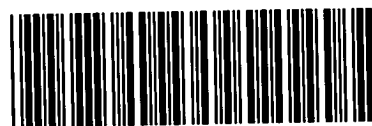


***Warner Chappell Music International  
Limited***

(Registered in No. 00050419)

**Report and Financial Statements  
30 September 2022**

WEDNESDAY



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COMPANIES HOUSE

**WARNER CHAPPELL MUSIC INTERNATIONAL LIMITED**

**Registration No. 00050419**

**DIRECTORS**

M A Lavin

K Alderton

D Young (appointed on 10 December 2021)

J Smith (resigned on 10 December 2021)

W McDowell (resigned on 5 November 2021)

**SECRETARY**

Olswang Cosec Limited

**AUDITOR**

Ecovis Wingrave Yeats LLP

Chartered Accountants & Statutory Auditor

3rd Floor, Waverley House

7-12 Noel Street

London

W1F 8GQ

**REGISTERED OFFICE**

Cannon Place

78 Cannon Street

London

EC4N 6AF

# **WARNER CHAPPELL MUSIC INTERNATIONAL LIMITED**

## **STRATEGIC REPORT**

The directors present their strategic report for the year ended 30 September 2022.

### **RESULTS AND DIVIDENDS**

The loss for the year is set out in the profit and loss account on page 8. The directors do not propose a dividend for the year ended 30 September 2022 (2021 - £nil).

### **BUSINESS REVIEW**

The principal activity of the company during the year continued to be music publishing.

Under an Exploitation Agreement effective 1 December 1987, Warner Chappell Music Limited accepted the benefit and burden of the company's rights and obligations under its current and future contracts with third party composers and songwriters. Under the Exploitation Agreement the company's directors have the right to set an annual fee chargeable to Warner Chappell Music Limited. In the current year this fee was set at £nil (2021: £nil).

In addition, the company receives dividends from investments in certain companies whose principal activity is also music publishing. The amounts receivable each year depend on the underlying performance of these companies. The company received dividends of £39,000 (2021: £85,000). The company suffers no costs other than taxation.

Given the fact that the company is not actively operational and the fact that it has no employees, the company does not consider itself subject to key performance indicators other than in respect of the level of fee income received.

### **RISKS AND UNCERTAINTIES**

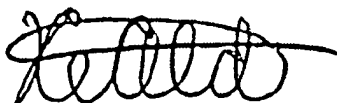
The company is not subject to any specific risks and uncertainties other than those prevalent in the music publishing market in general. As with any business, competitive risks also exist. Traditional competitors such as other major and independent publishers are now joined by new entrants and business models.

All risks and uncertainties are regularly monitored by the company's board of directors.

Due to the exploitation agreement mentioned above, the only source of income is dividends received from subsidiaries; therefore the company is not directly exposed to price risk, credit risk, liquidity or cash flow risk.

The Covid-19 pandemic has caused ongoing uncertainty and that would require us to update any estimates, judgments or materially revise the carrying value of our assets or liabilities, or which impact the ability of the business to continue as a going concern. The Company estimates may change, however, as new events occur and additional information is obtained, and any such changes will be recognized in the financial statements. Actual results could differ from estimates, and any such differences may be material to our consolidated financial statements.

On behalf of the board



Director  
K Alderton

Date: 26/06/2023

**WARNER CHAPPELL MUSIC INTERNATIONAL LIMITED**

**DIRECTORS' REPORT**

The directors submit their report together with the audited financial statements of the company for the year ended 30 September 2022.

**DIRECTORS AND THEIR INTERESTS**

The directors of the company during the period ended 30 September 2022 were as listed on page 1. At no time during the year did any director have any interest in the shares or debentures of the company or any other group undertaking. The directors of the company have qualifying indemnities against losses or liabilities that are incurred.

**POLITICAL CONTRIBUTIONS**

The Company made no political donations or incurred any political expenditure during the year.

