 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.

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 £. Prior year accounts were rounded to the nearest thousand £.

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

The financial statements contain information about Boosey & Hawkes Music Publishers Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, Boosey & Hawkes Holdings Limited, whose accounts are publicly available on Companies House.

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.
- Section 33 'Related Party Disclosures': Compensation for key management personnel and disclosure of related party transactions with wholly owned subsidiaries in the group.

The company's ultimate parent undertaking is Alchemy Copyrights, LLC, an institution registered in The United States of America.

##### 1.2 Prior period reclassification

We have reclassified trade creditors and trade debtors for Boosey & Hawkes Music Publishers Limited in the prior year to reflect a more suitable comparative for current year balances, the impact of the reclassification is to increasing trade creditors by £489,000 and increasing trade debtors by £489,000. There has been no impact on the profit and loss for the comparative year.

##### 1.3 Business combinations

*Business combinations are accounted for using the purchase method as at the disposal date, which is the date on which control is transferred from the entity.*

At the disposal date, the group recognises a profit or loss as:

- the fair value of the consideration (excluding contingent consideration) received; plus
- the fair value of the equity instruments issued; plus
- directly attributable transaction costs; less
- the net recognised amount (generally fair value) of the identifiable assets disposed of and liabilities and contingent liabilities passed on.

# BOOSEY & HAWKES HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 1 Accounting policies

(Continued)

##### 1.4 Basis of consolidation

The consolidated financial statements include the financial statements of the company and its subsidiary undertakings made up to 31 December 2021. The acquisition method of accounting has been adopted. Under this method, the results of subsidiary undertakings acquired or disposed of in the year are included in the consolidated profit and loss account from the date of acquisition or up to the date of disposal.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

##### 1.5 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

##### 1.6 Turnover

Turnover represents sales to customers (net of vat), royalties receivable and hire fee income. Royalty income is recognised in the period to which it relates, or if it cannot be reliably estimated, on a receipts basis. Hire fee income is invoiced and recognised on the date the hire materials for any particular performance are dispatched to the client. Revenues from all sources are recognised on a strict accruals basis, with an estimate of earned, but as yet unreported royalty income, being included in the profit & loss account for the year under review.

##### 1.7 Intangible fixed assets - goodwill

Goodwill is classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life up to a presumed maximum of 20 years, however currently 10 years is considered more prudent. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

##### 1.8 Intangible fixed assets - copyrights and trademarks

The cost of copyrights and trademarks acquired not as part of a business combination is amortised evenly over the shorter of the expected useful life of the copyrights and 20 years. Provision is made for any impairment.

##### Intangible Fixed Assets - Catalogues

Catalogues includes copyrighted music titles, catalogue's are split into Boosey & Hawkes catalogues and Sikorski catalogues. The net book value of the Boosey & Hawkes Catalogues are £40,482,000 (2020: £46,537,000). These are amortised over 20 years. The net book value of the Sikorski Catalogues are £18,676,278 (2020: £21,658,110). These are amortised over 15 years.

##### 1.9 Tangible fixed assets

Depreciation is provided on all tangible fixed assets at rates calculated to write off their costs, less their estimated residual value, evenly over their expected useful lives, which are considered to be:

Music Related assets	three to ten years
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

##### 1.10 Fixed asset investments

An annual impairment review of the investments held in the company only balance sheet is performed by comparing the closing carrying asset value of the subsidiaries in the financial statements against the net assets held in those subsidiaries in addition to the third party valuation of the copyrights held in the subsidiaries. Management have used the mid-point of the third party valuation in their assessment as they believe that this is the best representation of the copyright value.

As a result of the annual review an impairment of £6,487,000 (2020:£0) has been booked by the company.

# BOOSEY & HAWKES HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 1 Accounting policies

(Continued)

##### 1.11 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

##### 1.12 Stocks

Stocks of printed material for sale are maintained by the group's German subsidiaries and are held at original cost. Provision is made for any impairment, where appropriate.

##### 1.13 Cash and cash equivalents

Cash and cash equivalents 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 in current liabilities.

##### 1.14 Financial instruments

The group 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 group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and 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.

# BOOSEY & HAWKES HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 1 Accounting policies

(Continued)

#### **Basic financial assets**

Basic financial assets, which include debtors and 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.

#### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

#### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

#### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### **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 group after deducting all of its liabilities.

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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 payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

# BOOSEY & HAWKES HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 1 Accounting policies

(Continued)

##### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

#### 1.15 Equity instruments

Equity instruments issued by the group 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 group.

