

**Company Registration No. 09125906 (England and Wales)**

**O A INDUSTRIES LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 APRIL 2021**

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# O A INDUSTRIES LIMITED

## COMPANY INFORMATION

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<b>Director</b>	Mr O C W Ashley
<b>Secretary</b>	Eacotts International Limited
<b>Company number</b>	09125906
<b>Registered office</b>	Grenville Court Britwell Road Burnham Buckinghamshire SL1 8DF
<b>Independent Auditors</b>	RSM UK Audit LLP Chartered Accountants and Statutory Auditors 25 Farringdon Street London EC4A 4AB

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# **O A INDUSTRIES LIMITED**

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# **O A INDUSTRIES LIMITED**

## **DIRECTOR'S REPORT**

### ***FOR THE YEAR ENDED 30 APRIL 2021***

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The director presents his annual report and financial statements for the year ended 30 April 2021.

#### **Principal activities**

The company operates in the music industry with a focus on the publication, production and the recording of music. Broadcasting ceased in April 2018.

#### **Results and dividends**

The results for the year are set out on page 7.

No ordinary dividends were paid. The director does not recommend payment of a final dividend.

#### **Director**

The director who held office during the year and up to the date of signature of the financial statements was as follows:

Mr O C W Ashley

#### **Future developments**

The director foresees no material change in the nature of the company's activities.

#### **Auditor**

In accordance with the company's articles, a resolution proposing that RSM UK Audit LLP be reappointed as auditor of the company will be put at a General Meeting.

#### **Statement of director's responsibilities**

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). Under company law the director must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the company for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **O A INDUSTRIES LIMITED**

### **DIRECTOR'S REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 30 APRIL 2021**

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##### **Statement of disclosure to auditor**

The director confirms that:

- So far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that they ought to have taken as director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

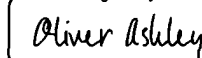
##### **Going concern**

The director has considered whether the going concern basis of accounting is appropriate with reference to the company's results for the year, cash flow forecasts, its financing via loans from its parent, MASH Holdings Limited and also considering the worldwide pandemic of Covid-19 that struck in early 2020. At the balance sheet date the company has net current liabilities and is loss making, being funded by loans from its parent. However, the director has concluded that the company has access to adequate resources which will enable it to continue in operational existence for the foreseeable future. These resources are detailed in the financial statements of the ultimate parent company, MASH Holdings Limited, and the director of that entity has confirmed ongoing support for the company in writing for a period of no less than twelve months from the date the financial statements are approved.

For these reasons, the company continues to adopt the going concern basis of accounting in preparing the financial statements. The director considers that the company will continue to trade, and has access to sufficient appropriate resources to meet its liabilities as they fall due, for at least twelve months from the date of approval of these financial statements, and have thus prepared the financial statements on a going concern basis.

On behalf of the board

DocuSigned by:



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Mr O C W Ashley

**Director**

Date: 17 March 2022  
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# **O A INDUSTRIES LIMITED**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF O A INDUSTRIES LIMITED**

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#### **Opinion**

We have audited the financial statements of O A Industries Limited (the 'company') for the year ended 30 April 2021 which comprise of the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the group's and parent company's ability to continue to adopt the going concern basis of accounting included a review of the group's financial position, current performance and future forecasts.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

#### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **O A INDUSTRIES LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE MEMBERS OF O A INDUSTRIES LIMITED**

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##### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the director's report has been prepared in accordance with applicable legal requirements.

##### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report.

##### **Responsibilities of director**

As explained more fully in the director's responsibilities statement set out on page 1, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the director determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the director is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

##### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

##### **The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

## O A INDUSTRIES LIMITED

### INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF O A INDUSTRIES LIMITED

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are as follows:

<b>Legislation Regulation</b>	<b>/ Audit procedures performed by the audit engagement team included:</b>
<b>FRS 102 and the Companies Act 2006</b>	Review of the financial statement disclosures and testing to supporting documentation. Completion of disclosure checklists to identify areas of non-compliance.
<b>Tax compliance regulations</b>	Review of the Company's tax computations. Inspecting correspondence with external and internal tax advisors.