**GOING CONCERN**

In accordance with their responsibilities, the directors of the company have considered the appropriateness of the going concern basis, which has been used in the preparation of these financial statements. The company's business activities during the period ended 30 September 2022 have been set out above. Further, the amounts due to creditors are stated under note 9 of these financial statements. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for 12 months following the signing of these accounts. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

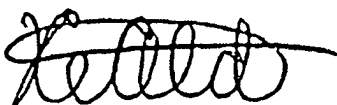
**DISCLOSURE OF INFORMATION TO AUDITOR**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

**PROPOSED DIVIDENDS**

The directors do not recommend the payment of a dividend.

On behalf of the board



Director  
K Alderton

Date: 26/06/2023

**Registered office:**  
Cannon Place  
78 Cannon Street  
London  
EC4N 6AF

## **WARNER CHAPPELL MUSIC INTERNATIONAL LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS**

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are 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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF**  
**WARNER CHAPPELL MUSIC INTERNATIONAL LIMITED**

**Opinion**

We have audited the financial statements of Warner Chappell Music International Limited (the 'Company') for the year ended 30 September 2022, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 September 2022 and of its profit 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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.

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 Auditors' 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF**  
**WARNER CHAPPELL MUSIC INTERNATIONAL LIMITED**  
**(Continued)**

**Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have 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 Strategic report or 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.

**Responsibilities of directors**

As explained more fully in the Directors' responsibilities statement set out on page 4, the directors are 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 directors determine 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 directors are 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 directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

**Auditors' 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 Auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF**  
**WARNER CHAPPELL MUSIC INTERNATIONAL LIMITED**  
**(Continued)**

- We determined that the laws and regulations which are directly relevant to the financial statements are those that relate to the reporting framework Financial Reporting Standard 102 and the relevant tax compliance regulations in the jurisdictions in which the Company operates. We evaluated the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.
- In addition, there are other significant laws and regulations which may have an effect on the determination of the amounts and disclosures in the financial statements. For these laws and regulations, the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through fines or litigation being imposed. As required by the auditing standards, auditing procedures in respect of non-compliance with these identified laws and regulations are limited to enquiry of the Directors and other management and inspection of regulatory and legal correspondence, if any.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations and fraud risks identified in the paragraphs above. In addition to the audit procedures, we remained alert to any indications of non-compliance throughout the audit.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

**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 them in an Auditors' 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.

*Jessica Teague*

**Jessica Teague (Senior statutory auditor)**

**For and on behalf of**  
**Ecovis Wingrave Yeats LLP**  
Chartered Accountants & Statutory Auditor  
3rd Floor, Waverley House  
7-12 Noel Street  
London  
W1F 8GQ

26 June 2023  
Date:



**WARNER CHAPPELL MUSIC INTERNATIONAL LIMITED**

**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2022**

	Notes	2022 £000's	2021 £000's
Turnover	2	-	-
		<hr/>	<hr/>
Gross profit		-	-
Other operating income:			
Income / (Expenses) from participating interests	12	39	85
		<hr/>	<hr/>
Profit before Taxation	5	39	85
Tax on profit	6	-	-
		<hr/>	<hr/>
Profit after Taxation		39	85
		<hr/> <hr/>	<hr/> <hr/>

There is no other comprehensive income arising other than those recognised in the profit and loss account.

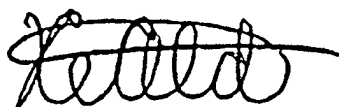
The notes on pages 11 to 17 form part of these financial statements.

