

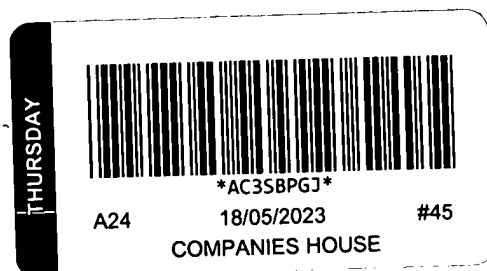
Company registration number 09842703 (England and Wales)

ANTHEM ENTERTAINMENT UK SERVICES LIMITED

FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2022

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ANTHEM ENTERTAINMENT UK SERVICES LIMITED

CONTENTS

	Page
Balance sheet	1
Notes to the financial statements	2 - 9

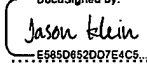
ANTHEM ENTERTAINMENT UK SERVICES LIMITED**BALANCE SHEET****AS AT 31 MARCH 2022**

	Notes	2022 \$	\$	2020 \$	\$
Fixed assets					
Intangible assets	5		4,802		11,321
Tangible assets	6		10,562		27,730
			<u>15,364</u>		<u>39,051</u>
Current assets					
Debtors	7	479,186		238,557	
Creditors: amounts falling due within one year	8	<u>(327,022)</u>		<u>(91,674)</u>	
Net current assets			<u>152,164</u>		<u>146,883</u>
Net assets			<u><u>167,528</u></u>		<u><u>185,934</u></u>
Capital and reserves					
Called up share capital	9		1		1
Profit and loss reserves			<u>167,527</u>		<u>185,933</u>
Total equity			<u><u>167,528</u></u>		<u><u>185,934</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

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

The financial statements were approved by the board of directors and authorised for issue on 16 May 2023 and are signed on its behalf by:

DocuSigned by:

 5/16/2023
E9850652007E4C9.....
 J Klein
 Director

Company Registration No. 09842703

ANTHEM ENTERTAINMENT UK SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2022

1 Accounting policies

Company information

Anthem Entertainment UK Services Limited is a private company limited by shares incorporated in England and Wales. The registered office is The Pinnacle, 170 Midsummer Boulevard, Milton Keynes, Buckinghamshire, MK9 1FE.

1.1 Reporting period

The current period of account represents the 15 month period to 31 March 2022. As the prior period is a 12 month period of account, the results are therefore not directly comparable.

1.2 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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in US dollars which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest \$.

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

1.3 Going concern

The Company has net current assets of \$152,164 (2020: \$146,883) as at 31 March 2022, a profit before tax for the period then ended of \$83,873 (2020: \$45,056) and the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons:

- The Company's sole trade is from providing management services to its ultimate parent company, Anthem Entertainment L.P. The Company does not hold its own bank accounts and all transactions are settled by the parent company. Therefore, the Company is entirely reliant on its parent company and would not be able to continue in existence without its parent.
- The directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the Company will have sufficient funds, through funding from its ultimate parent company, Anthem Entertainment L.P., to meet its liabilities as they fall due for that period.
- Anthem Entertainment L.P. has indicated its intention to continue to make available such financial support and to continue to honour the existing management services agreement for the period covered by the forecasts. As with any Company placing reliance on other group entities for support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of these financial statements and therefore have prepared the financial statements on a going concern basis.

1.4 Turnover

The Company provides services to Anthem Entertainment L.P., its immediate parent company, to market and promote all of the production musical compositions within the Cavendish Music library. The total actual UK costs are then recharged to the immediate parent company with an appropriate mark-up.

ANTHEM ENTERTAINMENT UK SERVICES LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE PERIOD ENDED 31 MARCH 2022****1 Accounting policies****(Continued)****1.5 Intangible fixed assets other than goodwill**

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	20% straight line basis
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1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	33.3% straight line basis
Plant and Machinery	12.5% - 40% straight line basis

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 credited or charged to profit or loss.

1.7 Impairment of fixed assets

At each reporting period end date, the company 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.

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.

ANTHEM ENTERTAINMENT UK SERVICES LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE PERIOD ENDED 31 MARCH 2022****1 Accounting policies****(Continued)****1.8 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.

1.9 Financial instruments

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

Financial assets and liabilities are offset, with 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.

