

**SONY/ATV MUSIC PUBLISHING (UK) LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**



**Registered number: 03431011**

## **SONY/ATV MUSIC PUBLISHING (UK) LIMITED**

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### **ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

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## **SONY/ATV MUSIC PUBLISHING (UK) LIMITED**

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### **STRATEGIC REPORT**

#### **Principal activities and business review**

The principal activities of the company continued to be that of music publishing. No material change in the activities of the business is anticipated.

During the financial year, the company experienced a decrease in turnover of 28% compared to prior year. This is due to accelerated earnings received from overseas affiliates in the prior year and also the effect of COVID 19 on performance revenues. The company made a profit before taxation of £8,081k (2020: £11,438k).

The turnover of the company is generated from usage of the songs written by the company's composers and will vary in any given year alongside the market conditions and popularity of various genres of music. Direct costs attributed to the turnover are the writer's share of the royalties earned on their compositions.

The company employs no staff and has no separate facilities or overheads, except for those recharged for services rendered by other Sony companies and EMI Music Publishing Limited.

The Company pays a proportion of costs recharged from other group companies in accordance with an internal cost share allocation agreement. The costs shared and borne by the Company include salaries and wages, rent and overheads, which have been included in administrative expenses in the profit and loss account.

#### **Principal risks and uncertainties**

The principal risks and uncertainties facing the Company concern the value of the worldwide market for recorded music which increased by 7.4% in 2020 according to data from IFPI. As physical sales and digital downloads have declined, revenues from digital subscription services have increased and have subsidised this as well as fuelling the growth in the whole market. As this change from both physical sales and downloads to streaming occurs, we still remain dependent on identifying, signing and retaining talented songwriters whose new releases and song catalogues are well received and whose music will continue to generate revenues for years to come. Competition for such talent is intense and our financial results would be adversely affected if we fail to identify, sign and retain songwriters.

External bodies such as MCPS and PRS, have a significant influence on some of our revenues. Mechanical and Performance rates as well as distribution rules are usually set by performing rights societies through board approval and as such may result in the setting of rates at levels lower than we would wish and may therefore adversely affect our ability to increase profitability.

The management of the business and the execution of the company's strategy are subject to a number of risks.

## SONY/ATV MUSIC PUBLISHING (UK) LIMITED

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### STRATEGIC REPORT (continued)

#### Principal activities and business review (continued)

The key business risks and uncertainties affecting the company are considered to relate to competition from other music publishers and new entrants to the market, unlicensed DSP's and copyright infringement as well as the loss of existing high profile writers.

To mitigate the risk of Digital Service Providers remaining unlicensed and ongoing infringement of our owned and administered copyright piracy and illegal downloading, the company is working closely with collection societies to help establish effective and efficient licences with on-line service providers.

#### Financial risk management

The company's operations expose it to certain financial risks, primarily comprised of credit, cash flow and liquidity risks.

Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the company's finance department. The department has a policy and procedures manual that sets out specific guidelines to manage credit risk and circumstances where it would be appropriate to use financial instruments to manage these.

##### *Cash flow risk*

The Company's cash is managed in accordance with Sony Corporation's financial risk management policies and has access to large reserves of cash through Sony Group Treasury Services PLC as and when needed for cash management purposes.

##### *Liquidity risk*

Credit checks performed on potential customers ensure that the Company's current assets are sufficiently liquid to enable it to pay its bills and fund its current liabilities. The Company have short term debtors, repayable on demand.

##### *Credit risk*

The company has implemented policies that require appropriate credit checks on potential customers before sales are made.

## SONY/ATV MUSIC PUBLISHING (UK) LIMITED

### STRATEGIC REPORT (continued)

#### Key performance indicators

Key performance indicators ("KPIs") are designed to indicate how the Company has performed on key ratios, and the company uses Net Publisher Share margin "NPS" (being royalty income less royalty expense) and operating margin as the key performance indicators which are most appropriate. The Directors are satisfied with the performance of the Company against these KPIs throughout the financial year.

KPI	2021 £'000s	2020 £'000s	Change %	
Profit before taxation	8,081	11,438	-29.3%	Decrease is due to higher intercompany revenues in prior year
Profit for the financial year	5,981	9,183	-34.9%	Decrease is due to higher intercompany revenues in prior year
Shareholders' funds	25,463	19,482	30.7%	Increase is due to profit for the year
NPS for the financial year	13,870	17,703	-21.7%	Higher intercompany revenues in prior year
Operating profit	8,490	11,500	-26.2%	Decrease is due to higher intercompany revenues in prior year

#### Section 172 (1) Statement

The Directors have a duty to promote the success of the Company which is a key consideration when determining the Company's strategy. The Directors ensure they have suitable access to information in order to allow them to make informed business decisions. The Directors consider whether they possess enough information regarding the stakeholder interests which are affected by their actions and the longer-term impact. In instances when the Directors do not have all of the information relevant to make a decision, it is important to consider the expertise of others and care is taken to assess the source, quality and quantity of all information available.

