

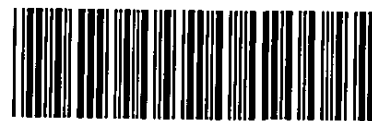
Dedicated Limited

Directors' report and financial statements

Registered number 02426030

31 March 2010

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Contents

Directors' report	1 - 2
Statement of directors' responsibilities in respect of the Directors' report and the financial statements	3
Independent auditors' report to the members of Dedicated Limited	4
Profit and loss account	5
Balance sheet	6
Notes	7 - 11

Directors' report

The directors present their Annual Report and the audited financial statements for the year ended 31 March 2010

Activities

The principal activity of the company is the production and promotion of recordings by international recording artists

Business review and results

The company made a profit on ordinary activities after taxation of £81,139 for the year *(15 months ended 31 March 2009 loss of £83,105)* The directors do not recommend the payment of a dividend *(15 months ended 31 March 2009 £nil)* Profit transferred to reserves amounted to £81,139 *(15 months ended 31 March 2009 losses transferred from reserves of £83,105)*

Future prospects

The directors do not expect a change in the level of activity in the foreseeable future

Principal risks and uncertainties

From the perspective of the company, the principal risks and uncertainties are integrated with the risks of Sony Music Entertainment UK group and are not managed separately These risks are discussed on page 3 of the Sony Music Entertainment UK Limited annual report of the year ended 31 March 2010 which does not form part of this report

Key performance indicators (KPI)

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using KPI's is not necessary for an understanding of the development, performance or position of the business

Directors

The directors who held office during the year were

G Doherty
M Smith
P Curran

None of the directors held an interest in the shares of the company or any other group undertaking at 31 March 2010 or 31 March 2009

Company Secretary

Abogado Nominees Limited and Simon Jenkins acted jointly and severally as company secretary during the year

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information

Directors' report *(continued)*

By Order of the Board on ~~20th~~ December 2010



S Jenkins
Secretary

9 Derry Street
London
W8 5HY

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing 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 the directors have prepared 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 these financial statements, the directors are 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 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.

Independent auditors' report to the members of Dedicated Limited

We have audited the financial statements of Dedicated Limited for the year ended 31 March 2010 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. 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).

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 3 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.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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.

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 31 March 2010 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.

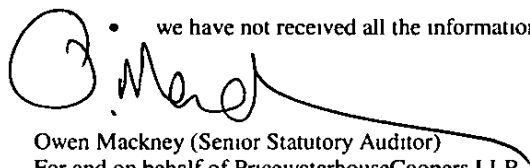
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report 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.



Owen Mackney (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
St Albans
31 December 2010

Profit and loss account

		Year ended 31 March 2010 £	15 months ended 31 March 2009 £
	<i>Notes</i>		
Turnover	2	27,330	12,365
Cost of sales		62,628	(57,238)
Gross profit / (loss)		89,958	(44,873)
Administrative expenses		(818)	-
Operating profit / (loss)		89,140	(44,873)
Interest payable and similar charges	6	(11,237)	(48,883)
Profit / (loss) on ordinary activities before taxation	3	77,903	(93,756)
Tax credit on profit / (loss) on ordinary activities	7	3,236	10,651
Profit / (loss) on ordinary activities after taxation		81,139	(83,105)
Profit / (loss) for the year	12	81,139	(83,105)

Turnover and profit / (loss) on ordinary activities before taxation for the year and prior period relate exclusively to continuing operations

There is no difference between the result as disclosed in the profit and loss account and the result on a historical cost basis

A statement of total recognised gains and losses has not been presented as there are no gains or losses other than those dealt with in the profit and loss account

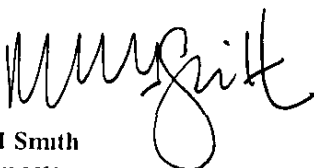
The notes on pages 7 to 11 form part of these financial statements

Balance sheet

at 31 March 2010

		Year ended 31 March 2010 £	15 months ended 31 March 2009 £
Current assets	<i>Notes</i>		
Stocks	8	24	388
Debtors	9	27,059	38,251
		<hr/>	<hr/>
		27,083	38,639
 Creditors amounts falling due within one year	10	 (569,651)	 (662,346)
		<hr/>	<hr/>
Net current liabilities / net liabilities		(542,568)	(623,707)
		<hr/>	<hr/>
Equity capital and reserves			
Called up share capital	11	6,000,100	6,000,100
Profit and loss account	12	(6,542,668)	(6,623,807)
		<hr/>	<hr/>
Shareholders' deficit	13	(542,568)	(623,707)
		<hr/>	<hr/>