**WARNER CHAPPELL MUSIC INTERNATIONAL LIMITED**

**BALANCE SHEET AT 30 SEPTEMBER 2022**

	Notes	2022 £000's	2021 £000's
Fixed assets:			
Investments	7	622	622
		<hr/>	<hr/>
Current assets:			
Debtors	8	9,765	9,726
		<hr/>	<hr/>
Current liabilities:			
Creditors	9	(9,583)	(9,583)
		<hr/>	<hr/>
Net current assets		182	143
		<hr/>	<hr/>
Net assets		804	765
		<hr/>	<hr/>
Capital and reserves:			
Called up share capital	10	267	267
Profit and loss account		537	498
		<hr/>	<hr/>
Shareholders' funds		804	765
		<hr/>	<hr/>

The financial statements of Warner Chappell Music International Limited (registered number 00050419) were approved by the board of directors and were signed on its behalf by:



K Alderton  
DIRECTOR

Dated: 26/06/2023

The notes on pages 11 to 17 form part of these financial statements.

**WARNER CHAPPELL MUSIC INTERNATIONAL LIMITED**

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 SEPTEMBER 2022**

	<i>Called up Share capital £ '000</i>	<i>Profit and loss account £ '000</i>	<i>Total Equity £ '000</i>
Balance at 1 October 2020	267	413	680
Loss for the financial year	-	85	85
At 24 September 2021	<u>267</u>	<u>498</u>	<u>765</u>
Profit for the financial year	-	39	39
At 30 September 2022	<u>267</u>	<u>537</u>	<u>804</u>

The notes on pages 11 to 17 form part of these financial statements.

## **WARNER CHAPPELL MUSIC INTERNATIONAL LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS AT 30 SEPTEMBER 2022**

#### **1. ACCOUNTING POLICIES**

Warner Chappell Music International Limited, Cannon Place, 78 Cannon Street, London, EC4N 6AF is a company limited by shares and incorporated and domiciled in the UK. The registration number is 50419.

A summary of the principal accounting policies, all of which have been applied consistently throughout the year, is set out below:

##### ***Basis of Preparation***

The financial statements are prepared on the historical cost basis. They were prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"). The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000. The financial statements are made up for the 53 week period beginning 25 September 2021 ending 30 September 2022, in line with the period ending of the parent undertaking, Warner Music Group Corp. In previous years the financial statements have been prepared with the year ending date of 24 September. Management has completed an exercise to assess the financial impact of aligning the period end date and this has not been found to have a material impact for the users of the financial statements.

The Company's parent undertaking, Warner Music Group Corp., incorporated in the United States of America, includes the Company in its consolidated financial statements. The consolidated financial statements of Warner Music Group Corp. are available to the public and may be obtained from 1209 Orange Street, Wilmington, DE 19801, USA. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Related party transactions entered into between two or more members of a group;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

The Company proposes to continue to adopt the reduced disclosure framework of FRS 102 in its next financial statements.

##### ***Accounting convention***

These financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards. The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

##### ***Going concern***

The company is profitable and had net current assets at the year end and have prepared forecasts that suggest that they will continue to meet their liabilities as they fall due for 12 months following the signing of these accounts.

The financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons.

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 and the anticipated impact of COVID-19 on the operations and its financial resources, the Company will have sufficient funds to meet its liabilities as they fall due for that period. The directors have also considered the recoverability of intercompany debtors within these forecasts, noting no counter-party issues.

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 the financial statements and therefore have prepared the financial statements on a going concern basis.

**WARNER CHAPPELL MUSIC INTERNATIONAL LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS AT 30 SEPTEMBER 2022**  
**(Continued)**

***Intangible fixed assets: music copyrights***

Purchased music copyrights are capitalised and amortised by equal annual instalments over the period that is expected to recover the initial cost based on projected average annual income, but not exceeding 20 years. The annual charge for amortisation of intangibles is included within administrative expenses in the Profit and Loss Account.

The carrying values of intangible fixed assets are reviewed for impairment at the end of the first full year following acquisition and in other periods if events or changes in circumstances indicate the carrying value may not be recoverable.

***Dividends***

Dividend Income on investments is recognized when the right to receive the dividend is established.