The Directors continue to promote a culture which considers the interests of all stakeholders. The Directors need to manage the Company's business relationships with suppliers, customers, collection agencies and HM Revenue and Customs ("HMRC"). This includes engaging with external stakeholders that share the Sony Music Publishing (UK) Limited's dedication to conducting business in a legal, ethical, and socially responsible manner, to deliver the best possible value for the Company and mitigate the risk to the Company.

## **SONY/ATV MUSIC PUBLISHING (UK) LIMITED**

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### **STRATEGIC REPORT (continued)**

#### **Section 172 (1) Statement (continued)**

The Directors work to ensure the company maintains a high reputation for high standards of business conduct. The company has a mandatory code of conduct along with annual certifications and compliance training for all employees. Areas covered include conflict of interest certifications, anti-bribery training and IT security training.

The Company also engages with local management teams in our overseas affiliates to monitor performance of its investments in those territories.

#### **Songwriters:**

Building and maintaining strong relationships with our songwriters is at the core of our business.

The board strive to help support our songwriters in new ways wherever possible, including the following recent developments:

- Sony Music Publishing's Songwriters Forward Program – an initiative paying through qualifying earnings to many of our long-standing writers, without regard to their recoupment status.
- Continually improving our Writer Royalty Portal offer so songwriters have full transparency over their earnings from every platform and territory, in real time. New features include the ability to drawdown accrued earnings, as part of the advance 'cash out' feature.

#### **Shareholders:**

The ultimate parent of the company is Sony Corporation, a company listed in Japan. The board regularly communicated with Sony Corporation through various channels including:

- Monthly management reporting and regular updates to forecasts.
- Budget and Business Review meetings

## **SONY/ATV MUSIC PUBLISHING (UK) LIMITED**

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### **STRATEGIC REPORT (continued)**

#### **Section 172 (1) Statement (continued)**

##### **Suppliers, customers and collection agencies:**

The company maintains high ethical and business standards in its dealings with all suppliers and customers.

The company has maintained prompt contractual payments to all suppliers, and this has been maintained during Covid-19 to ensure our suppliers received payment in a timely manner.

Where appropriate, credit terms were extended for customers during Covid-19 to assist with their trading pressures.

We build and maintain strong relationships with our collection agencies to develop mutually beneficial and lasting partnerships. Engagement with our administrative partners is primarily through a series of interactions and formal reviews and we also host regular meetings to discuss shared goals and build relationships. Key areas of focus include innovation, administrative systems development, reporting timelines and any reporting issues.

##### **Social impact:**

Given music's ability to reach, engage and unite people, the board recognises the importance of the company prioritising community outreach. This is done through various charities and initiatives, including through our Social Justice Fund.

##### **Environmental impact:**

The board is committed to reducing the impact of all its operations on the environment. Sony Group Corporation has a Global Environmental Management System in place and has set a goal of the Sony Group being carbon neutral by 2050. The directors ensure the Company plays its part in these actions and initiatives.

## SONY/ATV MUSIC PUBLISHING (UK) LIMITED

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### STRATEGIC REPORT (continued)

#### Section 172 (1) Statement (continued)

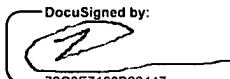
##### Employees:

The company is committed to employment policies which follow best practice, based on equal opportunities for all employees irrespective of sex, race, national origin, religion, colour, disability, sexual orientation, age or marital status.

The company provides employees with information on matters of concern to them, consulting them regularly, so that their views can be taken into account when making decisions that are likely to affect their interests.

The company encourages the involvement of employees by means of company and team meetings and internal communications.

On behalf of the board

DocuSigned by:  
  
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Timothy Major  
Director

22 Berners Street  
London  
W1T 3LP

25 March 2022

## **SONY/ATV MUSIC PUBLISHING (UK) LIMITED**

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### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2021**

The directors present herewith the audited financial statements of the company for the year ended 31 March 2021.

#### **PRINCIPAL ACTIVITIES**

The principal activity of the company is music publishing.

#### **REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS**

##### **Business review**

The results and position of the company as at and for the year ended 31 March 2021 are set out in the statement of comprehensive income and balance sheet on pages 15 and 16 respectively. The results are in line with the directors' expectations.

##### **Future outlook**

The music industry in the United Kingdom is expected to remain highly competitive in 2021/22 and 2022/23 with further declines expected in physical product sales and digital downloads. Digital streaming revenues are expected to increase and compensate for this decline in physical sales and downloads.