#### 1.16 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 group'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 if, and only if, there is 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.

#### 1.17 Provisions

Provisions are recognised when the group has a legal or constructive present obligation as a result of a past event, it is probable that the group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

# BOOSEY & HAWKES HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 1 Accounting policies

(Continued)

#### 1.18 Retirement benefits

For defined benefit schemes, the amounts charged to operating profit are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the profit and loss account if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in the statement of Other Comprehensive Income.

Defined benefit schemes are funded, with the assets of the scheme held separately from those of the Group, in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The resulting defined benefit asset or liability, net of the related deferred tax, is presented separately after other net assets on the face of the balance sheet.

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

#### 1.19 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.

### 2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

#### Pension assumptions

Defined benefit pension scheme assets and liabilities are measured on a fair value actuarial basis, as mandated by the FRC, using the projected unit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial assumptions used in the valuation of the pension defined benefit pension scheme are separately identified in note 24.

# BOOSEY & HAWKES HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 2 Judgements and key sources of estimation uncertainty

(Continued)

##### **Intangible fixed assets**

An annual impairment review of acquired copyright and goodwill is performed by comparing the closing carrying asset value against a third party valuation. Where the third party valuation supports the carrying value no adjustment is made, where the third party valuation is less than the carrying value the asset is impaired.

Management prepare cash flow forecasts using current full year actual results as a base and overlay growth/decay assumptions for a future 10 years by revenue royalty income type, net publishers share margin, overheads, tax, net advance spend, and working capital. The growth/decay assumptions are based on comparable industry data, historical growth trends, copyright expiry and reversions, coupled with specific management expectations.

After reviewing management's forecasts the third party valuer used a discounted cash flow (DCF) methodology to value the estimate present value projected future cash flows. The mid-point discount factor used by valuer for the 31 December 2021 valuation was 9.25% (2020: 8.75%).

After assessment at the time of purchase in 2004, the useful economic life of these assets was concluded to be 20 years, which continues to be the period of amortisation for these historic acquisitions. No further impairment is considered necessary for the current year (2019: £nil). The current carrying value of these assets is 39% (2019: 43%) of original purchase price and no advancement of the original period of amortisation is considered either necessary, or appropriate. Consequently, no further impairment is considered necessary for the current year of assets maintained under the heading *Boosey & Hawkes Catalogues* of £40,482,000 (2020: £46,537,000).

The useful economic life of the assets newly acquired during the prior year however was concluded to be 15 years, based on current best practice when evaluating the period of amortisation and more current FRC recommendations. No impairment is considered necessary for the current year of the carrying value of assets maintained under the heading *Sikorski Catalogues* of £18,676,279 (2020: £21,658,110). The associated goodwill arising, being inherently an asset less easy to value, is being amortised over 10 years, in line with FRC recommendations.

##### **Investment**

An annual impairment review of investment in subsidiaries is performed by comparing the closing carrying asset value of subsidiaries against third party valuations. Where the third party valuation supports the carrying value no adjustment is made. Where the third party valuation is less than the carrying value the investment is impaired. The basis of the third party valuation is described in the Intangible Fixed Assets section above.

##### **Revenue**

The composition of Concord's music catalogue leans to more consistent earnings patterns and that they now have the capacity to reliably estimate and accrue revenues. This refined approach has been consistently followed in the current period.

Revenues, and the associated royalty cost of sales, are estimated by society, licensee and sub-publisher, by royalty income type, based on average historical receipts and margins, and management expectations. The accrual for each source covers the period from their last revenue report up to the year-end.

**BOOSEY & HAWKES HOLDINGS LIMITED****NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021****3 Turnover**

	2021 £	2020 £
<b>Turnover analysed by geographical market</b>		
United Kingdom	5,957,227	3,697,000
Rest of Europe	8,988,444	8,637,000
United States of America	1,545,559	2,046,000
	<u>16,491,230</u>	<u>14,380,000</u>

The group engages in only one class of business. The group is a music publisher, deriving turnover from royalties received.

