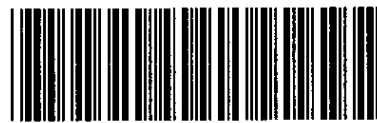


**CUTTING EDGE MUSIC SERVICES LTD**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2021**  
**PAGES FOR FILING WITH REGISTRAR**

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# CUTTING EDGE MUSIC SERVICES LTD

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# CUTTING EDGE MUSIC SERVICES LTD

## STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2021

	Notes	2021 £	£	2020 £	£
<b>Current assets</b>					
Trade and other receivables	3	93,951		22,340	
Cash and cash equivalents		91,244		40,492	
		<u>185,195</u>		<u>62,832</u>	
<b>Current liabilities</b>	4	(219,106)		(147,118)	
<b>Net current liabilities</b>			(33,911)		(84,286)
<b>Equity</b>					
Called up share capital	5		100		100
Retained earnings			(34,011)		(84,386)
<b>Total equity</b>			(33,911)		(84,286)

The director of the company has elected not to include a copy of the income statement within the financial statements.

For the financial year ended 30 June 2021 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

The director acknowledges his 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.

The financial statements were approved and signed by the director and authorised for issue on 30/11/2021.....

.....  
P Moross  
Director

Company Registration No. 05246122

# CUTTING EDGE MUSIC SERVICES LTD

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

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### 1 Accounting policies

#### Company information

Cutting Edge Music Services Ltd is a private company limited by shares incorporated in England and Wales. The registered office is Unit 9, First Floor, Westworks White City Place, 195 Wood Lane, London, W12 7FQ.

#### 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.

The financial statements of the company are consolidated in the financial statements of Cutting Edge Music (Holdings) Limited. The registered office of Cutting Edge Music (Holdings) Limited is Unit 9, First Floor, Westworks, 195 Wood Lane, London W12 7FQ.

#### 1.2 Going concern

At the balance sheet date the company had net liabilities of £33,911 (2020 - £41,049). The company is part of a group of which Cutting Edge Music (Holdings) Limited is the parent. The parent company has undertaken to provide such financial support as is required to ensure that the company is able to meet its working capital requirements for the foreseeable future.

The director has considered the impact of the Covid-19 outbreak and does not believe this to have a material impact on going concern.

On this basis the director considers it appropriate to prepare the financial statements on a going concern basis.

#### 1.3 Revenue

Revenue represents royalties receivable and is recognised on an accrual basis. Revenue 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.

#### 1.4 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.

# CUTTING EDGE MUSIC SERVICES LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

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### 1 Accounting policies

(Continued)

#### 1.5 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 statement of financial position 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 trade and other receivables 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 trade and other payables and loans from fellow group companies, 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 payables 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### 1.6 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.

#### 1.7 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 income statement 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.

# CUTTING EDGE MUSIC SERVICES LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

### 1 Accounting policies

(Continued)

#### 1.8 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 in the period are included in profit or loss.

### 2 Employees

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

	2021 Number	2020 Number
Total	1	1

### 3 Trade and other receivables

	2021 £	2020 £
Amounts falling due within one year:		
Trade receivables	64,453	-
Amounts owed by group undertakings	7,138	-
Other receivables	22,360	22,340
	93,951	22,340

### 4 Current liabilities

	2021 £	2020 £
Bank loans and overdrafts	125	11
Trade payables	10	10
Amounts owed to group undertakings	157,746	85,872
Other payables	61,225	61,225
	219,106	147,118

### 5 Called up share capital

	2021 Number	2020 Number	2021 £	2020 £
Ordinary share capital Issued and fully paid				
Ordinary shares of £1 each	100	100	100	100