##### **Going Concern**

In adopting the going concern basis for preparing these financial statements the Directors have carried out a review of the business and have assessed the forecast future performance and anticipated cashflows that are expected to arise

In performing this assessment, the Directors have considered the Company's business activities, together with factors likely to affect its future development and performance, principal risks and uncertainties and ongoing cash requirements of the business, including the delayed profile of when cash is received from collection societies. The Directors have also considered the Group's access to financial resources including the ability and commitment of Sony Corporation, the ultimate parent company, to provide ongoing financial support to the Company if required, given the significant amounts owed to group undertakings and the overall reliance on group-wide funding facilities.

In modelling the impact of severe but plausible downside risks, the Directors have considered the potential impacts arising from the decline in revenue streams that might arise should similar levels of restrictions come back into place as were experienced during the height of the COVID-19 pandemic.

After reviewing the Company's financial forecasts and expected working capital position as well as considering the potential downside risks described above and the ability and intent of Sony Corporation to provide financial support if required the Directors are confident the Company has sufficient access to financial resources to continue as a going concern for at least 12 months from the date of signing these financial statements. For these reasons the Directors consider that it is appropriate to continue to adopt the going concern basis of accounting in preparing the Company's financial statements

## SONY/ATV MUSIC PUBLISHING (UK) LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2021 (continued)

#### **Streamlined Energy and Carbon Reporting (SECR) for 12 months to 31 March 2021**

The company seeks to conduct its business operations in a sustainable and environmentally friendly manner.

This section of the strategic report discloses our operational energy and carbon footprint in line with the Streamlined Energy and Carbon Reporting guidelines.

Our current premises are powered by 100% renewable, REGO certified energy providers and zero waste is sent to landfill.

The disclosures below reference the total estimated impacts arising in respect to the UK music publishing businesses, including the entity, given the nature in which these entities operate as there is no clear way of estimating the impacts of each entity on a standalone basis and therefore we feel it is appropriate to transparently disclose the full impacts.

No figures are disclosed for the prior year as these were disclosed in the financial statements of Columbia Pictures Corporation Limited as Columbia Pictures Corporation Limited had operational control of the building. Sony Music Publishing (UK) Limited (previously SM Publishing (UK) Limited) had a sublease with Columbia Pictures Corporation Limited and the rental amount includes services and utilities. Sony Music Publishing UK Limited then recharge a percentage of these costs to EMI Music Publishing Limited, Sony/ATV Music Publishing Europe Limited and Sony/ATV Music Publishing (UK) Limited.

#### **Methodology**

To comply with SECR, the company has reported on all emissions sources required under The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

As we lease only part of the UK office space, our energy usage has been allocated by the landlord taking the total number of desks occupied by employees as a proportion of the total desks in the building, which is the single location from which the Company has operated from throughout the year. The total energy usage for the building has therefore been calculated by our landlord and then our energy usage has been allocated by taking the total number of desks occupied by our employees as a proportion of the total desks in the building. Based on our primary electricity emissions below we estimate that we produced 70,200kgCO<sub>2</sub>e or 198kgCO<sub>2</sub>e per £1m of revenue across the UK music publishing businesses.

## SONY/ATV MUSIC PUBLISHING (UK) LIMITED

### DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2021 (continued)

#### Streamlined Energy and Carbon Reporting (SECR) (continued)

Scope 1	Natural Gas	Transport - Company Car	Refrigerants
	kWh	kWh	kWh
2021	N/A	N/A	11.73

Scope 2	Electricity
	kWh
2021	330,615.30

Scope 3	Recycling	Anaerobic Digestion	Waste to Energy	Water
	KG	KG	KG	M3
2021	1,909.24	723.77	2,508.07	170.15

#### Strategy

The company's strategy is to provide a personalised service to its writers coupled with the backing of the ultimate controlling party. The company continues to invest in a mix of high profile established writers together with new developing acts.

#### Results and Dividends

The results for the company show a profit before taxation of £8,081k (2020: £11,438k) for the year and total turnover of £44,695k (2020: £62,260k). The company has net assets of £25,463k (2020: £19,482k).

Dividends paid during the year amounted to nil (2020: nil).

#### Qualifying third party indemnity provisions

At the time the report is approved and during the financial year there is a qualifying third party indemnity provision in place for the benefit of the directors under a policy taken out by Sony Corporation of America.

#### Charitable and political donations

There were £277k (2020: £nil) charitable donation made to various COVID relief charities in the financial year.

## **SONY/ATV MUSIC PUBLISHING (UK) LIMITED**

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### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2021 (continued)**

#### **Directors**

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

Guy Henderson  
Thomas Kelly  
Timothy Major  
Jonathan Platt

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

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, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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 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.