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.

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 company 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.

1.10 Equity instruments

Equity instruments issued by the company 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 company.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

ANTHEM ENTERTAINMENT UK SERVICES LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE PERIOD ENDED 31 MARCH 2022****1 Accounting policies****(Continued)****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 company'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 when the company has 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.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

2 Judgements and key sources of estimation uncertainty

In the application of the company'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.

ANTHEM ENTERTAINMENT UK SERVICES LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE PERIOD ENDED 31 MARCH 2022****3 Employees**

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

	2022	2020
	Number	Number
Total	10	11

4 Taxation

	2022	2020
	\$	\$
Current tax		
UK corporation tax on profits for the current period	26,390	12,716
Adjustments in respect of prior periods	75,889	-
Total current tax	102,279	12,716

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

	2022	2020
	\$	\$
Profit before taxation	83,873	45,056
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	15,936	8,561
Tax effect of expenses that are not deductible in determining taxable profit	9,519	4,155
Other permanent differences	935	-
UK corporation tax charge on profits for the current period	26,390	12,716

ANTHEM ENTERTAINMENT UK SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2022

5 Intangible fixed assets

	Software
	\$
Cost	
At 1 January 2021	27,029
Additions	310
	<u>27,339</u>
At 31 March 2022	<u>27,339</u>
Amortisation and impairment	
At 1 January 2021	15,708
Amortisation charged for the period	6,829
	<u>22,537</u>
At 31 March 2022	<u>22,537</u>
Carrying amount	
At 31 March 2022	<u>4,802</u>
At 31 December 2020	<u>11,321</u>

6 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	\$	\$	\$
Cost			
At 1 January 2021 and 31 March 2022	584,206	104,916	689,122
	<u>584,206</u>	<u>104,916</u>	<u>689,122</u>
Depreciation and impairment			
At 1 January 2021	578,300	83,092	661,392
Depreciation charged in the period	5,906	11,262	17,168
	<u>584,206</u>	<u>94,354</u>	<u>678,560</u>
At 31 March 2022	<u>584,206</u>	<u>94,354</u>	<u>678,560</u>
Carrying amount			
At 31 March 2022	-	10,562	10,562
	<u>-</u>	<u>10,562</u>	<u>10,562</u>
At 31 December 2020	5,906	21,824	27,730
	<u>5,906</u>	<u>21,824</u>	<u>27,730</u>

7 Debtors

	2022	2020
	\$	\$
Amounts falling due within one year:		
Amounts owed by group company	378,878	143,199
Prepayments	54,929	54,305
Other debtors	45,379	41,053
	<u>479,186</u>	<u>238,557</u>

ANTHEM ENTERTAINMENT UK SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2022

8 Creditors: amounts falling due within one year

	2022	2020
	\$	\$
Trade creditors	56,927	16,353
Corporation tax	101,344	12,716
Other taxation and social security	16,146	-
Other creditors	152,605	62,605
	<u>327,022</u>	<u>91,674</u>

9 Called up share capital

	2022	2020	2022	2020
	Number	Number	\$	\$
Ordinary share capital				
Issued and fully paid				
Ordinary of \$1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

10 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

Senior Statutory Auditor:	Andrew Turner
Statutory Auditor:	Mercer & Hole LLP

11 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2022	2020
	\$	\$
Within one year	138,268	142,155
Between two and five years	419,730	610,082
	<u>557,998</u>	<u>752,237</u>

12 Related party transactions

There have been transactions during the reporting period with the immediate parent company, Anthem Entertainment L.P. During the period, the company recognised revenue of \$1,681,438 (2020: \$1,048,650) from its immediate parent. At the period end the company was owed \$378,878 (2020: \$143,199) by Anthem Entertainment L.P.

ANTHEM ENTERTAINMENT UK SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2022

13 Parent company

The ultimate parent company is Anthem Entertainment L.P. The largest group in which the results of the Company are consolidated is that headed by Anthem Entertainment L.P., 120 Bremner Blvd, Suite 2900, Toronto, Ontario, Canada, M5J 0A8. No other group financial statements include the results of the Company. The consolidated financial statements of the group are not available to the public and may be obtained from 120 Bremner Blvd, Suite 2900, Toronto, Ontario, Canada, M5J 0A8.