These financial statements were approved by the Board on 20th December 2010 and were signed on its behalf by


M Smith
Director

The notes on pages 7 to 11 form part of these financial statements

COMPANY NUMBER. 02426030

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

The company is exempt from the requirement of Financial Reporting Standard No 1 Revised, Cash Flow Statements, being a wholly owned subsidiary of Sony Corporation, a company incorporated in Japan and which prepares consolidated financial statements in English containing a consolidated cash flow statement dealing with the cash flows of the group and of the company

Going concern

The management of Sony Global Treasury Services Plc has informed the company that it is their intention to provide such financial support as is required by the company to meet its liabilities as they fall due for payment for a period not less than one year from the date of approval of these financial statements. In view of this confirmed support, the directors have prepared these financial statements on a going concern basis

Turnover and revenue recognition

Turnover comprises the value of sales (excluding VAT and net of trade discounts) of goods sold in the normal course of business and royalty income. Turnover relating to sale of goods is recognised when the products have been dispatched

Royalties

Royalty income is included on a receivable basis calculated on sales of goods arising during each accounting period as reported by licensees. Royalties payable are expensed on an accruals basis except when they are carried forward and recognised as an asset where such advances relate to current released and unreleased products and where it is estimated that sufficient future royalties will be earned for recoupment from those products. Advances for overseas licences received in respect of individual albums are carried forward and recognised as income over the expected life of each individual licence. If recovery is made in subsequent periods of advances previously written off, recoupment is reflected as a credit within cost of sales

Stock

Stocks are stated at the lower of cost and net realisable value. Cost represents production costs charged by manufacturers

Foreign currencies

Normal trading activities denominated in foreign currencies are recorded in sterling at the exchange rates as of the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the year end are reported at the rates of exchange prevailing at the year end. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is reported as an exchange gain or loss in the profit and loss account

Notes (continued)

1 Accounting policies (continued)

Taxation

Deferred tax is recognised without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19

Sony Music UK entities which include this company are able to relieve their taxable losses by surrendering them to other group companies where capacity to utilise those losses exists. Such losses will be purchased and paid for by the recipient company. Where there is reasonable certainty that taxable losses can be utilised the group relief receivable is included in the taxation charge or credit for the year.

2 Turnover

Turnover is generated from the production and promotion of recordings by international recording artists within the UK.

3 Profit / (loss) on ordinary activities before taxation

The audit fee for the company of £1,000 (15 months ended 31 March 2009 £1,000) was borne by the immediate parent undertaking, Sony Music Entertainment UK Limited.

4 Remuneration of directors

The directors receive emoluments from the group for their services to the company and certain other subsidiaries in the group. The total emoluments are charged in the accounts of the parent company, Sony Music Entertainment UK Limited.

Retirement benefits are accruing to 3 directors (15 months ended 31 March 2009 3) under a money purchase pension scheme, and are charged in the accounts of Sony Music Entertainment UK Limited.

5 Staff numbers and costs

There were no persons employed by the company during the year (15 months ended 31 March 2009 nil) and consequently no staff costs (15 months ended 31 March 2009 £nil).

6 Interest payable and similar charges

	Year ended 31 March 2010 £	15 months ended 31 March 2009 £
Other loans	11,237	48,883

Intercompany balances carried a rate of interest of 1.86% in the year (15 months ended 31 March 2009 6.03%).