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.

## **SONY/ATV MUSIC PUBLISHING (UK) LIMITED**

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### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2021 (continued)**

#### **DIRECTORS' CONFIRMATIONS**

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

#### **ANNUAL GENERAL MEETING**

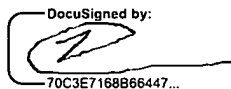
The company has passed a resolution electing to dispense with the obligation to lay financial statements and reports before the company in a general meeting.

The company has passed a resolution electing to dispense with the obligation to hold annual general meetings.

#### **INDEPENDENT AUDITORS**

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

On behalf of the board

DocuSigned by:  
  
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Timothy Major  
**Director**  
25 March 2022

# Independent auditors' report to the members of Sony/ATV Music Publishing (UK) Limited

## Report on the audit of the financial statements

### Opinion

In our opinion, Sony/ATV Music Publishing (UK) Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 March 2021; Statement of Comprehensive Income and Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

## Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

### Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 March 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

## Responsibilities for the financial statements and the audit

### Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006, UK tax legislation and non-compliance with employment regulations in the UK, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inappropriate journal entries in the underlying books and records and management bias in specific significant estimates. Audit procedures performed by the engagement team included:

- Inquiry with management in respect of potential non-compliance with laws and regulations
- Reviewing the financial statement disclosures and agreeing these disclosures back to supporting documentation
- Identifying and testing journal entries posted with unusual account combinations
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing
- Challenging assumptions and judgements made by management in its significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

#### Use of this report

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.

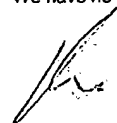
## Other required reporting

### Companies Act 2006 exception reporting

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

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Ruaridh Macphee (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Watford  
25 March 2022

## SONY/ATV MUSIC PUBLISHING (UK) LIMITED

### STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2021

	Note	2021 £'000	2020 £'000
<b>TURNOVER</b>	5	<b>44,695</b>	62,260
Cost of Sales		<b>(30,825)</b>	(44,557)
<b>GROSS PROFIT</b>		<b>13,870</b>	17,703
Administrative expenses		<b>(5,380)</b>	(6,203)
<b>OPERATING PROFIT</b>	6	<b>8,490</b>	11,500
Interest receivable and similar income	9	<b>4</b>	22
Interest payable and similar expenses	10	<b>(413)</b>	(84)
<b>PROFIT BEFORE TAXATION</b>		<b>8,081</b>	11,438
Tax on profit	11	<b>(2,100)</b>	(2,255)
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b>5,981</b>	9,183

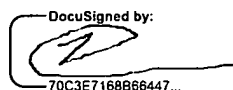
All amounts relate to continuing operations.

## SONY/ATV MUSIC PUBLISHING (UK) LIMITED

### BALANCE SHEET AS AT 31 MARCH 2021

	Note	2021 £'000	2020 £'000
<b>FIXED ASSETS</b>			
Intangible assets	12	482	585
Tangible assets	13	-	-
Investments	14	3,016	2
		<b>3,498</b>	<b>587</b>
<b>CURRENT ASSETS</b>			
Debtors	15	104,973	67,249
Cash at bank and in hand		12,815	1,449
		<b>117,788</b>	<b>68,698</b>
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	16	<b>(95,823)</b>	<b>(49,803)</b>
<b>NET CURRENT ASSETS</b>		<b>21,965</b>	<b>18,895</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>25,463</b>	<b>19,482</b>
<b>NET ASSETS</b>		<b>25,463</b>	<b>19,482</b>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	17	1	1
Profit and loss account		25,462	19,481
<b>TOTAL SHAREHOLDERS' FUNDS</b>		<b>25,463</b>	<b>19,482</b>

The financial statements on pages 15 to 35 were approved by the board of directors on 25 March 2022 and signed on its behalf by

DocuSigned by:  
  
 70C3E7168B66447...

Timothy Major  
 Director

Registered number: 03431011

## SONY/ATV MUSIC PUBLISHING (UK) LIMITED

### STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2021

	Called up share capital £'000	Profit and loss account £'000	Total shareholders' funds £'000
Balance as at 1 April 2019	1	10,298	10,299
Profit for the financial year	-	9,183	9,183
<b>Total comprehensive income for the year</b>	-	9,183	9,183
Balance as at 31 March 2020	1	19,481	19,482
<b>Balance as at 1 April 2020</b>	<b>1</b>	<b>19,481</b>	<b>19,482</b>
Profit for the financial year	-	5,981	5,981
<b>Total comprehensive income for the year</b>	-	5,981	5,981
<b>Balance as at 31 March 2021</b>	<b>1</b>	<b>25,462</b>	<b>25,463</b>

## **SONY/ATV MUSIC PUBLISHING (UK) LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

#### **1 GENERAL INFORMATION**

Sony/ATV Music Publishing (UK) Limited is a music publisher which owns and administers copyrights.