There are no significant laws and regulations that have an indirect impact on the financial statements.

The audit engagement team identified the following area where the financial statements were most susceptible to material misstatement due to fraud:

<b>Risk</b>	<b>Audit procedures performed by the audit engagement team included:</b>
<b>Management override of controls</b>	Testing the appropriateness of journal entries and other adjustments. Assessing whether the judgements made in making accounting estimates are indicative of a potential bias. Evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities> This description forms part of our auditor's report.



## **O A INDUSTRIES LIMITED**

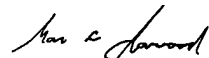
### **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF O A INDUSTRIES LIMITED**

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#### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to him in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

**Mark Harwood**  
**(Senior Statutory Auditor)**  
**For and on behalf of RSM UK Audit LLP**



Date: 17 March 2022

**Chartered Accountants**  
**Statutory Auditor**

25 Farringdon Street  
London  
EC4A 4AB

**O A INDUSTRIES LIMITED****STATEMENT OF COMPREHENSIVE INCOME****FOR THE YEAR ENDED 30 APRIL 2021**


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		<b>Year ended 30 April 2021 £</b>	<b>Year ended 30 April 2020 £</b>
	<b>Notes</b>		
<b>Turnover</b>	<b>3</b>	2,430	13,282
Cost of sales		(20,000)	(20,000)
<b>Gross loss</b>		(17,570)	(6,718)
Administrative expenses		(898,638)	(1,047,911)
Amounts written off intercompany balances	<b>7</b>	(1,995,294)	-
<b>Loss and total comprehensive income for the year</b>		(2,911,502)	(1,054,629)

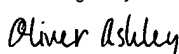
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**O A INDUSTRIES LIMITED****BALANCE SHEET****AS AT 30 APRIL 2021**

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	9	553,866		726,724	
Investments	10	130		130	
		<u>553,996</u>		<u>726,854</u>	
<b>Current assets</b>					
Debtors	12	88,531	1,223,426		
Cash at bank and in hand		109,987	85,586		
		<u>198,518</u>	<u>1,309,012</u>		
<b>Creditors: amounts falling due within one year</b>	13	<u>(10,603,537)</u>	<u>(8,975,387)</u>		
<b>Net current liabilities</b>		<u>(10,405,019)</u>		<u>(7,666,375)</u>	
<b>Net liabilities</b>		<u>(9,851,023)</u>		<u>(6,939,521)</u>	
<b>Capital and reserves</b>					
Called up share capital	14	100	100		
Profit and loss reserves		<u>(9,851,123)</u>	<u>(6,939,621)</u>		
<b>Total equity</b>		<u>(9,851,023)</u>	<u>(6,939,521)</u>		

The financial statements were approved and signed by the director and authorised for issue on 17 March 2022

DocuSigned by:



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Mr O C W Ashley

Director

Company Registration No. 09125906

**O A INDUSTRIES LIMITED****STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 APRIL 2021**


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	Share capital	Profit and loss reserves	Total
	£	£	£
<b>Balance at 1 May 2019</b>	100	(5,884,992)	(5,884,892)
<b>Period ended 30 April 2020:</b>			
Loss and total comprehensive income for the period	-	(1,054,629)	(1,054,629)
	<hr/>	<hr/>	<hr/>
<b>Balance at 30 April 2020</b>	100	(6,939,621)	(6,939,521)
<b>Period ended 30 April 2021:</b>			
Loss and total comprehensive income for the period	-	(2,911,502)	(2,911,502)
	<hr/>	<hr/>	<hr/>
<b>Balance at 30 April 2021</b>	100	(9,851,123)	(9,851,023)
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# **O A INDUSTRIES LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 30 APRIL 2021**

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#### **1 Accounting policies**

##### **Company information**

O A Industries Limited is a company limited by shares incorporated in England and Wales. The registered office is Grenville Court, Britwell Road, Burnham, Buckinghamshire, SL1 8DF.

The company operates in the music industry with a focus on the publication, production and the recording of music.

##### **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.

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.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment' – Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

O A Industries Limited is a wholly owned subsidiary of MASH Holdings Limited and the results of O A Industries Limited are included in the consolidated financial statements of MASH Holdings Limited which are available from its registered office.

