

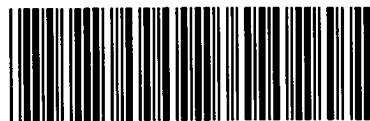
Registered number: 08851732

YOUNG RECORDINGS LIMITED

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2022

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YOUNG RECORDINGS LIMITED
REGISTERED NUMBER:08851732

BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	6	905,771	1,304,188
Tangible assets	7	3,089	2,537
Investments	8	1,000,000	1,000,000
		<u>1,908,860</u>	<u>2,306,725</u>
Current assets			
Stocks	9	120,568	48,394
Debtors: amounts falling due within one year	10	1,848,466	1,374,906
Cash at bank and in hand	11	3,248,225	4,072,031
		<u>5,217,259</u>	<u>5,495,331</u>
Creditors: amounts falling due within one year	12	<u>(1,720,606)</u>	<u>(2,282,233)</u>
Net current assets		<u>3,496,653</u>	<u>3,213,098</u>
Total assets less current liabilities		<u>5,405,513</u>	<u>5,519,823</u>
Provisions for liabilities			
Deferred tax	13	<u>(78,167)</u>	<u>(43,850)</u>
Net assets		<u><u>5,327,346</u></u>	<u><u>5,475,973</u></u>
Capital and reserves			
Called up share capital	14	1,001	1,001
Share premium account		500	500
Profit and loss account		<u>5,325,845</u>	<u>5,474,472</u>
		<u><u>5,327,346</u></u>	<u><u>5,475,973</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

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

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 27 July 2023


Martin Mills (27, 2023 10:41 GMT+1)

Martin Mills
Director

The notes on pages 2 to 10 form part of these financial statements.

YOUNG RECORDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. General information

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

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

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured at fair value of the consideration received or receivable, net of discounts, excluding rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Physical sales

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

Digital sales

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

Royalties

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

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

Interest income

Interest income is recognised using the effective interest rate method.

YOUNG RECORDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

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

Transactions and balances

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

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction.

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

2.4 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

2.5 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

YOUNG RECORDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.6 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Catalogue	-	10	years
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2.7 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Computer equipment	-	20-33% straight line
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.8 Valuation of investments

Investments in joint ventures are held at cost less impairment.

2.9 Stocks

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

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

YOUNG RECORDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.10 Debtors

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

2.11 Cash

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

2.12 Financial instruments

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

Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

Financial assets that are measured at cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss account.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

2.13 Creditors

Short-term creditors are measured at the transaction price.

2.14 Advances to artists

Advances to artists represent advances made direct to artists for recording and other costs made on behalf of artists under contract. These advances, which are only recoverable against future royalties, are charged to the profit and loss account as they are recouped or where the probability for future recoupment in respect thereof is unlikely.

2.15 Deferred income

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

3. Auditor's remuneration

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

4. Employees

The average monthly number of employees, including directors, during the year was 5 (2021 - 5).

YOUNG RECORDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

5. Directors' remuneration

	2022	2021
	£	£
Directors' emoluments	253,346	215,820
Company contributions to defined contribution pension schemes	12,888	12,949
	<u>266,234</u>	<u>228,769</u>

During the year, retirement benefits were accruing to 2 directors (2021 - 2) in respect of defined contribution pension schemes.

6. Intangible assets

	Catalogue
	£
Cost	
At 1 January 2022	3,984,170
At 31 December 2022	<u>3,984,170</u>
Amortisation	
At 1 January 2022	2,679,982
Charge for the year	398,417
At 31 December 2022	<u>3,078,399</u>
Net book value	
At 31 December 2022	<u>905,771</u>
At 31 December 2021	<u>1,304,188</u>

YOUNG RECORDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

7. Tangible fixed assets

	Computer equipment £
Cost	
At 1 January 2022	8,805
Additions	2,350
Disposals	(1,144)
At 31 December 2022	<u>10,011</u>
Depreciation	
At 1 January 2022	6,268
Charge for the year	1,798
Disposals	(1,144)
At 31 December 2022	<u>6,922</u>
Net book value	
At 31 December 2022	<u>3,089</u>
At 31 December 2021	<u>2,537</u>

8. Fixed asset investments

	Investment in joint venture £
Cost	
At 1 January 2022	1,000,000
At 31 December 2022	<u>1,000,000</u>

9. Stocks

	2022 £	2021 £
Finished goods and goods for resale	<u>120,568</u>	<u>48,394</u>

YOUNG RECORDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

10. Debtors

	2022	2021
	£	£
Trade debtors	46,442	40,880
Amounts owed by joint ventures	1,250,000	-
Other debtors	552,024	1,334,026
	<u>1,848,466</u>	<u>1,374,906</u>

11. Cash

	2022	2021
	£	£
Cash at bank and in hand	<u>3,248,225</u>	<u>4,072,031</u>

12. Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	290,927	56,519
Corporation tax	-	486,967
Other taxation and social security	55,655	177,718
Other creditors	818,054	664,498
Accruals and deferred income	555,970	896,531
	<u>1,720,606</u>	<u>2,282,233</u>

YOUNG RECORDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

13. Deferred taxation

	2022 £
At beginning of year	43,850
Profit and loss account movement	34,317
At end of year	78,167

The provision for deferred taxation is made up as follows:

	2022 £	2021 £
Fixed asset timing differences	78,167	43,850

14. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
500 ordinary shares of £1 each	500	500
501 deferred shares of £1 each	501	501
	1,001	1,001

The ordinary shares have attached to them full voting, dividend and capital distribution rights.

The deferred shares have attached to them no voting, dividend or capital distribution rights and they do not confer any rights of redemption.

15. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £35,685 (2021 - £27,181). There were no contributions payable to the fund at the balance sheet date (2021 - £NIL).

16. Related party transactions

During the year, the company had net trade transactions of £151,280 (2021 - £171,277) in the normal course of business with XL Recordings Limited, a shareholder. At the balance sheet date, the company owed XL Recordings Limited £798,125 (2021 - £646,845) in respect of working capital loans. These amounts are interest free and repayable on demand.

YOUNG RECORDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

17. Auditor's information

The audit report provided to the members of Young Recordings Limited on the financial statements for the year ended 31 December 2022 was not qualified.

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