**4 Operating loss**

	2021 £	2020 £
Operating loss for the year is stated after charging:		
Depreciation of owned tangible fixed assets	207,052	104,000
Amortisation of intangible assets	8,681,983	8,782,000
	<u>8,889,035</u>	<u>8,886,000</u>

**5 Auditor's remuneration**

	2021 £	2020 £
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the group and subsidiaries	85,000	155,400
	<u>85,000</u>	<u>155,400</u>

**6 Employees**

The average monthly number of persons (including directors) employed by the group and company during the year was:

Group 2021 Number	2020 Number	Company 2021 Number	2020 Number
<u>48</u>	<u>48</u>	<u>-</u>	<u>-</u>



**BOOSEY & HAWKES HOLDINGS LIMITED****NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2021****6 Employees****(Continued)**

Their aggregate remuneration comprised:

	<b>Group</b>	<b>2020</b>	<b>Company</b>	<b>2020</b>
	<b>2021</b>		<b>2021</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Wages and salaries	1,960,593	1,289,000	-	-
Social security costs	105,128	222,000	-	-
Pension costs	87,004	38,000	-	-
	<u>2,152,725</u>	<u>1,549,000</u>	<u>-</u>	<u>-</u>

Note: 2020 figures are for the 6 months to 31.12.2020.

Prior to 1 July 2020, the company's employees were engaged by a fellow group company and the associated costs were recharged as the management service fees. From 1 July 2020, the company operated its own payroll system.

**7 Directors' remuneration**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Remuneration for qualifying services	<u>253,797</u>	<u>72,000</u>

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Remuneration for qualifying services	<u>253,797</u>	<u>72,000</u>

Of the 6 directors, 1 director is paid and employed by Boosey & Hawkes Music Publishers Ltd, the remaining directors are paid and employed by wider group entities.

**BOOSEY & HAWKES HOLDINGS LIMITED****NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2021****8 Interest receivable and similar income**

	2021 £	2020 £
<b>Interest income</b>		
Interest receivable from group companies	445,200	346,704
Other interest income	-	219,343
	<u>445,200</u>	<u>566,047</u>
<b>Total interest revenue</b>	<u>445,200</u>	<u>566,047</u>
<b>Income from fixed asset investments</b>		
Income from shares in group undertakings	-	15,870
	<u>445,200</u>	<u>581,917</u>
	<u>445,200</u>	<u>581,917</u>
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Investment income includes the following:		
Interest on financial assets not measured at fair value through profit or loss	<u>445,200</u>	<u>346,704</u>

Included within the comparative other interest income figure is £47,000 in respect of foreign exchange gains, in the 31 December 2021 financial statements applicable foreign exchange differences are now shown within administrative expenses.

**9 Interest payable and similar expenses**

	2021 £	2020 £
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on bank overdrafts and loans	21,420	-
Interest payable to group undertakings	1,252,275	1,539,000
	<u>1,273,695</u>	<u>1,539,000</u>
<b>Other finance costs:</b>		
Other interest	-	268,523
	<u>1,273,695</u>	<u>1,807,523</u>
<b>Total finance costs</b>	<u>1,273,695</u>	<u>1,807,523</u>

Included within the comparative other interest figure is £246,000 in respect of foreign exchange losses, in the 31 December 2021 financial statements applicable foreign exchange differences are now shown within administrative expenses.

**BOOSEY & HAWKES HOLDINGS LIMITED****NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2021****10 Taxation**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Current tax</b>		
UK corporation tax on profits for the current period	196,594	80,358
Adjustments in respect of prior periods	116,481	-
<b>Total UK current tax</b>	<b>313,075</b>	<b>80,358</b>
Foreign current tax on profits for the current period	88,795	196,000
Adjustments in foreign tax in respect of prior periods	(99,044)	229,000
<b>Total current tax</b>	<b>302,826</b>	<b>505,358</b>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(578,347)	(1,193,000)
Other adjustments	(401,000)	(174,000)
<b>Total deferred tax</b>	<b>(979,347)</b>	<b>(1,367,000)</b>
<b>Total tax credit</b>	<b>(676,521)</b>	<b>(861,642)</b>

The actual credit for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Loss before taxation	(8,806,387)	(11,703,177)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	(1,673,214)	(2,223,604)
Tax effect of expenses that are not deductible in determining taxable profit	1,981,876	1,842,000
Tax effect of utilisation of tax losses not previously recognised	(60,308)	(167,300)
Unutilised tax losses carried forward	-	128,262
Change in unrecognised deferred tax assets	-	(174,000)
Adjustments in respect of prior years	17,347	(186,000)
Differences between capital allowances and depreciation	(53,630)	33,000
Other permanent differences	3,466	-
Defined benefit pension accounting	97,538	163,000
Short term timing differences	(16,871)	3,000
Overseas taxation	88,795	(15,000)
Deferred tax credit	(979,347)	-
Impact of foreign taxes on net losses	(82,173)	(265,000)
<b>Taxation credit</b>	<b>(676,521)</b>	<b>(861,642)</b>