# O A INDUSTRIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 APRIL 2021

#### 1 Accounting policies

(Continued)

##### 1.2 Going concern

The director has considered whether the going concern basis of accounting is appropriate with reference to the company's results for the year, cash flow forecasts, its financing via loans from its parent, MASH Holdings Limited and also considering the worldwide pandemic of Covid-19 that struck in early 2020. At the balance sheet date the company has net current liabilities and is loss making, being funded by loans from its parent. However, the director has concluded that the company has access to adequate resources which will enable it to continue in operational existence for the foreseeable future. These resources are detailed in the financial statements of the ultimate parent company, MASH Holdings Limited, and the director of that entity has confirmed ongoing support for the company in writing for a period of no less than twelve months from the date the financial statements are approved.

For these reasons, the company continues to adopt the going concern basis of accounting in preparing the financial statements. The director considers that the company will continue to trade, and has access to sufficient appropriate resources to meet its liabilities as they fall due, for at least twelve months from the date of approval of these financial statements, and have thus prepared the financial statements on a going concern basis.

##### 1.3 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 contracts for the provision of professional 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, mainly in relation to contractual hourly staff rates and materials, 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 it is probable will be recovered.

##### 1.4 Tangible fixed assets

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

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:

Land and buildings Leasehold	10 years straight line
Plant and machinery	3 years straight line
Fixtures, fittings & equipment	3 years straight line
Computer equipment	3 years straight line

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 the statement of comprehensive income.

# O A INDUSTRIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 APRIL 2021

#### 1 Accounting policies

(Continued)

##### 1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

##### 1.6 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.

##### 1.7 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.

##### 1.8 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.

# O A INDUSTRIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 APRIL 2021

#### 1 Accounting policies

(Continued)

##### **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.

##### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

##### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### **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.



# O A INDUSTRIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 APRIL 2021

#### 1 Accounting policies

(Continued)

##### **Other financial liabilities**

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

#### 1.9 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.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

#### 1.10 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.

# O A INDUSTRIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 APRIL 2021

#### 1 Accounting policies

(Continued)

##### 1.11 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.

##### 1.12 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 director is 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.

No significant judgements were applied in the preparation of these financial statements.

#### 3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2021 £	2020 £
<b>Turnover analysed by class of business</b>		
Other income	2,430	13,282
	<u>2,430</u>	<u>13,282</u>
	2021 £	2020 £
<b>Turnover analysed by geographical market</b>		
UK	2,430	13,282
	<u>2,430</u>	<u>13,282</u>

#### 4 Auditor's remuneration

	2021 £	2020 £
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the company	2,300	2,300
	<u>2,300</u>	<u>2,300</u>

**O A INDUSTRIES LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 APRIL 2021****5. Operating loss**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Operating loss for the period is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	220,938	277,977
Profit on disposal of tangible fixed assets	-	(20,673)
Operating lease charges	250,000	250,000
	<u>          </u>	<u>          </u>

**6 Employees**

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

	<b>2021</b>	<b>2020</b>
	<b>Number</b>	<b>Number</b>
UK	1	1
	<u>          </u>	<u>          </u>

Their aggregate remuneration comprised:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Social security costs	242	208
	<u>          </u>	<u>          </u>

**7 Amounts written off intercompany balances**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Amounts written off intercompany balances	(1,995,294)	-
	<u>          </u>	<u>          </u>

Amounts due from subsidiaries, Praise Music Limited and Locked In Music Limited, have been fully provided against at the balance sheet date due to uncertainties over recoverability of the balances.