The company is a private company limited by shares and is incorporated in the United Kingdom. On 3 July 2020 the address for the registered office changed from 30 Golden Square, London, W1F 9LD to 22 Berners Street, London, W1T 3LP.

The company is a wholly-owned subsidiary of Sony Corporation and is included in the consolidated financial statements of Sony Corporation which are publicly available.

Consequently, the company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 401 of the Companies Act 2006.

#### **2 STATEMENT OF COMPLIANCE**

The individual financial statements of Sony/ATV Music Publishing (UK) Limited have been prepared in compliance with the United Kingdom Accounting Standards, comprising 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.

##### **a) Basis of preparation**

These financial statements are prepared on a going concern basis, under the historical cost convention. The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process to apply the 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.

## **SONY/ATV MUSIC PUBLISHING (UK) LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021**

#### **3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

##### **b) Going concern**

In adopting the going concern basis for preparing these financial statements the Directors have carried out a review of the business and have assessed the forecast future performance and anticipated cashflows that are expected to arise

In performing this assessment, the Directors have considered the Company's business activities, together with factors likely to affect its future development and performance, principal risks and uncertainties and ongoing cash requirements of the business, including the delayed profile of when cash is received from collection societies. The Directors have also considered the Group's access to financial resources including the ability and commitment of Sony Corporation, the ultimate parent company, to provide ongoing financial support to the Company if required, given the significant amounts owed to group undertakings and the overall reliance on group-wide funding facilities.

In modelling the impact of severe but plausible downside risks, the Directors have considered the potential impacts arising from the decline in revenue streams that might arise should similar levels of restrictions come back into place as were experienced during the height of the COVID-19 pandemic.

After reviewing the Group's financial forecasts and expected working capital position as well as considering the potential downside risks described above and the ability and intent of Sony Corporation to provide financial support if required the Directors are confident the Company has sufficient access to financial resources to continue as a going concern for at least 12 months from the date of signing these financial statements. For these reasons the Directors consider that it is appropriate to continue to adopt the going concern basis of accounting in preparing the Company's financial statements

## SONY/ATV MUSIC PUBLISHING (UK) LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (continued)

#### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

##### c) Exemptions for qualifying entities under FRS 102

The company has taken advantage of the following exemptions:

- (i) the requirements of Section 33 Related Party Disclosures paragraph 33.7.
- (ii) the requirements of Section 7 Statement of Cash Flows and Section 3 Financial Statement Presentation paragraph 3.17(d).
- (iii) the company is a wholly-owned subsidiary of Sony Corporation and is included in the consolidated financial statements of Sony Corporation which are publicly available. Consequently, the company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 401 of the Companies Act 2006
- (iv) the requirements of paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b), 11.48(c), 12.26, 12.27, 12.29(a), 12.29(b), and 12.29 A."

##### d) Turnover

Turnover represents copyright royalties earned during the period. Copyright royalties are recognised at the point at which the relevant copyright is exploited. The Company's Cash to accrual represents accrued royalty income which relates to the current financial year. The accrued income is based on royalty income that is received post year but where performance obligations related to the year ended 31 March 2021.

Advances in respect of future revenues are treated as deferred revenue and recognised as revenue when earned.

Neighbouring Rights revenue is stated on a commission only basis as the Company acts as agents in collecting this revenue.

All other turnover is stated after deducting all sales commissions and any sales related taxes levied on turnover.

## **SONY/ATV MUSIC PUBLISHING (UK) LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (continued)**

#### **3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

##### **e) Taxation**

UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred at the balance sheet date.

A net deferred tax asset is recognised as recoverable, and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

## **SONY/ATV MUSIC PUBLISHING (UK) LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (continued)**

#### **3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

##### **f) Intangible assets – song catalogues**

Song catalogues are stated at the lower of cost and net realisable value and amortised over their useful economic life on a straight line basis

The Company determines the estimated useful lives which are between 10 – 30 years, residual values and related amortisation charges for its purchased rights in copyrights with reference to their license periods or estimated periods that the Company intends to derive future economic benefits from the use of these assets. Management will revise the amortisation charge where useful lives or residual values are materially different from those previously estimated. Actual economic lives may differ from estimated useful lives and actual residual values may differ from estimated residual values. Periodic review could potentially result in a change in amortisable lives and residual values and therefore amortisation expenses in the future periods.

