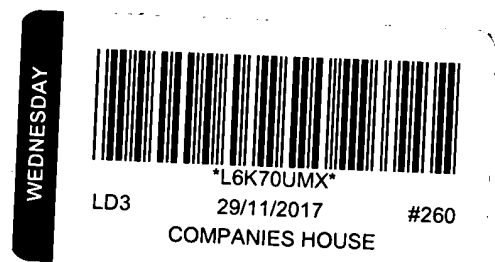


Dedicated Limited

Director's report and financial statements

Registered number 02426030

31 March 2017



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Director's report

The director presents his report and the audited financial statements of the company for the year ended 31 March 2017.

Principal activities

The company's principal activities during the year continued to be the production and exploitation of musical recordings.

Future developments

The business is not expected to change significantly in the foreseeable future.

Results and dividends

The company made a loss for the financial year of £10,205 (2016: profit of £25,945). The director does not recommend the payment of a dividend (2016: £nil).

Going concern

Despite the company being in a net liability position, the director believes that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of Sony Corporation. The director has received confirmation that Sony Corporation intends to support the company for at least one year after these financial statements are signed.

Director

The director of the company who was in office during the year and up to the date of signing the financial statements was:

Michael Smith

The director did not hold an interest in the shares of the company or any other group undertaking at 31 March 2017 (2016: none).

Company Secretary

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

Statement of director's responsibilities

The director is responsible for preparing the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has prepared the financial statements in accordance with 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 (FRS 102)."

Under company law the director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed including FRS 102 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.

Director's report *(continued)*

Statement of director's responsibilities (continued)

The director is 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. He is 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.

Disclosure of information to auditors

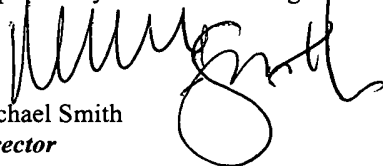
The director who held office at the date of approval of this director's report confirms that:

- so far as he is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- he has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

Approved by the Board and signed on its behalf on 29 September 2017 by


Michael Smith
Director

Independent auditors' report to the members of Dedicated Limited

Report on the financial statements

Our opinion

In our opinion, Dedicated Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 March 2017 and of its loss 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.

What we have audited

The financial statements, included within the Director's report and financial statements (the "Annual Report"), comprise:

- the Balance sheet as at 31 March 2017;
- the Statement of comprehensive income for the year then ended;
- the Statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the director has made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, he has made assumptions and considered future events.

Opinions 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 Director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Director's report has been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Director's report. We have nothing to report in this respect.

Independent auditors' report to the members of Dedicated Limited (*continued*)

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the director was not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the director

As explained more fully in the Statement of director's responsibilities set out on pages 1 and 2, the director is 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) ("ISAs (UK & 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.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). 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 director; and
- the overall presentation of the financial statements.

Independent auditors' report to the members of Dedicated Limited *(continued)*

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report 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. With respect to the Director's report, we consider whether this report includes the disclosures required by applicable legal requirements.



Matthew Mullins (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
St Albans
29 September 2017

Statement of comprehensive income
for the year ended 31 March 2017

	<i>Note</i>	Year ended 31 March 2017 £	Year ended 31 March 2016 £
Turnover	5	11,002	30,501
Cost of sales		(3,297)	(2,556)
Gross profit		7,705	27,945
Administrative expenses		-	(2,000)
Other operating losses		(20,533)	-
Operating (loss) / profit	6	(12,828)	25,945
(Loss) / profit before taxation		(12,828)	25,945
Tax on (loss) / profit	8	2,623	-
Total comprehensive expense / income for the year		(10,205)	25,945

The notes on pages 9 to 14 form part of these financial statements.

