

Company Registration No. 04998819 (England and Wales)

**GOOD SOLDIER SONGS LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**  
**PAGES FOR FILING WITH REGISTRAR**

# GOOD SOLDIER SONGS LIMITED

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# GOOD SOLDIER SONGS LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2017

	Notes	2017		2016	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	3		8,868		10,825
<b>Current assets</b>					
Debtors	4	1,292,421		1,427,505	
Cash at bank and in hand		1,653,815		790,504	
		<u>2,946,236</u>		<u>2,218,009</u>	
<b>Creditors: amounts falling due within one year</b>	5	<u>(1,293,793)</u>		<u>(1,307,997)</u>	
<b>Net current assets</b>			1,652,443		910,012
<b>Total assets less current liabilities</b>			<u>1,661,311</u>		<u>920,837</u>
<b>Creditors: amounts falling due after more than one year</b>	6		(1,441,550)		(876,863)
<b>Net assets</b>			<u>219,761</u>		<u>43,974</u>
<b>Capital and reserves</b>					
Called up share capital	9		4		4
Profit and loss reserves			219,757		43,970
<b>Total equity</b>			<u>219,761</u>		<u>43,974</u>

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

For the financial year ended 31 December 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

**GOOD SOLDIER SONGS LIMITED**

**BALANCE SHEET (CONTINUED)**

***AS AT 31 DECEMBER 2017***

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The financial statements were approved by the board of directors and authorised for issue on 24 September 2018 and are signed on its behalf by:

C Tattersfield  
**Director**

**Company Registration No. 04998819**

# GOOD SOLDIER SONGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

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### 1 Accounting policies

#### Company information

Good Soldier Songs Limited is a private company limited by shares incorporated in England and Wales. The registered office is 2nd Floor, Northumberland House, 303-306 High Holborn, London, WC1V 7JZ.

#### 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 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 sterling, 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.

#### 1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably. Revenue from contracts for the provision of services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

Royalties are recognised on receipt or as rights are utilised on an accruals basis where sufficient information is available.

#### 1.3 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

#### 1.4 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:

# GOOD SOLDIER SONGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

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### 1 Accounting policies

(Continued)

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.

#### 1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible 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.

#### 1.6 Cash and cash equivalents

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.7 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.

# GOOD SOLDIER SONGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

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### 1 Accounting policies

(Continued)

#### **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.

### 1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

### 1.9 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 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.

# GOOD SOLDIER SONGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

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**1 Accounting policies** **(Continued)**

**1.10 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.

**1.11 Share-based payments**

Equity-settled share-based payments are measured at fair value at the date of grant. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to equity.

**1.12 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. Gains and losses arising on translation are included in the profit and loss account for the period.

**2 Employees**

The average monthly number of persons (including directors) employed by the company during the year was 7 (2016 - 8).

**3 Tangible fixed assets**

	<b>Plant and machinery etc</b>
	<b>£</b>
<b>Cost</b>	
At 1 January 2017	64,448
Additions	5,974
	<hr/>
At 31 December 2017	70,422
	<hr/>
<b>Depreciation and impairment</b>	
At 1 January 2017 and 31 December 2017	61,554
	<hr/>
<b>Carrying amount</b>	
At 31 December 2017	8,868
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At 31 December 2016	10,825
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# GOOD SOLDIER SONGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

4 Debtors		2017	2016
		£	£
<b>Amounts falling due within one year:</b>			
Trade debtors		16,918	40,299
Other debtors		750,978	503,625
Prepayments and accrued income		524,525	883,581
		<u>1,292,421</u>	<u>1,427,505</u>
		<u><u>1,292,421</u></u>	<u><u>1,427,505</u></u>
5 Creditors: amounts falling due within one year		2017	2016
	Notes	£	£
Bank loans and overdrafts	7	263,035	280,115
Trade creditors		17,830	39,463
Corporation tax		41,512	219
Other taxation and social security		27,575	13,000
Other creditors		157,805	901,325
Accruals and deferred income		786,036	73,875
		<u>1,293,793</u>	<u>1,307,997</u>
		<u><u>1,293,793</u></u>	<u><u>1,307,997</u></u>
6 Creditors: amounts falling due after more than one year		2017	2016
	Notes	£	£
Bank loans and overdrafts	7	518,140	701,333
Other borrowings	7	923,410	175,530
		<u>1,441,550</u>	<u>876,863</u>
		<u><u>1,441,550</u></u>	<u><u>876,863</u></u>
7 Loans and overdrafts		2017	2016
		£	£
Bank loans		781,175	981,448
Other loans		923,410	175,530
		<u>1,704,585</u>	<u>1,156,978</u>
		<u><u>1,704,585</u></u>	<u><u>1,156,978</u></u>
Payable within one year		263,035	280,115
Payable after one year		1,441,550	876,863
		<u><u>1,704,585</u></u>	<u><u>1,156,978</u></u>