**BOOSEY & HAWKES HOLDINGS LIMITED****NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2021****10 Taxation****(Continued)**

In addition to the amount charged to the profit and loss account, the following amounts relating to tax have been recognised directly in other comprehensive income:

	2021 £	2020 £
Deferred tax arising on:		
Actuarial differences recognised as other comprehensive income	22,000	(1,566,136)

**11 Intangible fixed assets**

Group	Goodwill	Copyrights	Catalogues	Trademarks	Sub-Publisher contracts	Total
	£	£	£	£	£	£
<b>Cost</b>						
At 1 January 2021	34,427,295	9,496,201	145,283,594	153,939	2,502,000	191,863,029
Additions	-	108,612	-	-	-	108,612
Transfers	-	(73,905)	-	-	-	(73,905)
Exchange adjustments	(485,132)	(23,241)	(1,607,727)	(3,595)	-	(2,119,695)
At 31 December 2021	33,942,163	9,507,667	143,675,867	150,344	2,502,000	189,778,041
<b>Amortisation and impairment</b>						
At 1 January 2021	28,264,516	6,225,144	77,089,757	94,704	1,541,000	113,215,121
Amortisation charged for the year	695,775	260,114	7,593,417	7,677	125,000	8,681,983
Exchange adjustments	(74,411)	(17,010)	(165,585)	(1,783)	-	(258,789)
At 31 December 2021	28,885,880	6,468,248	84,517,589	100,598	1,666,000	121,638,315
<b>Carrying amount</b>						
At 31 December 2021	5,056,283	3,039,419	59,158,278	49,746	836,000	68,139,726
At 31 December 2020	6,162,779	3,271,057	68,193,837	59,235	961,000	78,647,908

In the year there was a transfer from Intangible Assets to Tangible Assets of £73,095

# BOOSEY & HAWKES HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 12 Tangible fixed assets

Group	Music Related assets £
<b>Cost</b>	
At 1 January 2021	469,978
Additions	404,490
Transfers	73,905
Exchange adjustments	(14,950)
At 31 December 2021	933,423
<b>Depreciation and impairment</b>	
At 1 January 2021	104,822
Depreciation charged in the year	207,052
Exchange adjustments	(5,143)
At 31 December 2021	306,731
<b>Carrying amount</b>	
At 31 December 2021	626,692
At 31 December 2020	365,157

In the year there was a transfer from Intangible Assets to Tangible Assets of £73,095

#### 13 Fixed asset investments

	Notes	Group 2021 £	2020 £	Company 2021 £	2020 £
Investments in subsidiaries	14	20,477	20,477	77,176,000	83,663,000

The group investment refers to the 32% stake in Zinfonia Shareholders Ltd and of 44.7% in Vertriebsstelle und Verlag Deutscher Buehnenschriftsteller und Buehnenkomponisten GmbH (VVDBB). VVDBB was acquired as part of the Sikorski Group and is held by Neuer Theaterverlag GmbH.

Zinfonia Shareholder Ltd has a 100% interest in the Australian company Zinfonia Pty Ltd, which is the owner and developer of proprietary software widely used in the music world. During the prior year, additional capital of £15,000 each was provided by 3 of the 4 shareholders, resulting in an increase in ownership from 25% to 32%

# BOOSEY & HAWKES HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 13 Fixed asset investments (Continued)

#### Movements in fixed asset investments Group

Investments  
in  
subsidiaries  
£

#### Cost or valuation

At 1 January 2021 and 31 December 2021

20,477

#### Carrying amount

At 31 December 2021

20,477

At 31 December 2020

20,477

Please see the strategic report for further information on the impairment of the company's fixed asset investments.

#### Movements in fixed asset investments Company

Investments  
in  
subsidiaries  
£

#### Cost or valuation

At 1 January 2021 and 31 December 2021

83,663,000

#### Impairment

At 1 January 2021

-

Impairment losses

6,487,000

At 31 December 2021

6,487,000

#### Carrying amount

At 31 December 2021

77,176,000

At 31 December 2020

83,663,000

Please see accounting policy note 1.1 for further information.

### 14 Subsidiaries

The shares held indirectly by the company on 31 December 2021 were as follows, of which only Boosey & Hawkes Music Publishers were required to have an audit.