***Critical accounting judgements and estimation uncertainty***

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

***Impairment excluding deferred tax assets***

The carrying amounts of the Company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. 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. An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. An impairment loss is reversed if and only if the reasons for the impairment have ceased to apply.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

***Deferred taxation***

Deferred tax is recognised in respect of all timing differences that have originated but not reversed by the balance sheet date. Deferred tax assets are only recognised to the extent that they are considered recoverable against future taxable profits.

Deferred tax is measured at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse. Deferred tax balances are not discounted.

***Group financial statements***

Consolidated accounts have not been prepared as the Company was, at 30 September 2022, a wholly-owned subsidiary of Warner Music Group Corp. Consequently, these accounts only include information about the company as an individual undertaking and not about the group, as the exemption in section 401 of the Companies Act 2006 has been claimed.

**WARNER CHAPPELL MUSIC INTERNATIONAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS AT 30 SEPTEMBER 2022**

(Continued)

***Basic financial instruments***

***Trade and other debtors / creditors***

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors.

***Investments in subsidiaries, jointly controlled entities and associates***

Investments are shown at Historical cost less provision for Impairment in value. Interest in Subsidiary, associate and Jointly controlled entity are initially measured at cost and subsequently measured at cost less and accumulated Impairment losses. The Investments are assessed for Impairment at each reporting date and any Impairment losses or reversals of Impairment losses are recognized immediately in profit or loss. A Subsidiary in an entity controlled by the company. Control is the power to govern the Financial and Operating policies of the entities so as to obtain benefits from its Activities.

Income from joint ventures is recognised in the company's profit and loss account on the basis of dividends received and receivable.

**2. TURNOVER**

Turnover represents the fee paid by Warner Chappell Music Limited for the right to exploit the company's copyrights. In the current year this fee was set at £nil (2021: £nil).

**3. EMPLOYEES AND DIRECTORS**

The company has no employees other than the 4 directors as listed on page 1.

The directors of the company are also directors of a number of subsidiaries of the ultimate parent undertaking. The cost is recognised in the accounts of Warner Chappell Music Limited which make the remuneration payments. However, the directors believe that it is practicable to apportion the remuneration between remuneration as directors of the company and their remuneration as directors of the fellow subsidiary companies. The directors' remuneration is therefore disclosed in the notes to the financial statements of the subsidiaries based on qualifying services provided to each subsidiary.

	2022	2021
	£	£
Directors' remuneration	1,883	19,489
	<u>          </u>	<u>          </u>

**4. AUDITOR'S REMUNERATION**

Audit fees of £1,354 (2021: £1,425) have been borne by another group undertaking.

**5. PROFIT BEFORE TAXATION**

Under the terms of the agreement entered into with Warner Chappell Music Limited dated 1st December 1987, Warner Chappell Music Limited is responsible for the payment of all costs and expenses of the company.

**WARNER CHAPPELL MUSIC INTERNATIONAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS AT 30 SEPTEMBER 2022**

(Continued)

**6. TAXATION**

	<b>2022</b>	<b>2021</b>
	<b>£000's</b>	<b>£000's</b>
a) Total tax expense recognised in the profit and loss account:		
<u>Current tax</u>		
UK corporation tax on income for the period	-	-
Total tax	- =====	- =====

b) Reconciliation of tax charge

The standard rate of current tax for the year based on the UK standard rate of corporation tax is 19% (2021: 19%). The current tax charge for the year differs from the standard rate for the reasons in the reconciliation below:

Profit for the period	39 =====	85 =====
Tax on profit or loss at standard UK tax rate of 19% (2021: 19%)	7	16
Effect of:		
Expenses not deductible		
Income not taxable	(7)	(16)
Tax charged for the period	- =====	- =====

c) Tax rate changes

An increase in the UK corporation tax rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021. This will also have a consequential effect on the company's future tax charge.

d) Deferred tax

The Company had no deferred tax provision at 30 September 2022 (2021: £nil).