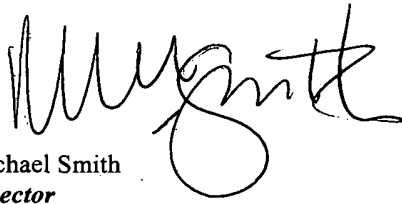
Balance sheet
as at 31 March 2017

Registered number: 02426030

	<i>Note</i>	31 March 2017 £	31 March 2016 £
Current assets			
Debtors	9	11,230	2,462
		<hr/>	<hr/>
		11,230	2,462
Creditors: amounts falling due within one year	10	(489,957)	(470,984)
		<hr/>	<hr/>
Net current liabilities		(478,727)	(468,522)
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	11	6,000,100	6,000,100
Accumulated losses		(6,478,827)	(6,468,622)
		<hr/>	<hr/>
Total equity		(478,727)	(468,522)
		<hr/>	<hr/>

The notes on pages 9 to 14 form part of these financial statements.

The financial statements on pages 6 to 14 were approved by the Director on 29 September 2017 and signed on its behalf by:


Michael Smith
Director

Statement of changes in equity
for the year ended 31 March 2017

	Called up share capital £	Accumulated losses £	Total equity £
Balance as at 1 April 2015	6,000,100	(6,494,567)	(494,467)
Total comprehensive income for the year	-	25,945	25,945
Balance as at 31 March 2016	6,000,100	(6,468,622)	(468,522)
Balance as at 1 April 2016	6,000,100	(6,468,622)	(468,522)
Total comprehensive expense for the year	-	(10,205)	(10,205)
Balance as at 31 March 2017	6,000,100	(6,478,827)	(478,727)

The notes on pages 9 to 14 form part of these financial statements.

Notes to the financial statements

(forming part of the financial statements)

1 General information

Dedicated Limited ('the company') has the principal activity of producing and exploiting musical recordings. These musical recordings are produced in the United Kingdom and are sold and distributed both domestically and globally.

The company is a private company limited by shares and is incorporated in England. The address of its registered office is 9 Derry Street, London, W8 5HY.

2 Statement of compliance

The individual financial statements of Dedicated Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The company has adopted FRS 102 in these financial statements.

Basis of preparation

The financial statements have been prepared on the going concern basis, under the historical cost convention and in accordance with Companies Act 2006.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

Financial reporting standard 102 – reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- The requirements of Section 4 Statement of Financial Positions paragraph 4.12(a)(iv);
- The requirements of Section 7 Statement of Cash Flows;
- The requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- The requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Sony Corporation as at 31 March 2017 and these financial statements may be obtained from 7-1, Konan 1-chome, Minato-ku, Tokyo, 108-0075.

Going concern

The management of Sony Corporation 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 director has prepared these financial statements on a going concern basis.

Notes to the financial statements (*continued*)

3 Summary of significant accounting policies (*continued*)

Foreign currencies

(i) Functional and presentational currency

The company's functional and presentation currency is the Pound Sterling.

(ii) Transactions and balances

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 statement of comprehensive income.

Turnover and revenue recognition

Turnover comprises the value of sales (excluding VAT and net of trade discounts) of physical goods, digital products, royalty income and of services sold in the normal course of business. Turnover relating to goods is recognised when the product has been dispatched or, if goods are dispatched on a consignment basis, at the time when title has passed to the customer. Turnover relating to digital products is recognised when the products are sold based on reports from digital service providers. Turnover relating to services is recognised once the services have been performed.

Royalties

Royalty income is included on a receivable basis calculated on sales of goods arising during each accounting year as reported by licensees and royalties payable are expensed on an accruals basis.

Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

(i) Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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.

Notes to the financial statements (*continued*)

3 Summary of significant accounting policies (*continued*)

(ii) *Deferred tax*

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Financial instruments

(i) *Financial assets*

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

(ii) *Financial liabilities*

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

4 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.

Due to the straightforward nature of the company, the director has concluded that there are no material judgements or estimations to disclose.

5 Turnover

The turnover for the year is attributable to the principal activity of the company.