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
3rd Audio Limited	Aldwych House, 71-91 Aldwych, London, WC2B 4HN	Dormant catalogue company	Ordinary	-	100.00
Anglo Soviet Music Press Limited	Aldwych House, 71-91 Aldwych, London, WC2B 4HN	Dormant catalogue company	Ordinary	-	100.00
Anton J Benjamin Limited	Aldwych House, 71-91 Aldwych, London, WC2B 4HN	Dormant catalogue company	Ordinary	-	100.00

# BOOSEY & HAWKES HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 14 Subsidiaries

(Continued)

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Big Picture Music Limited	Aldwych House, 71-91 Aldwych, London, WC2B 4HN	Dormant catalogue company	Ordinary	-	100.00
Boosey & Co. Limited	Aldwych House, 71-91 Aldwych, London, WC2B 4HN	Dormant catalogue company	Ordinary	-	100.00
Boosey & Hawkes Group Services Limited	Aldwych House, 71-91 Aldwych, London, WC2B 4HN	Investment company	Ordinary	-	100.00
Boosey & Hawkes KJM Limited	Aldwych House, 71-91 Aldwych, London, WC2B 4HN	Dormant	Ordinary	-	100.00
Boosey & Hawkes Limited	Aldwych House, 71-91 Aldwych, London, WC2B 4HN	Investment company	Ordinary	100.00	-
Boosey & Hawkes Multimedia Limited	Aldwych House, 71-91 Aldwych, London, WC2B 4HN	Dormant catalogue company	Ordinary	-	100.00
Boosey & Hawkes Music Publishers Limited	Aldwych House, 71-91 Aldwych, London, WC2B 4HN	Music publisher	Ordinary	-	100.00
Boosey & Hawkes Pension Trustee Limited	Aldwych House, 71-91 Aldwych, London, WC2B 4HN	Corporate pension trustee	Ordinary	-	100.00
Boosey & Hawkes Z Limited	Aldwych House, 71-91 Aldwych, London, WC2B 4HN	Dormant	Ordinary	-	100.00
Booseystones Limited	Aldwych House, 71-91 Aldwych, London, WC2B 4HN	Dormant	Ordinary	-	100.00
British Standard Music Company Limited	Aldwych House, 71-91 Aldwych, London, WC2B 4HN	Dormant catalogue company	Ordinary	-	100.00
Classic Copyright Limited	Aldwych House, 71-91 Aldwych, London, WC2B 4HN	Investment company	Ordinary	-	100.00
Classic Copyright (Holdings) Limited	Aldwych House, 71-91 Aldwych, London, WC2B 4HN	Investment company	Ordinary	100.00	-
Hawkes & Son (London) Limited	Aldwych House, 71-91 Aldwych, London, WC2B 4HN	Dormant catalogue company	Ordinary	-	100.00
Hendon Music Limited	Aldwych House, 71-91 Aldwych, London, WC2B 4HN	Dormant catalogue company	Ordinary	-	100.00
Lafleur Music Limited	Aldwych House, 71-91 Aldwych, London, WC2B 4HN	Dormant catalogue company	Ordinary	-	100.00
Lime Green Music Limited	Aldwych House, 71-91 Aldwych, London, WC2B 4HN	Dormant catalogue company	Ordinary	-	100.00
Melon Yellow Music Limited	Aldwych House, 71-91 Aldwych, London, WC2B 4HN	Dormant catalogue company	Ordinary	-	100.00
Schauer & May Limited	Aldwych House, 71-91 Aldwych, London, WC2B 4HN	Dormant catalogue company	Ordinary	-	100.00
United Nations Music Publishing Limited	Aldwych House, 71-91 Aldwych, London, WC2B 4HN	Dormant catalogue company	Ordinary	-	100.00
Winthrop Rogers Limited	Aldwych House, 71-91 Aldwych, London, WC2B 4HN	Dormant catalogue company	Ordinary	-	100.00
Zinifonia Shareholders Limited	Aldwych House, 71-91 Aldwych, London, WC2B 4HN	Investment company	Ordinary	-	31.00
Anton J Benjamin GmbH	Oranienstrasse 164, Berlin 10969, Germany	Music publisher	Ordinary	-	100.00
Araldoton-Verlag Hans Sikorski GmbH	Oranienstrasse 164, Berlin 10969, Germany	Music publisher	Ordinary	-	100.00
Arcadia-Verlag GmbH	Oranienstrasse 164, Berlin 10969, Germany	Music publisher	Ordinary	-	100.00
Arcona Musikverlag GmbH	Oranienstrasse 164, Berlin 10969, Germany	Music publisher	Ordinary	-	100.00

# BOOSEY & HAWKES HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 14 Subsidiaries

(Continued)