**7. INVESTMENTS**

	<b>2022</b>	<b>2021</b>
	<b>£000's</b>	<b>£000's</b>
Investments in subsidiary undertakings	621	621
Investment in participating interest	1	1
	622 =====	622 =====

**WARNER CHAPPELL MUSIC INTERNATIONAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS AT 30 SEPTEMBER 2022**

**(Continued)**

**7. INVESTMENTS (Continued)**

Investments are shown at Historical cost less provision for Impairment in value. Interest in Subsidiary, associate and Jointly controlled entity are initially measured at cost and subsequently measured at cost less and accumulated Impairment losses. The Investments are assessed for Impairment at each reporting date and any Impairment losses or reversals of Impairment losses are recognized immediately in profit or loss. A Subsidiary in an entity controlled by the company. Control is the power to govern the Financial and Operating policies of the entities so as to obtain benefits from its Activities.

<b>Subsidiary undertakings</b>	<b>Country of incorporation</b>	<b>Percentage of ordinary share capital held</b>	<b>Nature of business</b>
Warner Chappell Overseas Holdings Ltd*	England and Wales	100%	Music publishing
Warner Chappell Artemis Music Ltd*	England and Wales	100%	"
Ascherberg, Hopwood & Crew Ltd*	England and Wales	100%	"
Burlington Music Company Ltd*	England and Wales	100%	"
Chappell Music Ltd*	England and Wales	100%	"
Intersong Music Ltd*	England and Wales	100%	"
Throat Music Ltd*	England and Wales	100%	"
Warner Chappell North America Ltd*	England and Wales	100%	"
Chappell Morris Ltd*	England and Wales	100%	"
Warner Chappell Ltd*	England and Wales	100%	"
<b>Subsidiary undertakings of Burlington Music Company Ltd</b>			
Palace Music Co Ltd*	England and Wales	100%	Music publishing
<b>Associated undertakings</b>			
Held by the company:			
Diplomat Music Ltd*	England and Wales	50%	Music publishing
Jewel Music Publishing Ltd**	England and Wales	50%	"
<b>Held by Chappell Morris Ltd</b>			
Patricia Music Ltd*	England and Wales	50%	Music Publishing

\* Registered office: Cannon Place, 78 Cannon Street, London, EC4N 6AF

\*\* Registered office: Dodd Harris Suite C, Kiln House 15-17 High Street, Elstree Hertfordshire WD6 3BY

**8. DEBTORS**

	<b>2022</b>	<b>2021</b>
	<b>£000's</b>	<b>£000's</b>
Amount due from parent undertakings	9,765	9,726

Amounts due from group undertakings are unsecured, interest free and are repayable on demand.



**WARNER CHAPPELL MUSIC INTERNATIONAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS AT 30 SEPTEMBER 2022**

(Continued)

**9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022	2021
	£000's	£000's
Amount due to parent undertakings	9,583	9,583

Amounts due to group undertakings are unsecured, interest free and are repayable on demand.

**10. SHARE CAPITAL**

	2022	2021
	£	£
Allotted, called up and fully paid:		
100,000 ordinary shares of £1 each	100,000	100,000
100,000 deferred shares of £1 each	100,000	100,000
66,666 new ordinary shares of £1 each	66,666	66,666
	<hr/>	<hr/>
	266,666	266,666
	<hr/>	<hr/>

The rights of the various classes of share are as follows:

**(a) New Ordinary Shares**

Holders of New Ordinary Shares are entitled to receive, out of the profits of the company, a fixed non-cumulative preferential dividend of 10% per annum on the amount paid up on the New Ordinary Shares. Payment of the dividend is at the discretion of the company, but any such dividend is to be paid prior to the dividend payable on the Ordinary Shares and the Deferred Shares. After preferential dividends have been paid on the New Ordinary Shares, the Ordinary Shares and the Deferred Shares, the profits shall be distributed solely amongst the holders of the New Ordinary Shares. New Ordinary Shareholders have one vote for every New Ordinary Share held. On a winding up, the assets of the company shall be applied in repayment of the par value of the New Ordinary Shares, together with a further distribution of £9 per New Ordinary Share, before a repayment of capital on the Ordinary Shares and the Deferred Shares. The New Ordinary Shares shall also entitle the holders to all the remaining assets after the capital on the Ordinary Shares and the Deferred Shares has been repaid.

