

DIPLOMAT MUSIC LIMITED
(Registered in England No. 875521)

DIRECTORS' REPORT AND AUDITED ACCOUNTS

30TH JUNE 2016

TUESDAY



L635L33S

LD5

28/03/2017

#16

COMPANIES HOUSE

DIPLOMAT MUSIC LIMITED
(Registered number: 875521)

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 30 JUNE 2016

The directors submit their report together with the financial statements of the company for the year ended 30th June 2016.

1. RESULTS AND DIVIDENDS

The profit for the year is set out in the profit and loss account on page four. No dividends were paid in the year ended 30th June 2016 (2015 –£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 R Manners (resigned 21 April 2016)
J S Smith (appointed 18 July 2016)
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 2016.

5. POLITICAL CONTRIBUTIONS

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

6. 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.

7. DISCLOSURE OF INFORMATION TO THE AUDITOR

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

DIPLOMAT MUSIC LIMITED
(Registered number: 875521)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 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). 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 those 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;
- 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 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.

On behalf of the Board



Director:
M Lavin

Date: 24 March 2017

Report of the Independent Auditors to the Shareholders of Diplomat Music Limited

We have audited the financial statements of Diplomat Music Limited for the year ended 30 June 2016 on pages four to eight. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 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

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2016 and of its result 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where 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 or in preparing the Report of the Directors.

Nilesh Shah (Senior Statutory Auditor)
for and on behalf of Elliotts Shah
Statutory Auditor
2nd Floor, York House
23 Kingsway
London
WC2B 6UJ
Date: 27 March 2017

DIPLOMAT MUSIC LIMITED
 (Registered number: 875521)
INCOME STATEMENT
FOR THE YEAR ENDED 30TH JUNE 2016

	Notes	2016 £	2015 £
Turnover		-	-
Cost of sales		-	-
		<hr/>	<hr/>
Gross profit		-	-
Administrative expenses		720	720
		<hr/>	<hr/>
Operating loss	2	(720)	(720)
Interest receivable		-	-
		<hr/>	<hr/>
Loss on ordinary activities before tax		(720)	(720)
Tax on loss on ordinary activities	3	-	-
		<hr/>	<hr/>
Loss on ordinary activities after tax		(720)	(720)
Other comprehensive income		-	-
		<hr/>	<hr/>
Total comprehensive loss for the year		<u>(720)</u>	<u>(720)</u>

The notes on pages 6 to 8 form part of these financial statements.

DIPLOMAT MUSIC LIMITED
 (Registered number: 875521)
BALANCE SHEET
AT 30TH JUNE 2016

	Notes	2016 £	2015 £
Current assets: Debtors	4	27,878	28,598
		<hr/>	<hr/>
		27,878	28,598
Creditors: amounts falling due within one year	5	(20,720)	(20,720)
		<hr/>	<hr/>
Net current assets		7,158	7,878
		<hr/>	<hr/>
Capital and reserves:			
Share capital	6	100	100
Profit and loss Account		7,058	7,778
		<hr/>	<hr/>
Shareholders' funds	7	7,158	7,878
		<hr/>	<hr/>

The financial statements were approved by the board of directors on 24 March 2017 and were signed on its behalf by:

M A Lavin * - *Signature*

M A LAVIN
Director

The notes on pages 6 to 8 form part of these financial statements.

DIPLOMAT MUSIC LIMITED
(Registered number: 875521)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2016

1. ACCOUNTING POLICIES

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") as issued in August 2014. The amendments to FRS 102 issued in July 2015 and effective immediately have been applied. The presentation currency of these financial statements is sterling. In the transition to FRS 102 from old UK GAAP, the Company has made no measurement and recognition adjustments.

Basic financial instruments

Trade and other debtors are recognised initially at cost. They are assessed for any impairment on an annual basis.

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.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

2. OPERATING LOSS

This is stated after charging;

	2016 £	2015 £
Administration expenses		
Auditors' remuneration	720	720
	<hr/>	<hr/>

3. TAX ON LOSS ON ORDINARY ACTIVITIES

	2016 £	2015 £
Loss before tax for the year	(720)	(720)
	<hr/>	<hr/>
Loss multiplied by the standard rate of tax in the UK of 20% (2015: 20.75%)	(144)	(149)
Factors affecting charge:		
Losses for which no deferred tax asset was recognised	144	149
	<hr/>	<hr/>
Total tax expense included in profit and loss	<hr/>	<hr/>

4. DEBTORS

	2016 £	2015 £
Related company – Warner/Chappell Music Ltd	27,878	28,598
	<hr/>	<hr/>

DIPLOMAT MUSIC LIMITED

(Registered number: 875521)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2016**(Continued)****5. CREDITORS: amounts falling due within one year**

	2016 £	2015 £
Related company – Diplomat Music Inc	20,000	20,000
Accruals	720	720
	<u>20,720</u>	<u>20,720</u>
	=====	=====

6. SHARE CAPITAL

	2016 £	2015 £
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>
	=====	=====

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 2015	100	7,778	7,878
Profit / (loss) for the year	-	(720)	(720)
	<u>100</u>	<u>7,058</u>	<u>7,158</u>
	=====	=====	=====

8. RELATED PARTY DISCLOSURES

As at 30 June 2016, an amount of £27,878 was due from Warner/Chappell Music Limited, a company related to Warner/Chappell Music International Limited, the holders of the 'B' shares (2015: £28,598).

Also at 30 June 2016, an amount of £20,000 was due to Diplomat Music Inc., the owner of the 50 'A' shares, in relation to dividends declared in 2012 (2015: £20,000).

DIPLOMAT MUSIC LIMITED
(Registered number: 875521)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30TH JUNE 2016
(Continued)

9. EXPLANATION OF TRANSITION TO FRS 102 FROM OLD UK GAAP

As stated in note 1, these are the Company's first financial statements prepared in accordance with FRS 102.

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 30 June 2016 and the comparative information presented in these financial statements for the year ended 30 June 2015.

In preparing its FRS 102 balance sheet, the Company has not needed to adjust amounts reported previously in financial statements prepared in accordance with its old basis of accounting (UK GAAP).