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Beboton-Verlag GmbH	Oranienstrasse 164, Berlin 10969, Germany	Music publisher	Ordinary	-	100.00
Boosey & Hawkes Bote & Bock GmbH	Oranienstrasse 164, Berlin 10969, Germany	Music publisher	Ordinary	-	100.00
Boosey & Hawkes Deutschland GmbH	Oranienstrasse 164, Berlin 10969, Germany	Music publisher	Ordinary	-	100.00
Cineton-Verlag GmbH	Oranienstrasse 164, Berlin 10969, Germany	Music publisher	Ordinary	-	100.00
Connelly-Musikverlage Fr. Hans Sikorski & Co. KG	Oranienstrasse 164, Berlin 10969, Germany	Music publisher	Ordinary	-	100.00
Editions-Esplanade GmbH	Oranienstrasse 164, Berlin 10969, Germany	Music publisher	Ordinary	-	100.00
Goldy-Musikverlag Hans Sikorski GmbH	Oranienstrasse 164, Berlin 10969, Germany	Music publisher	Ordinary	-	100.00
Musik fuer Dich-Rolf Zuckowski oHG	Oranienstrasse 164, Berlin 10969, Germany	Music publisher	Ordinary	-	45.00
Musikverlag Hans Sikorski GmbH	Oranienstrasse 164, Berlin 10969, Germany	Music publisher	Ordinary	-	100.00
Neuer Theaterverlag GmbH	Oranienstrasse 164, Berlin 10969, Germany	Music publisher	Ordinary	-	100.00
Papageno-Verlag Dr. Hans Sikorski GmbH	Oranienstrasse 164, Berlin 10969, Germany	Music publisher	Ordinary	-	100.00
Tempoton-Verlag Hans Sikorski GmbH	Oranienstrasse 164, Berlin 10969, Germany	Music publisher	Ordinary	-	100.00
Zinfonia Holdings Pty Limited	Level 2, 2087 Greenhill Road, Eastwood, SA 5063, Australia	Software developer	Ordinary	-	31.00

#### 15 Stocks

	Group 2021 £	2020 £	Company 2021 £	2020 £
Finished goods and goods for resale	147,452	184,304	-	-

#### 16 Debtors

	Group 2021 £	2020 £	Company 2021 £	2020 £
<b>Amounts falling due within one year:</b>				
		<b>As restated</b>		
Trade debtors	2,644,873	1,951,746	-	-
Corporation tax recoverable	393,078	903,604	-	-
Amounts owed by group undertakings	6,207,966	8,770,118	13,916,417	101,385,167
Other debtors	1,192,609	877,208	-	-
Prepayments and accrued income	3,999,891	3,985,346	-	-
	14,438,417	16,488,022	13,916,417	101,385,167



**BOOSEY & HAWKES HOLDINGS LIMITED****NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2021****16 Debtors****(Continued)****Company**

The subsidiary Classic Copyright (Holdings) Limited made loan repayments through a number of individual transactions during the year to Boosey & Hawkes Holdings Ltd. The Euro loan of €94,056,500 and the US Dollar loan \$5,000,000, such by the date of the balance sheet, the loans had been repaid in full.

**17 Creditors: amounts falling due within one year**

	<b>Group</b>		<b>Company</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
		<b>As restated</b>		
Trade creditors	2,849,905	1,355,410	-	-
Deferred purchase price payable	839,080	898,980	-	-
Amounts owed to group undertakings	1,799,071	4,188,521	1,461,220	1,849,338
Other taxation and social security	671,727	1,074,512	-	-
Other creditors	111,841	1,862,233	-	-
Accruals and deferred income	4,789,952	3,087,752	-	-
	<u>11,061,576</u>	<u>12,467,408</u>	<u>1,461,220</u>	<u>1,849,338</u>

In respect of the Deferred Purchase Price Payable, payment of the liability will be made upon specified earnings achieved as per the contract. Management cannot reasonably estimate a reliable date of payment and the balance has therefore been treated as a creditor due within 1 year.

**18 Creditors: amounts falling due after more than one year**

		<b>Group</b>		<b>Company</b>	
		<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Other borrowings	<b>19</b>	<u>26,850,143</u>	<u>28,767,355</u>	<u>-</u>	<u>88,215,514</u>

**19 Loans and overdrafts**

	<b>Group</b>		<b>Company</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Loans from group undertakings	<u>26,850,143</u>	<u>28,767,355</u>	<u>-</u>	<u>88,215,514</u>
Payable after one year	<u>26,850,143</u>	<u>28,767,355</u>	<u>-</u>	<u>88,215,514</u>

# BOOSEY & HAWKES HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 19 Loans and overdrafts

(Continued)

##### Company

In the prior years, the subsidiary Classic Copyright Limited lent funds to Boosey & Hawkes Holdings Limited. During the year, these loans were repaid and the proceeds received on repayment lent to Classic Copyright Ltd sole shareholder, Classic Copyright (Holdings) Ltd.