The directors review the song catalogues for triggering events for impairment on an annual basis and provision is made to write down the cost of a song catalogue where the directors consider there is an impairment in the value of those catalogues. Amortisation of intangible assets is included in administrative expenses

##### **g) Writers' advances**

The company pays advances to its writers which are recoverable from their future royalty earnings. If the advance is for a new unproven writer with no track record it is expensed at the time the payment is made. All other advance payments are capitalised and reviewed on a regular basis as to their recoverability. These amounts are treated as current assets on the basis the advance could theoretically be fully recouped in the following year and the exact aging profile is unknown.

##### **h) Related parties transactions**

The company discloses transactions with related parties which are not wholly owned within the same group. It does not disclose transactions with members of the same group that are wholly owned.

##### **i) Cash at bank and in hand**

Cash at bank and in hand includes cash in hand, deposits held at call with banks, and other short term highly liquid investments with original maturities of three months or less.

## SONY/ATV MUSIC PUBLISHING (UK) LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (continued)

#### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

##### j) Financial assets

The company has adopted sections 11 and 12 of FRS 102 in respect of financial instruments. Basic financial assets, including trade debtors, cash and bank balances and amounts owed by group undertakings, 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 rates of interest. Such assets are subsequently carried at amortised cost using the effective interest method. At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the assets expire or are settled, or (b) substantially all the risk and regards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

##### k) Financial liabilities

Basic financial liabilities, including trade and other creditors and amounts owed to group undertakings are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at a present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditors for at least twelve months after the reporting period. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities. Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

##### l) Trade and other debtors/creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

## SONY/ATV MUSIC PUBLISHING (UK) LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (continued)

#### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**m) Interest receivable and interest payable**

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method.

**n) Foreign currencies**

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

**o) Accrued royalties**

A royalty payable, based on historical information and best estimates, is accrued on any income which has not been processed through the royalty system at year end.

**p) Share capital**

Ordinary shares are classified as equity.

**q) Investments**

Investments in subsidiary companies are held at cost less accumulated impairment losses.

#### 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. The following estimates were applicable to the financial statements. There were no areas where critical accounting judgements were applied.

**Accrued income, writer royalties and advances**

The Company uses estimates to calculate writer royalties due for the second half of the year for all royalty receipts and uses the royalty system rates to estimate the royalty accruals.

Writer advance provisions were made during the year based on calculations that determine the recoverability of advances.

A provision is recognised against an advance made to a writer where the expected future earnings of the associated works of that writer do not support the net value of the advance.

Advances to writers who are deemed to be unproven at the time of the advance are fully provided for at that time. A further review of the recoverability of unproven and proven writers is undertaken at the end of the period, and an additional adjustment to the provision may be made at this point. The movement in this provision expensed to the Profit and Loss Account in the year was £80k (2020: £1,343k)

## SONY/ATV MUSIC PUBLISHING (UK) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (continued)

#### 4 CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION UNCERTAINTY

##### Cash to accrual

The Company's Cash to accrual represents accrued royalty income which relates to the current financial year. The accrued income is based on royalty income that is received post year but where performance obligations related to the year ended 31 March 2021. An associated royalty expense due to writers is also estimated and accrued based on actual royalty rates previously incurred.

#### 5 TURNOVER

Turnover represents copyright royalties earned during the period. A geographical analysis by origin is as follows:

	2021 £'000	2020 £'000
United Kingdom	19,710	29,676
Rest of the world	24,985	32,584
	<b>44,695</b>	<b>62,260</b>

#### 6 OPERATING PROFIT

Operating profit is stated after charging:

	2021 £'000	2020 £'000
Amortisation of song catalogues	103	114
Depreciation of tangible assets	-	23
Auditors' remuneration – audit of the annual financial statements	31	31
Foreign exchange losses	2	82

Cost recharges of £4,374k (2020: £6,666k) due to other group companies are included in administrative expenses in the Statement of Comprehensive Income in respect of salaries and wages, rent and overheads and other administrative expenses.

## SONY/ATV MUSIC PUBLISHING (UK) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (continued)

#### 7 DIRECTORS' EMOLUMENTS

During the year none (2020: none) of the directors received any remuneration from Sony/ATV Music Publishing (UK) Limited in respect of their services to the company as directors. Two directors are remunerated by Sony Music Publishing (UK) Limited.

The UK Directors' remuneration in 2021 in respect of their services to Sony Corporation Group companies is £1,491k (2020: £1,392k). The highest paid UK director remuneration in 2021 is £858k (2020: £796k)

The UK Directors were remunerated by Sony Music Publishing (UK) Limited and a portion of the corresponding costs are appropriately borne by the Company. The US Directors were remunerated by Sony Music Holdings Inc.

#### 8 EMPLOYEE INFORMATION

During the year the company had no employees (2020: none). Administrative duties and management functions are primarily performed by staff who are employees of Sony Music Publishing (UK) Limited and EMI Music Publishing Limited. The costs incurred for these duties are recharged to the company as incurred.

