

MELTED STONE LIMITED

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

MELTED STONE LIMITED
REGISTERED NUMBER:06555877

BALANCE SHEET
AS AT 31 DECEMBER 2019

	Note	2019 £	2018 £
Current assets			
Debtors: amounts falling due within one year	5	5,115,424	4,804,253
Cash at bank and in hand	6	43,556,540	44,097,428
		<u>48,671,964</u>	<u>48,901,681</u>
Creditors: amounts falling due within one year	7	(33,236,241)	(33,974,955)
		<u>15,435,723</u>	14,926,726
Net current assets			
		<u>15,435,723</u>	14,926,726
Total assets less current liabilities			
Creditors: amounts falling due after more than one year	8	(12,500,000)	(12,500,000)
		<u>2,935,723</u>	<u>2,426,726</u>
Net assets			
Capital and reserves			
Called up share capital	9	1	1
Profit and loss account		2,935,722	2,426,725
		<u>2,935,723</u>	<u>2,426,726</u>

The director considers that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The director acknowledges her responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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 by:

A Adkins
Director

Date: 10 November 2020

MELTED STONE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. General information

Melted Stone Limited is a private company, limited by shares, registered in England and Wales, registration number 06555877. The registered office address is Elsley Court, 20-22 Great Titchfield, London, W1W 8BE.

The principal activity of the company continued to be the provision of music recording services.

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 the Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

2.2 Going concern

The director is assessing, on a daily basis, the impact of the significant uncertainty arising from the COVID-19 virus. The director appreciates there is significant uncertainty surrounding the future economic climate and the company is in the music industry which has been adversely affected. The director is satisfied that the company will be able to satisfy its financial obligations for at least 12 months from the date of signature of the financial statements, which have been prepared on the going concern basis.

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 and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

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 statement of comprehensive income.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of comprehensive income within 'administration expenses'. All other foreign exchange gains and losses are presented in the statement of comprehensive income.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. Accounting policies (continued)

2.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover represents advances and royalties receivable which are recognised in respect of each of their royalty accounting periods ending within the company's financial year. Non-returnable advances are taken to income when contractually due.

2.5 Interest income

Interest income is recognised in the statement of comprehensive income using the effective interest method.

2.6 Finance costs

Finance costs are charged to the statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount.

2.7 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.

2.8 Taxation

Tax is recognised in the statement of comprehensive income, 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 corporate tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

2.9 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.10 Cash

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

MELTED STONE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. Accounting policies (continued)

2.11 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.12 Financial instruments

The company 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 to related parties.

2.13 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average monthly number of employees, including the director, during the year was 1 (2018 - 1).

4. Dividends

	2019	2018
	£	£
Dividends paid	<u>1,850,000</u>	<u>3,900,000</u>

5. Debtors

	2019	2018
	£	£
Amounts owed by connected companies	487,663	497,738
Other debtors	85,914	528,031
Prepayments and accrued income	4,541,847	3,778,484
	<u>5,115,424</u>	<u>4,804,253</u>

6. Cash

	2019	2018
	£	£
Cash at bank and in hand	<u>43,556,540</u>	<u>44,097,428</u>

MELTED STONE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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7. Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	19,036	6,532
Corporation tax	301,396	804,054
Other taxation and social security	70,058	50,980
Other creditors	32,454,535	32,758,747
Accruals and deferred income	391,216	354,642
	<u>33,236,241</u>	<u>33,974,955</u>

8. Creditors: amounts falling due after more than one year

	2019	2018
	£	£
Accruals and deferred income	<u>12,500,000</u>	<u>12,500,000</u>

9. Share capital

	2019	2018
	£	£
Allotted, called up and fully paid		
1 (2018 - 1) Ordinary share of £1.00	<u>1</u>	<u>1</u>

10. 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 £452 (2018 - £NIL).

11. Transactions with director

As at the year end the company owed the director £32,454,305 (2018 - £32,758,134). The loan is unsecured, interest free and repayable on demand.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.