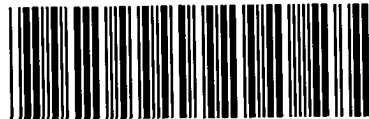


Throat Music Limited

Report and Financial Statements

30 September 2013

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COMPANIES HOUSE

Throat Music Limited

Registered No.919063

Directors

J Dyball (resigned 19 June 2013)

M Lavin

J R Manners (appointed 19 June 2013)

Secretary

Olswang Cosec Limited

Auditors

Ernst & Young LLP

1 More London Place

London SE1 2AF

Registered Office

Seventh floor

90 High Holborn

London WC1V 6XX

Strategic report

The directors present their strategic report for the year ended 30 September 2013.

Results and dividends

The company has not traded during the year and has made neither a profit nor a loss. No profit and loss account or statement of recognised gains or losses have therefore been prepared.

Review of business

The company ceased to trade on 1 December 1992 but it is the ultimate owner of certain music publishing rights. This is not expected to change in the near future.

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

On behalf of the Board



Director:
M A Lavin

Date: 21st May 2014

Directors' report

The directors present their report and financial statements of the company for the year ended 30 September 2013.

Going concern

Given the fact that the company does not trade and has positive net assets the directors believe that the company has adequate financial resources to continue in operation for the foreseeable future. The accounts have therefore been prepared on the going concern basis.

Directors and their interests

The directors who served during the year were those listed on page 1.

Disclosure of information to the auditors

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.

Auditors

In accordance with section 485 of the Companies Act 2006, a resolution is to be proposed at the Annual General Meeting for the reappointment of Ernst & Young LLP as auditor of the Group and company. Ernst & Young LLP have confirmed their willingness to continue in office.

On behalf of the Board



Director:
M A Lavin

Date: 21st May 2014

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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 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 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 proper accounting records that 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 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.

Independent auditors' report

to the members of Throat Music Limited

We have audited the financial statements of Throat Music Limited for the year ended 30 September 2013 which comprise the Balance Sheet, and the related notes 1 to 9. 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).

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 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.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities 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. Our responsibility is to audit 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 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 and Financial Statements 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 September 2013 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 matters prescribed by the Companies Act 2006

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

Independent auditors' report (continued)

to the members of Throat Music Limited

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.

Ernst & Young LLP

Philip Young (Senior Statutory Auditor)

for and on behalf of Ernst & Young LLP (Statutory Auditor)

1 More London Place
London
SE1 2AF

Date: 21/5/14

Balance sheet

at 30 September 2013

	Notes	2013 £	2012 £
Current assets			
Debtors	6	400	400
Net current assets		<u>400</u>	<u>400</u>
Capital and reserves			
Called up share capital – Equity	7	<u>400</u>	<u>400</u>
Shareholders' funds	8	<u>400</u>	<u>400</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



Director:
M A Lavin

Date: 21st May 2014

The notes on pages 8 to 9 form part of these financial statements.

Notes to the financial statements

at 30 September 2013

1. Accounting policies

Basis of Preparation

The financial statements are prepared under the historical cost convention in accordance with applicable accounting standards.

Accounting convention

Under an Exploitation Agreement dated 1 December 1992 Warner/Chappell Music International Limited, a fellow subsidiary undertaking, accepted the benefit and burden of the company's rights and obligations under its current and future contracts with third parties. Under the Exploitation Agreement the company's directors have the right to set an annual fee chargeable to Warner/Chappell Music International Limited. In the current year this fee was set at £nil. (2012 £nil).

Cash flow statement

The company has taken advantage of the exemption in the Financial Reporting Standard No.1 Revised (FRS1). A cash flow statement has not been prepared because as at the year end, the company was a wholly owned subsidiary undertaking of Warner Music Group Corp., a company incorporated in the United States of America, which prepares a group cash flow statement.

Related parties

The company has taken advantage of the exemption in FRS 8 not to disclose related party transactions with fellow wholly-owned subsidiary undertakings.

Going concern

Given the fact that the company does not trade and has positive net assets the directors believe that the company has adequate financial resources to continue in operation for the foreseeable future. The accounts have therefore been prepared on the going concern basis.

Audit Fees

Audit Fees of £200 have been borne by another group undertaking.

2. Profit and loss account

The company has not traded during the year and has made neither a profit nor a loss. No profit and loss account has therefore been prepared.

3. Directors' remuneration

The directors' remuneration was £nil (2012 – £nil).

The directors of the company are also directors of a number of subsidiaries of the ultimate parent undertaking. The directors do not 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 accounts of the subsidiaries that make the remuneration payments.

4. Staff costs

The company has no employees other than directors.

Notes to the financial statements

at 30 September 2013

5. Profit on ordinary activities before taxation

Under the terms of the agreement entered into with Warner/Chappell Music International Limited dated 1 December 1992, Warner/Chappell Music International Limited is responsible for the payment of all costs and expenses of the company.

6. Debtors

	2013	2012
	£	£
Due from fellow-subsiary undertaking	400	400
	<u>400</u>	<u>400</u>

7. Share capital

	2013	2012
	£	£
<i>Authorised, allotted, called up and fully paid</i>		
100 Ordinary shares of £1 each	100	100
300 Preference shares of £1 each	300	300
	<u>400</u>	<u>400</u>

The Preference shares of £1 each have no voting rights and rank above the ordinary shares in terms of return of capital on a winding up. They have no redemption rights, and the right to a non-cumulative 4% fixed dividend has been waived by the shareholders.

8. Reconciliation of shareholders' funds

	2013	2012
	£	£
At 1 October 2012 and 30 September 2013	400	400
	<u>400</u>	<u>400</u>

9. Parent undertaking and ultimate parent undertaking

Warner/Chappell Music International Limited is the company's immediate parent undertaking.

At 30 September 2013, Ai Entertainment Holdings LLC was the ultimate parent undertaking. Warner Music Group Corp. 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.