# O A INDUSTRIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 APRIL 2021

#### 8 Taxation

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

	2021 £	2020 £
Loss before taxation	(2,911,502)	(1,054,629)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	(553,185)	(200,380)
Tax effect of expenses that are not deductible in determining taxable profit	422,860	53,963
Tax effect of income not taxable in determining taxable profit	(19,161)	(16,150)
Tax effect of utilisation of tax losses not previously recognised	-	(327,110)
Unutilised tax losses carried forward	95,317	-
Group relief	54,169	489,677
Taxation charge for the period	-	-

#### 9 Tangible fixed assets

	Land and buildings Leasehold £	Plant and machinery £	Fixtures, fittings & equipment £	Computer equipment £	Total £
<b>Cost</b>					
At 1 May 2020	920,663	42,329	712,791	325,420	2,001,203
Additions	-	-	-	48,080	48,080
At 30 April 2021	920,663	42,329	712,791	373,500	2,049,283
<b>Depreciation and impairment</b>					
At 1 May 2020	416,561	40,103	517,789	300,026	1,274,479
Depreciation charged in the year	86,362	2,226	107,853	24,497	220,938
At 30 April 2021	502,923	42,329	625,642	324,523	1,495,417
<b>Carrying amount</b>					
At 30 April 2021	417,740	-	87,149	48,977	553,866
At 30 April 2020	504,102	2,226	195,002	25,394	726,724

#### 10 Fixed asset investments

	Notes	2021 £	2020 £
Investments in subsidiaries	11	130	130

**O A INDUSTRIES LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 30 APRIL 2021****10 Fixed asset investments****(Continued)****Movements in fixed asset investments**

	<b>Shares in group undertakings £</b>
<b>Cost or valuation</b>	
At 1 May 2020 & 30 April 2021	130
<b>Carrying amount</b>	
At 30 April 2021	130
At 30 April 2020	130

**11 Subsidiaries**

Details of the company's subsidiaries at 30 April 2021 are as follows:

<b>Name of undertaking</b>	<b>Registered office key</b>	<b>Nature of business</b>	<b>Class of shares held</b>	<b>% held</b>
Locked In Music Limited	1	Sound recording and music publishing activities	Ordinary	100
Praise Music Limited	1	Sound recording and music publishing activities	Ordinary	100
Signal Music Limited	1	Sound recording and music publishing activities	Ordinary	100
Ultra Sound Management Limited	1	Sound recording and music publishing activities	Ordinary	100

**Registered Office addresses:**

**1** Grenville Court, Britwell Road, Burnham, Bucks, United Kingdom, SL1 8DF

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

<b>Name of undertaking</b>	<b>Profit/(Loss) £</b>	<b>Capital and Reserves £</b>
Locked In Music Limited	(827,649)	(1,389,172)
Praise Music Limited	(16,783)	(599,281)
Signal Music Limited	-	10
Ultra Sound Management Limited	-	10

# O A INDUSTRIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

### 12 Debtors

	2021 £	2020 £
<b>Amounts falling due within one year:</b>		
Trade debtors	490	6,029
Unpaid share capital	-	100
Amounts owed by group undertakings	-	1,133,535
Other debtors	32,871	41,256
Prepayments and accrued income	55,170	42,506
	<u>88,531</u>	<u>1,223,426</u>

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

### 13 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	53,034	51,731
Amounts owed to group undertakings	10,542,481	8,913,686
Taxation and social security	953	953
Other creditors	1,661	747
Accruals and deferred income	5,408	8,270
	<u>10,603,537</u>	<u>8,975,387</u>

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

### 14 Share capital

	2021 £	2020 £
<b>Ordinary share capital</b>		
<b>Issued</b>		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

# O A INDUSTRIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 APRIL 2021

#### 15 Operating lease commitments

##### Lessee

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

	2021 £	2020 £
Within one year	-	84,932
	<u>          </u>	<u>          </u>

#### 16 Ultimate controlling party

The company's immediate and ultimate parent company is MASH Holdings Limited, a company incorporated in England. The largest and smallest group in which the results of the company are consolidated is that headed by MASH Holdings Limited which is incorporated in England. The consolidated accounts are available to the public and may be obtained from: MASH Holdings Limited, Grenville Court, Britwell Road, Burnham, SL1 8DF.

The ultimate controlling party is Mr M J W Ashley, by virtue of his beneficial interest in the issued share capital of MASH Holdings Limited.

#### 17 Related party transactions

The immediate parent of the company is MASH Holdings Limited. As a wholly owned subsidiary of MASH Holdings Limited, the company is exempt from requirements of FRS 102 Section 33 to disclose transactions with other members of the group headed by MASH Holdings Limited.