Employment costs – all employees including executive directors

	2021 £'000	2020 £'000
Wages and salaries	2,995	3,339
Social security costs	400	360
Other pension costs	232	289
	<b>3,627</b>	<b>3,988</b>

Employee costs are pooled with the costs of other group companies and allocated as part of a cost share agreement. The total employee cost pool was £15,536k (2020: £14,260k). Of these amounts, £626k (2020: £518k) has been allocated to Sony Music Publishing UK Limited, £3,627k (2020: £3,988k) to Sony/ATV Music Publishing (UK) Limited and £11,283k (2020: £9,754k) to EMI Music Publishing Limited

## SONY/ATV MUSIC PUBLISHING (UK) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (continued)

#### 9 INTEREST RECEIVABLE AND SIMILAR INCOME

	2021 £'000	2020 £'000
Bank interest received	4	22
	<b>4</b>	<b>22</b>

#### 10 INTEREST PAYABLE AND SIMILAR EXPENSES

	2021 £'000	2020 £'000
Interest payable on group borrowing	413	84
	<b>413</b>	<b>84</b>

## SONY/ATV MUSIC PUBLISHING (UK) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (continued)

#### 11 TAX ON PROFIT

	2021 £'000	2020 £'000
United Kingdom corporation tax charge on profit of the year at 19% (2020: 19%)	1,576	2,191
Adjustment from previous periods	513	58
Total tax	2,089	2,249
Origination and reversal of timing differences	11	9
Effects of changes in tax rates	-	(3)
Total deferred tax	11	6
Tax on profit on ordinary activities	2,100	2,255

The tax assessed for the year is higher (2020: higher) than the standard rate of corporation tax in the UK of 19% (2020: 19%) applied to the pre-tax profit of the company. The differences are explained below:

	2021 £'000	2020 £'000
<b>Profit before taxation</b>	<b>8,081</b>	<b>11,438</b>
Tax on profit on ordinary activities at standard corporation tax rate of 19% (2020: 19%)	1,535	2,173
Effects of:		
Expenses not deductible for tax purposes	52	27
Adjustment from previous periods	513	58
Deferred tax: rate adjustment		(3)
Total tax charge for the year	2,100	2,255

## SONY/ATV MUSIC PUBLISHING (UK) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (continued)

#### 11 TAX ON PROFIT (continued)

##### Deferred tax asset

	2021 £'000	2020 £'000
Balance at 1 April	16	22
Deferred tax charge to profit and loss account	(11)	(6)
Balance at 31 March	5	16

The directors consider that it is more likely than not that there will be sufficient taxable profits in the future such as to realise the deferred tax asset, and therefore it has been recognised in these financial statements.

##### Factors affecting tax charges

The standard rate of tax applied to reported profit on ordinary activities is 19% (2020: 19%). The March 2020 Budget announced that a rate of 19% would continue to apply with effect from 1 April 2020, and this change was substantively enacted on 17 March 2020. In the Finance Bill 2021, the Government announced that from 1 April 2023 the corporation tax rate would increase to 25% (rather than remaining at 19%, as previously enacted). This new law was substantively enacted on 24 May 2021. As the proposal to increase the rate at 25% had not been substantively enacted at the balance sheet date, its effects are not included in these financial statements.

## SONY/ATV MUSIC PUBLISHING (UK) LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (continued)

#### 12 INTANGIBLE ASSETS

	Song catalogues £'000
<b>Cost</b>	
At 1 April 2020	5,690
<b>Additions</b>	-
<b>At 31 March 2021</b>	5,690
<b>Accumulated amortisation</b>	
At 1 April 2020	5,105
Charge for the year	103
<b>At 31 March 2021</b>	5,208
<b>Net book amount</b>	
<b>At 31 March 2021</b>	482
At 31 March 2020	585

## SONY/ATV MUSIC PUBLISHING (UK) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (continued)

#### 13 TANGIBLE ASSETS

	Fixtures and fittings £'000
<b>Cost</b>	
At 1 April 2020	124
Additions	-
<b>At 31 March 2021</b>	<b>124</b>
<b>Accumulated depreciation</b>	
At 1 April 2020	124
Charge for year	-
<b>At 31 March 2021</b>	<b>124</b>
<b>Net book amount</b>	
<b>At 31 March 2021</b>	<b>-</b>
<b>At 31 March 2020</b>	<b>-</b>