# GOOD SOLDIER SONGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

### 7 Loans and overdrafts (Continued)

The long-term loans are secured by fixed charges over Good Soldier Songs Ltd present and future rights, title and interest in artists music compositions, accounts and deposits.

Interest is accruing on a quarterly basis at a rate of 7.95% plus LIBOR.

### 8 Share-based payment transactions

During the prior year the company entered into an EMI share option agreement relating to Good Soldier Songs Limited under which 5 shares vested during the year and the following additional shares vesting on:

1 February 2018	5 shares
1 February 2019	5 shares
1 February 2020	6 shares
1 February 2021	6 shares
1 February 2022	6 shares
1 February 2023	6 shares

The options are only exercisable in the event of the sale of at least 10% of the issued ordinary shares in the capital of the company, or substantially all the company assets are sold.

	Number of share options		Weighted average exercise price	
	2017 Number	2016 Number	2017 £	2016 £
Outstanding at 1 January 2017	60	-	0.01	-
Granted	-	60	-	0.01
Exercised	5	-	0.01	-
	<u>        </u>	<u>        </u>	<u>        </u>	<u>        </u>
Outstanding at 31 December 2017	65	60	0.01	0.01
	<u>        </u>	<u>        </u>	<u>        </u>	<u>        </u>
Exercisable at 31 December 2017	-	-	-	-
	<u>        </u>	<u>        </u>	<u>        </u>	<u>        </u>

The weighted average share price at the date of exercise for share options exercised during the year was £0 (2016 - £0).

Due to the uncertainty regarding the conditions relating to the exercise of the EMI share option the directors consider the option has a £nil fair value at the balance sheet date.

# GOOD SOLDIER SONGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

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9	<b>Called up share capital</b>	<b>2017</b>	<b>2016</b>
		£	£
	<b>Ordinary share capital</b>		
	<b>Issued and fully paid</b>		
	200 Ordinary A of 1p each	2	2
	200 Ordinary B of 1p each	2	2
		<hr/>	<hr/>
		4	4
		<hr/> <hr/>	<hr/> <hr/>

### 10 Related party transactions

#### Good Soldier Records Ltd

Mr C. Tattersfield is shareholder and director of the company.

During the year the Good Soldier Songs Ltd paid net advances totalling £137,559 (2016: £557,755) on behalf of the Good Soldier Records Ltd. At the year end Good Soldier Songs Ltd is owed £246,618 (2016: £107,059). The loan is interest free and repayable on demand.

#### Shadowglobe Limited

Mr C. Tattersfield is shareholder and director the company.

During the year the Shadowglobe Limited provided promotional services of £61,138 (2016: £47,868) during the year. At the balance sheet date Shadowglobe Limited owed Good Soldier Songs Limited £70,496 (2016: £137,018). This balance is interest free and repayable on demand.

#### SGlobe1 Limited

Mr C. Tattersfield is shareholder and director of the company.

At the balance sheet date SGlobe1 Limited owed Good Soldier Songs Limited £10,000 (2016: £nil). This balance is interest free and repayable on demand.

### 11 Directors' transactions

During the year the directors loaned the company funds. At the year end Mr C. and Mrs E Tattersfield where owed £1,043,410 (2016: £295,530). The loan is interest free and repayable on demand.

### 12 Ultimate controlling party

The ultimate controlling party of the company is Mr C. Tattersfield who is director and owns 100% of the ordinary A voting shares in the company.

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.