Notes (continued)

7 Tax on profit / (loss) on ordinary activities

	Year ended 31 March 2010 £	15 months ended 31 March 2009 £
UK corporation tax on profit / (loss) of the period	(3,146)	(10,651)
Adjustment in respect of previous periods	(90)	-
	<hr/>	<hr/>
Current tax charge / (credit) for the year	<u>(3,236)</u>	<u>(10,651)</u>

Factors affecting the tax charge for the year

The tax assessed for the year is lower than (*15 months ended 31 March 2009 higher than*) the standard effective rate of corporation tax in the UK of 28% (*15 months ended 31 March 2009 28.4%*)

The differences are explained below

	Year ended 31 March 2010 £	15 months ended 31 March 2009 £
Profit / (loss) on ordinary activities before tax	77,903	(93,756)
	<hr/>	<hr/>
Profit / (loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (<i>15 months ended 31 March 2009 28.4%</i>)	21,813	(26,627)
Adjustments to tax charge in respect of previous periods	(90)	-
Brought forward losses utilised	(24,959)	-
Loss not utilised	-	15,751
Differing tax rates	-	225
	<hr/>	<hr/>
Current tax credit for the year	<u>(3,236)</u>	<u>(10,651)</u>

Factors affecting future tax charges

A number of changes to the UK Corporation tax system were announced in the June 2010 Budget Statement Finance (No 2) Act 2010 reduces the standard rate of UK corporation tax from 28% to 27% with effect from 1 April 2011. Further reductions to the main rate are proposed to reduce the rate by 1% per annum to 24% by 1 April 2014. These changes have not been substantively enacted at the balance sheet date and therefore have not been included in these financial statements.

The company has trading losses and non trading loan relationship debits carried forward of £452,645 (*15 months ended 31 March 2009 £541,102*). No deferred tax asset has been recognised in respect of these deficits as at 31 March 2010 (*15 months ended 31 March 2009 £nil*), as it is considered more likely than not that there will not be suitable profits in future periods against which to relieve them.

Relief for these deficits will only be obtained if there are suitable profits in future periods.

The corresponding potential deferred tax asset unrecognised as at 31 March 2010 is £126,741 (*15 months ended 31 March 2009 £151,508*).

Notes (continued)

8 Stock

	Year ended 31 March 2010 £	15 months ended 31 March 2009 £
Finished goods and goods held for resale	24	388

9 Debtors

	Year ended 31 March 2010 £	15 months ended 31 March 2009 £
Trade debtors	-	14,368
Group relief debtor	27,059	23,823
Other debtors	-	60
	<u>27,059</u>	<u>38,251</u>

10 Creditors: amounts falling due within one year

	Year ended 31 March 2010 £	15 months ended 31 March 2009 £
Trade creditors	-	179
Royalties and licences	688	7,935
Amounts owed to group undertakings	568,963	654,232
	<u>569,651</u>	<u>662,346</u>

11 Called up share capital

	Year ended 31 March 2010 £	15 months ended 31 March 2009 £
<i>Authorised, allotted, called up and fully paid</i>		
100 (15 months ended 31 March 2009 100) ordinary shares of £1 each	100	100
6,000,000 (15 months ended 31 March 2009 6,000,000) preference shares of £1 each	6,000,000	6,000,000
	<u>6,000,100</u>	<u>6,000,100</u>

The preference shares are redeemable at the option of the company in lots of 500 once the company makes a profit available for distribution. On a winding up, they would have a priority over the ordinary shares. These shares do not carry any voting rights or rights to a dividend.

Notes (continued)

12 Profit and loss account

	Year ended 31 March 2010 £	15 months ended 31 March 2009 £
Opening balance	(6,623,807)	(6,540,702)
Retained profit / (loss) for the year	81,139	(83,105)
	<hr/>	<hr/>
Closing balance	(6,542,668)	(6,623,807)
	<hr/>	<hr/>

13 Reconciliation of movement in shareholders' deficit

	Year ended 31 March 2010 £	15 months ended 31 March 2009 £
Opening shareholders' deficit	(623,707)	(540,602)
Profit / (loss) for the year	81,139	(83,105)
	<hr/>	<hr/>
Closing shareholders' deficit	(542,568)	(623,707)
	<hr/>	<hr/>

14 Immediate and ultimate holding company

The company's immediate holding company is Sony Music Entertainment UK Limited, a company incorporated in England and Wales. The ultimate holding company is Sony Corporation, a company registered in Japan.

The largest and smallest group for which group accounts are prepared, and of which the company is a member, is as follows:

Name	Sony Corporation
Country of incorporation	Japan
Address from where copies of the Group accounts can be obtained	7-1, Konan 1-chome, Minato-ku, Tokyo 108-0075

15 Related party disclosures

The company is exempt under the terms of Financial Reporting Standard No. 8 from disclosing related party transactions with entities that are part of the Sony Corporation group of companies. There are no other related party transactions.