A geographical analysis of turnover is shown below:

	Year ended 31 March 2017	Year ended 31 March 2016
	£	£
United Kingdom	3,981	4,054
Rest of World	7,021	26,447
	<u>11,002</u>	<u>30,501</u>

Notes to the financial statements (*continued*)

6 Operating (loss) / profit

Operating (loss) / profit is stated after charging:

	Year ended 31 March 2017 £	Year ended 31 March 2016 £
Audit fees payable to the company's auditor (included in administrative expenses)	-	2,000
	<u> </u>	<u> </u>

The auditors' remuneration of £2,000 in the current year has been borne by Sony Music Entertainment UK Limited, immediate parent company, and not recharged to the company.

7 Employees and director

The director who served during the year received emoluments from the group for his services to the company and certain other subsidiaries in the group. The total emoluments are charged in the financial statements of the parent company, Sony Music Entertainment UK Limited.

Retirement benefits accruing to 1 director (2016: 1) under a money purchase pension scheme are charged in the financial statements of Sony Music Entertainment UK Limited.

There were no persons employed by the company during the year (2016: *nil*) and consequently no staff costs (2016: *£nil*).

8 Tax on (loss) / profit

(a) *Tax credit included in loss or profit:*

	Year ended 31 March 2017 £	Year ended 31 March 2016 £
<i>Current tax:</i>		
<i>United Kingdom</i>		
Corporation tax at 20% (2016: 20%)	(2,623)	-
	<u> </u>	<u> </u>
Tax on (loss) / profit	<u>(2,623)</u>	<u>-</u>

Notes to the financial statements *(continued)*

8 Tax on (loss) / profit *(continued)*

(b) Reconciliation of tax charge:

The tax assessed for the year is lower (*2016: lower*) than the standard rate of corporation tax in the UK of 20% (*2016: 20%*) applied to the (loss) / profit before taxation of the company. The differences are explained below:

	Year ended 31 March 2017 £	Year ended 31 March 2016 £
(Loss) / profit before taxation	(12,828)	25,945
(Loss) / profit before taxation multiplied by the standard rate of corporation tax in the UK of 20% (<i>2016: 20%</i>)	(2,566)	5,189
<i>Effects of:</i>		
Utilisation of tax losses brought forward	-	(5,189)
Re-measurement of deferred tax	(57)	-
Total tax credit	(2,623)	-

(c) Tax rate changes:

Legislation to reduce the main rate of corporation tax from 20% to 19% from 1 April 2017 and from 19% to 17% from 1 April 2020 was included in the Finance Act 2016 which received Royal Assent on 15 September 2016.

The company has trading losses carried forward of £312,075 (*2016: £312,075*). No deferred tax asset has been recognised in respect of these losses as at 31 March 2017 (*2016: £nil*), as there is currently not enough evidence that sufficient profits will be generated in the future years to relieve them.

Relief for these losses will only be obtained if there are suitable profits in future years. The corresponding potential deferred tax unrecognised as at 31 March 2017 is £53,053 (*2016: £56,174*).

9 Debtors

	31 March 2017 £	31 March 2016 £
Group relief debtor	2,623	2,462
Amounts owed by group undertakings	8,607	-
	11,230	2,462

Notes to the financial statements *(continued)*

10 Creditors: amounts falling due within one year

	31 March 2017 £	31 March 2016 £
Amounts owed to group undertakings	489,943	470,878
Other creditors	14	106
	<u>489,957</u>	<u>470,984</u>

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

11 Called up share capital

	31 March 2017 £	31 March 2016 £
<i>Allotted and fully paid</i>		
100 (<i>Year ended 31 March 2016: 100</i>) ordinary shares of £1 each	100	100
6,000,000 (<i>Year ended 31 March 2016: 6,000,000</i>) 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.

12 Related party transactions

The company is exempt from disclosing other related party transactions as they are with other companies that are wholly owned within the Group. The company has no other related party transactions.

13 Controlling parties

The company's immediate parent undertaking is Sony Music Entertainment UK Limited, a company incorporated in England and Wales. The ultimate parent undertaking and controlling party is Sony Corporation, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of Sony Corporation consolidated financial statements can be obtained from 7-1, Konan 1-chome, Minato-ku, Tokyo, 108-0075.