**Euro loan of €94,056,500** - for a term expiring on 1 December 2028, at a rate of interest of 3 months Eribor, plus 1% calculated and payable calendar quarterly. During the year, this loan was repaid in full.

**US Dollar loan of US\$5,000,000** - for a term expiring on 1 December 2028, at a rate of interest of 5%, calculated monthly and payable annually. During the year, this loan was repaid in full.

#### 20 Provisions for liabilities

	Group 2021 £	2020 £	Company 2021 £	2020 £
UK Defined Benefit Obligation	385,920	117,000	-	-
GmbH Defined Benefit Obligation	795,876	939,212	-	-
	<u>1,181,796</u>	<u>1,056,212</u>	<u>-</u>	<u>-</u>

The German pension obligations have not been included in note 23 for the retirement benefit obligations. Please see note 23 for the explanation on pension disclosures. The provision relates to entities Boosey & Hawkes Bote and Bock, and Boosey & Hawkes Deutschland defined benefit pension liability.

#### 21 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

	Liabilities 2021 £	Liabilities 2020 £
<b>Group</b>		
Employee retirement benefits	-	(22,000)
Accrued revenues receivable	-	12,000
Reinvestment relief claimed	(373,940)	401,000
Tax written down value in excess of fixed assets	373,940	-
Consolidated intangible acquired	5,546,645	6,535,445
	<u>5,546,645</u>	<u>6,926,445</u>

The company has no deferred tax assets or liabilities.

# BOOSEY & HAWKES HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 21 Deferred taxation

(Continued)

	Group 2021 £	Company 2021 £
<b>Movements in the year:</b>		
Liability at 1 January 2021	6,926,445	-
Credit to profit or loss	(979,667)	-
Charge to other comprehensive income	22,000	-
Foreign exchange on translation - other comprehensive income	(422,133)	-
Liability at 31 December 2021	5,546,645	-

#### 22 Retirement benefit schemes

	2021 £	2020 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	79,022	38,000

The group operates a defined benefit and defined contribution scheme in the UK. The defined benefit scheme was closed to membership and future service accruals on 30 June 2005.

The Defined Contribution scheme was closed to active members during 2006 with members transferred to a GPP scheme. the other remaining 14 deferred members were transferred out on 7 September 2018.

During the year, the company made contributions to the defined contribution scheme amounting to £nil (2020:£nil).

##### Defined benefit schemes

During December 2020, the company agreed the on-going scheme valuation as at January 2020 as calculated by the scheme actuaries, with the scheme trustees. This valuation gave rise to a surplus of £2,500,000. During August 2020, the trustees entered into a buy-in contract with AVIVA at a cost of £55m. The contract with AVIVA will be treated as a special investment type and has transferred many of the inherent scheme risks, mortality risk, inflation risk, interest rate risk, among others, to AVIVA.

The German pension obligation (note 21) has not been included, as the entitlement to the underlying retirement benefits, due to 5 former employees with average age of 88 and who receive pension benefits, is under former contracts of employment entered into 60 years ago. The company will continue to support these retired employees as long as living. Since there is no formal trust document, backing these payments, the directors take the view that disclosure of the liability is sufficient for FRS 102.

	2021 %	2020 %
<b>Key assumptions</b>		
Discount rate	1.8	1.2
Expected rate of increase of pensions in payment	N/A	2.8
Expected rate of salary increases	3.2	3.35
RPI	3.4	2.9
CPI	2.6	2.1

**BOOSEY & HAWKES HOLDINGS LIMITED****NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2021****22 Retirement benefit schemes****(Continued)**

<i>Mortality assumptions</i>	<b>2021</b>	<b>2020</b>
Assumed life expectations on retirement at age 65:	<b>Years</b>	<b>Years</b>
Retiring today		
- Males	27.5	27.4
- Females	29.6	27.4
	<u>          </u>	<u>          </u>
Aged 60 in		
2041		
- Males	29	28.9
- Females	31.2	28.9
	<u>          </u>	<u>          </u>

The amounts included in the balance sheet arising from obligations in respect of defined benefit plans are as follows:

<b>Group</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Present value of defined benefit obligations	43,511,000	45,992,000
Fair value of plan assets	(43,166,000)	(45,875,000)
	<u>          </u>	<u>          </u>
Surplus in scheme	(345,000)	(117,000)
	<u>          </u>	<u>          </u>

The company had no post employment benefits at 31 December 2021 or 1 January 2021.