**b) Ordinary Shares**

Holders of Ordinary Shares shall be entitled to receive, out of the profits of the company, a fixed non-cumulative preferential dividend of 0.1% per annum on the amount paid up on the Ordinary Shares. Payment of the dividend is at the discretion of the company. Such a dividend is to be paid after the preferential dividend payable on the New Ordinary Shares and Ordinary Shareholders shall have no further rights to participate in the profits of the company. Ordinary Shareholders have one vote for every 100,000 shares held. On a winding up, the holders of Ordinary Shares shall be entitled to a repayment of the par value on their shares only after the repayment of the par value, together with a further distribution of £9, has been paid on the New Ordinary Shares. Ordinary Shareholders have no further rights to participate in a return of assets on the winding up of the company or otherwise.

**WARNER CHAPPELL MUSIC INTERNATIONAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS AT 30 SEPTEMBER 2022**

(Continued)

**c) Deferred Shares**

Deferred Shareholders are entitled to receive, out of the profits of the company, a fixed non-cumulative preferential dividend of 0.05% per annum on the amount paid up on the Deferred Shares. Payment of the dividend is at the discretion of the company. Such a dividend is to be paid after the dividend payable on the Ordinary Shares and Deferred Shareholders have no further rights to participate in the profits of the company. Deferred Shareholders have one vote for every 100,000 shares held. On a winding up, Deferred Shareholders shall be entitled to a repayment of the par value on such shares ranking pari passu with the holders of Ordinary Shares but after the repayment of the par value, together with a further distribution of £9, has been made on the New Ordinary Shares. Deferred Shareholders have no further rights to participate in a return of capital in a winding up or otherwise.

**11. PARENT UNDERTAKING AND CONTROLLING PARTY**

The company is owned 100% by Warner Chappell Music Ltd., Cannon Place, 78 Cannon Street London EC4N 6AF, is, the company's immediate parent undertaking.

At 30 September 2022, AI Entertainment Holdings LLC, 2711 Centerville Road, Suite 400, Wilmington, DE 19808, a company incorporated in the United States of America, was the ultimate parent undertaking. Warner Music Group Corp., an entity incorporated in the United States of America, was the parent undertaking of the smallest group of undertakings of which the company was a member and for which group financial statements are drawn up. Copies of Warner Music Group Corp.'s financial statements can be obtained from 1209 Orange Street, Wilmington, DE 19801, USA.

**12. RELATED PARTY TRANSACTIONS**

Jewel Music Publishing Company Limited declared dividends of £39,000 (2021: £85,000):

	2022	2021
	£	£
Jewel Music Publishing Company Limited	39,000	85,000
Warner Chappell Music International Limited	-	-
	<hr/>	<hr/>
	39,000	85,000
	<hr/>	<hr/>

During the period, the company did not receive a dividend (2021: £nil) from its 50% owned joint venture, Diplomat Music Limited. The Amount of Dividend recognised as Income in the Current Year was unpaid as at 30 September 2022. The company has taken advantage of the exemption in FRS 102 not to disclose details of transactions between wholly-owned group undertakings.

Between the years 2002 through to 2016 Patricia Music Limited declared dividends but paid the amounts directly to Warner/Chappell Music International Limited. Those dividends should have been received and recorded by Chappell Morris Limited as this company holds the equity investment in that company. Correspondingly, the cumulative amount of such dividends of £60,560 has been recorded as a decrease in the Profit and Loss account balance, and the Amount receivable from fellow subsidiary undertakings.