## SONY/ATV MUSIC PUBLISHING (UK) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (continued)

#### 14 INVESTMENTS

	Investment in subsidiary companies £'000
<b>Cost</b>	
At 1 April 2020	11
Additions	
Cutting Crew Publishing Limited	3,014
<b>At 31 March 2021</b>	<b>3,025</b>
<b>Impairment</b>	
At 1 April 2020	-
Charge for year	-
<b>At 31 March 2021</b>	<b>-</b>
<b>Disposals</b>	
At 1 April 2020	(9)
<b>At 31 March 2021</b>	<b>(9)</b>
<b>Net book amount</b>	
<b>At 31 March 2021</b>	<b>3,016</b>
At 31 March 2020	2

#### Sony/ATV Music Publishing Greece Limited

The company owns 0.17% of the equity share capital of Sony/ATV Music Publishing Greece Limited (2020: 0.17%). The address of the registered office of Sony/ATV Music Publishing Greece Limited is 280 Mesogeion Ave, Cholongos, Athens, Greece.

#### A&S Productions BVBA

The company owns 0.08% of the equity share capital of A&S Productions BVBA (2020: 0.08%). The address of the registered office of A&S Productions BVBA is Tervurenlaan 34, 1040 Etterbeek, Belgium

## SONY/ATV MUSIC PUBLISHING (UK) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (continued)

#### 14 INVESTMENTS (continued)

##### EMI Services Belgium BVBA

The company owns 1% of the equity share capital of EMI Services Belgium BVBA (2020: 1%). The address of the registered office of EMI Services Belgium BVBA is Tervurenlaan 34, 1040 Etterbeek, Belgium.

##### CCP (SM) Limited

The company owns 100% of the equity share capital of CCP (SM) Limited (2020: nil). The address of the registered office of Cutting Crew Publishing Limited is 100 New Bridge Street London EC4V 6JA.

#### 15 DEBTORS

	2021 £'000	2020 £'000
Trade debtors	26,146	28,537
Amounts owed by group undertakings	10,546	3,006
Short term deposits with related parties	14,700	-
Value added tax receivable	481	946
Deferred tax	5	16
Capitalised advances	53,052	34,659
Prepayments and accrued income	43	85
	<b>104,973</b>	<b>67,249</b>

Included within capitalised advances are certain amounts that due to their nature may not be recouped within a year. The amount cannot be estimated and therefore is included as current.

Short term deposits with related parties represent overnight deposits with Sony Global Treasury Services PLC, which are swept back to the bank accounts of the company as/when needed for cash management purposes. Interest is not charged on amounts owed by or to group undertakings.

Trade debtors are unsecured, interest-free with an average credit term of 30 days.

Amounts owed by group undertakings are unsecured, interest-free and payable on demand.

Trade debtors are stated after provision for impairment of £1,590k (2020: £247k)

## SONY/ATV MUSIC PUBLISHING (UK) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (continued)

#### 16 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £'000	2020 £'000
Trade creditors	315	507
Amounts owed to group undertakings	63,294	13,344
Other creditors	122	53
Corporation tax	2,341	96
Accruals and deferred income	29,751	35,803
	<b>95,823</b>	<b>49,803</b>

Amounts owed to group undertakings are unsecured, have no fixed date of repayment and are interest free in general. The Company had a credit facility in place with Sony Global Treasury Services for £27m (2020: £40m) through the year. Included in the amounts owed to group undertakings is a drawn down balance of £27m (2020: £1.98m)

The credit facility was renewed on the 1<sup>st</sup> July 2021 until 30<sup>th</sup> June 2022 for £30m.

Amounts to other creditors are unsecured and interest free.

#### 17 CALLED UP SHARE CAPITAL

	2021 £'000	2020 £'000
Allotted, issued and fully paid 1000 (2020: 1,000) ordinary shares of £1 each	1	1

There are no restrictions to the distribution of dividends and the repayment of capital.

#### 18 FINANCIAL COMMITMENTS AND CONTINGENCIES

At 31 March the company had annual commitments and contingencies related to future artist advances expiring as follows:

	2021 £'000	2020 £'000
Within one year	3,273	31,903
Within two to five years	1,606	3,836
	<b>4,879</b>	<b>35,739</b>

## **SONY/ATV MUSIC PUBLISHING (UK) LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021 (continued)**

#### **19 RELATED PARTIES**

The FRS 102 exemption for not disclosing transactions between wholly-owned members of a group has been taken and, as Sony/ATV Music Publishing (UK) Limited is a wholly owned member of Sony Corporation, no transactions between them have been disclosed.

#### **20 ULTIMATE PARENT UNDERTAKINGS AND CONTROLLING PARTY**

The immediate parent entity is Sony Music Publishing (UK) Limited.

Sony Corporation, incorporated in Japan, is the parent undertaking of the smallest and largest group of undertakings to consolidate these financial statements at 31 March 2021. The consolidated financial statements of Sony Corporation are available from 1-7-1 Konan Minato-ku, Tokyo, 108-0075 Japan.