<b>Group</b>	<b>2021</b>	<b>2020</b>
<i>Amounts recognised in the profit and loss account</i>	<b>£</b>	<b>£</b>
Net interest on net defined benefit liability/(asset)	2,575	3,165,000
Other costs and income	516,000	55,000
	<u>          </u>	<u>          </u>
Total costs	518,575	3,220,000
	<u>          </u>	<u>          </u>

<b>Group</b>	<b>2021</b>	<b>2020</b>
<i>Amounts taken to other comprehensive income</i>	<b>£</b>	<b>£</b>
Actual return on scheme assets	2,193,000	9,568,000
Less: calculated interest element	547,000	(5,411,000)
	<u>          </u>	<u>          </u>
Return on scheme assets excluding interest income	2,740,000	4,157,000
Actuarial changes related to obligations	(3,027,000)	2,721,000
	<u>          </u>	<u>          </u>
Total costs/(income)	(287,000)	6,878,000
	<u>          </u>	<u>          </u>

**BOOSEY & HAWKES HOLDINGS LIMITED****NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2021****22 Retirement benefit schemes****(Continued)**

	<b>Group 2021 £</b>
<i>Movements in the present value of defined benefit obligations</i>	
Liabilities at 1 January 2021	45,649,425
Benefits paid	(6,000)
Actuarial gains and losses	(3,027,000)
Interest cost	549,575
	<u>43,511,000</u>
At 31 December 2021	<u>43,511,000</u>

	<b>Group 2021 £</b>
<i>The defined benefit obligations arise from plans funded as follows:</i>	
Wholly unfunded obligations	(163,000)
Wholly or partly funded obligations	(43,348,000)
	<u>43,166,000</u>

	<b>Group 2021 £</b>
<i>Movements in the fair value of plan assets</i>	
Fair value of assets at 1 January 2021	45,875,000
Interest income	547,000
Return on plan assets (excluding amounts included in net interest)	(2,740,000)
Other	(516,000)
	<u>43,166,000</u>
At 31 December 2021	<u>43,166,000</u>

The actual return on plan assets was £2,193,000 (2020 - £9,568,000).

*Fair value of plan assets at the reporting period end*

	<b>Group 2021 £</b>	<b>2020 £</b>
Bonds	1,168,000	1,376,250
Insured policy with Aviva	42,288,000	44,040,000
Cash and net current assets	(290,000)	458,750
	<u>43,166,000</u>	<u>45,875,000</u>

# BOOSEY & HAWKES HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

#### 23 Share capital

Group and company	2021	2020	2021	2020
Ordinary share capital	Number	Number	£	£
Issued and fully paid				
Ordinary shares of £1 each	30,000,000	30,000,000	30,000,000	30,000,000

#### 24 Ultimate Controlling party

The group is a 100% indirect subsidiary of Alchemy Copyrights, LLC. The largest group in which the results of the company and its group are consolidated is that headed by Alchemy Copyrights, LLC, a corporation is the state of Delaware, USA, and located at 10 Lea Avenue, Suite 300, Nashville, TN 37210 USA, whose accounts are not publicly available.

#### 25 Cash generated from group operations

	2021	2020
	£	£
Loss for the year after tax	(8,129,866)	(10,841,535)
<b>Adjustments for:</b>		
Taxation credited	(676,521)	(1,631,642)
Finance costs	1,273,695	1,807,000
Investment income	(445,200)	(566,000)
Amortisation and impairment of intangible assets	8,681,983	8,782,000
Depreciation and impairment of tangible fixed assets	207,052	104,042
Pension scheme	270,401	663,000
Net interest paid	-	(1,803,000)
<b>Movements in working capital:</b>		
Decrease in stocks	36,852	105,000
Decrease in debtors	1,675,842	7,391,000
Decrease in creditors	(1,542,595)	(3,757,000)
Movement in pension liability	125,584	-
<b>Cash generated from operations</b>	<b>1,477,227</b>	<b>252,865</b>

#### 26 Analysis of changes in net debt - group

	1 January 2021 £	Cash flows £	Exchange rate movements £	31 December 2021 £
Cash at bank and in hand	2,441,564	(1,996,335)	2,429,305	2,874,534
Borrowings excluding overdrafts	(28,767,355)	1,917,212	-	(26,850,143)
	(26,325,791)	(79,123)	2,429,305	(23,975,609)