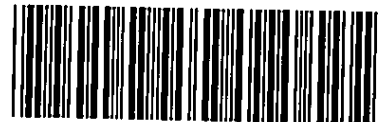


DIPLOMAT MUSIC LIMITED
(Registered in England No. 875521)

DIRECTORS' REPORT AND AUDITED ACCOUNTS

30TH JUNE 2008

TUESDAY



L6ZSZ9E4

LD4

28/04/2009

47

COMPANIES HOUSE

DIPLOMAT MUSIC LIMITED

REPORT OF THE DIRECTORS

The directors submit their report together with the audited accounts of the company for the year ended 30th June 2008.

1. RESULTS AND DIVIDENDS

The profit for the year is set out in the profit and loss account on page five. The directors do not propose to declare a dividend in respect of the year ended 30th June 2008 (2007 – Nil).

2. PRINCIPAL ACTIVITY

The principal activity of the company during the year continued to be music publishing. The directors do not anticipate any change in the future.

3. DIRECTORS

The directors of the company during the year were:

J M Dyball
J R Manners
M A Lavin

4. DIRECTORS' INTEREST IN SHARE CAPITAL

At no time during the year did any director have any interest in the shares of the company. There has been no movement in directors' interests since 1st July 2007.

5. AUDITORS

Elliotts Shah have expressed their willingness to continue in office as auditors and a resolution proposing their re-appointment will be submitted at the annual general meeting.

6. STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

The directors are responsible for preparing 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

DIPLOMAT MUSIC LIMITED
REPORT OF THE DIRECTORS
(Continued)

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

BY ORDER OF THE BOARD



M A LAVIN
Director

Date: 27 April 2009

REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF
DIPLOMAT MUSIC LIMITED

We have audited the financial statements of Patricia Music Limited for the year ended 30 June 2008 on pages five to eight. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2007).

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 a Report of the Auditors 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.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out on page one.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Report of the Directors is consistent with the financial statements.

In addition, we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF

DIPLOMAT MUSIC LIMITED (continued)

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 30 June 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Report of the Directors is consistent with the financial statements.

Elliotts Shah

Elliotts Shah
Registered Auditor
2nd Floor
King House
5-11 Westbourne Grove
London W2 4UA

Date: *27 April 2009*

DIPLOMAT MUSIC LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30TH JUNE 2008

	Notes	2008 £	2007 £
Turnover		-	-
Cost of Sales		-	-
		<hr/>	<hr/>
Gross Profit		-	-
Administrative Expenses		706	888
		<hr/>	<hr/>
Operating Loss	2	(706)	(888)
Interest Receivable		1,347	1,120
Interest Payable		-	-
		<hr/>	<hr/>
Profit on Ordinary Activities Before Tax		641	232
Tax on Profit on Ordinary Activities	4	(130)	(64)
		<hr/>	<hr/>
Profit on Ordinary Activities After Tax		511	168
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 7 to 8 form part of these financial statements.

DIPLOMAT MUSIC LIMITED
BALANCE SHEET
AT 30TH JUNE 2008

	Notes	2008 £	2007 £
Current assets:			
Cash at bank		61,087	59,782
		<hr/>	<hr/>
		61,087	59,782
Creditors: amounts falling due within one year	5	(8,671)	(7,877)
		<hr/>	<hr/>
Net current assets		52,416	51,905
		<hr/>	<hr/>
Capital and reserves:			
Share Capital	6	100	100
Profit and Loss Account		52,316	51,805
		<hr/>	<hr/>
Shareholders' funds	7	52,416	51,905
		<hr/>	<hr/>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2007).

The financial statements were approved by the board of directors on 27-4-09 and were signed on its behalf by:

Munir A. Gani M A LAVIN
Director

The notes on pages 7 to 8 form part of these financial statements.

DIPLOMAT MUSIC LIMITED

NOTES TO THE ACCOUNTS AT 30TH JUNE 2008

1. ACCOUNTING POLICIES

Accounting convention

These accounts are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

Turnover

Turnover represents gross royalty income. Credit is taken for royalty income which has been received or declared by users prior to the year end.

2. OPERATING LOSS

This is stated after charging;

	2008	2007
	£	£
Administration expenses		
Auditors' remuneration	664	746
Sundry expenses	42	142
	<hr/>	<hr/>
	706	888
	<hr/>	<hr/>

3. EMPLOYEES

The company had no employees during the year (2007 - Nil). No directors' remuneration was paid during the year (2007 - Nil).

4. TAX ON PROFITS ON ORDINARY ACTIVITIES

a) The charge for corporation tax is made up as follows;

	2008	2007
	£	£
Based on the profits for the year:		
Corporation tax at 20.25% (2007 - 19%)	130	44
	<hr/>	<hr/>

b) Factors affecting the tax charge:

The tax assessed for the year is lower than the standard rate of corporation tax applicable to smaller companies in the U.K. The difference is explained below:-

	2008	2007
	£	£
Profit on ordinary activities before tax	641	232
	<hr/>	<hr/>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the U.K of 20.25% (2007 - Nil%)	130	44
Factors affecting charge:-		
Disallowable expenses & non taxable income	-	20
	<hr/>	<hr/>
Total Current Tax (note a above)	130	64
	<hr/>	<hr/>

DIPLOMAT MUSIC LIMITED
NOTES TO THE ACCOUNTS AT 30TH JUNE 2008
(Continued)

5. **CREDITORS:** amounts falling due within one year

	2008	2007
	£	£
Related company – Warner/Chappell Music Ltd	7,836	7,067
Accruals	705	746
Current Tax Payable	130	64
	<u>8,671</u>	<u>7,877</u>
	<u>=====</u>	<u>=====</u>

6. **SHARE CAPITAL**

	2008	2007
	£	£
Authorised, allotted, called up and fully paid:		
50 'A' shares of £1 each	50	50
50 'B' shares of £1 each	50	50
	<u>100</u>	<u>100</u>
	<u>=====</u>	<u>=====</u>

The 50 'A' shares are owned by Diplomat Music Inc, and the 50 'B' shares are owned by Warner/Chappell Music International Limited.

7. **RECONCILIATION OF SHAREHOLDERS' FUND AND RESERVES**

	Capital	Reserves	Total
	£	£	£
Balance as at 1 July 2007	100	51,805	51,905
Profit for the year	-	511	511
	<u>100</u>	<u>52,316</u>	<u>52,416</u>
	<u>=====</u>	<u>=====</u>	<u>=====</u>

8. **RELATED PARTY DISCLOSURES**

As at 30 June 2008, an amount of £7,835.80 was due to Warner/Chappell Music Limited, a company related to Warner/Chappell Music International Limited, the holders of the 'B' shares.