

Registration number: 05103087

# The Orchard, EU Limited

Directors' Report and Financial Statements

for the Year Ended 31 March 2022

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## **Directors' Report for the Year Ended 31 March 2022**

The directors present their report and the audited financial statements of the company for the year ended 31 March 2022.

### **Principal activity**

The principal activity of the company is that of an investment holding company.

### **Future developments and prospects**

The directors do not intend the activities of the business to change for the foreseeable future. The directors are confident that The Orchard, EU Limited will continue to serve its function as a cost centre.

### **Results and Dividends**

The company made a loss for the financial year of £1,228,021 (2021: £1,271 loss). The directors do not recommend a dividend payment to be made in respect of the financial year ended 31 March 2022 (2021: £0).

### **Directors of the company**

The directors who held office during the year and up to the date of signing the financial statements were as follows:

B Navin

D Siek

T McGrady

JA Mullan

### **Company Secretary**

Abogado Nominees Limited acted as company secretary during the year.

### **Going concern**

The financial statements have been prepared on a going concern basis. The directors have received notice from the immediate parent entity, Orchard Enterprises NY, Inc., that it will support the operational needs of the company in order to allow it to meet its liabilities as and when they fall due for a period of 12 months from the date of approval of the financial statements. Therefore, the directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of Orchard Enterprises NY, Inc..

## **Directors' Report for the Year Ended 31 March 2022 (continued)**

### **Statement of Directors' Responsibilities**

The directors are responsible for preparing the Directors' 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, 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.

**Directors' Report for the Year Ended 31 March 2022 (continued)**

**Directors' confirmations**

In the case of each director in office at the date of 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 to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.


**Reappointment of auditors**

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

**Small companies provision statement**

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Approved by the Board on 25 July 2023 and signed on its behalf by:

  
James Mullan [Jul 25, 2023 15:17 GMT+1]  
.....  
JA Mullan  
Director

## **Independent auditors' report to the members of The Orchard, EU Limited**

### **Report on the audit of the financial statements**

#### **Opinion**

In our opinion, The Orchard, EU Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2022 and of its loss 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 Directors' Report and Financial Statements (the "Annual Report"), which comprise: balance sheet as at 31 March 2022; the statement of comprehensive income and the 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.

## **Independent auditors' report to the members of The Orchard, EU Limited (continued)**

### **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 Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

### **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.

## **Independent auditors' report to the members of The Orchard, EU Limited (continued)**

### ***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, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as compliance with tax legislation. 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 posting inappropriate accounting entries to manipulate financial results and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- discussions with management in consideration of known or suspected instances of non-compliance with laws and regulation and fraud; and
- reviewing unusual or unexpected journal entries to improve financial performance; and
- auditing significant accounting estimates for potential management bias.

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.



**Independent auditors' report to the members of The Orchard, EU Limited (continued)**

**Other required reporting**

**Companies Act 2006 exception reporting**

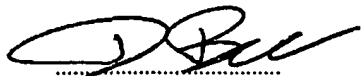
Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received 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.

**Entitlement to exemptions**

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



David Beer (Senior Statutory Auditor)  
For and on behalf of PricewaterhouseCoopers LLP,  
Chartered Accountants and Statutory Auditors  
Watford

26  
28 July 2023

**Statement of comprehensive income for the Year Ended 31 March 2022**


	Note	2022 £	2021 £
Turnover	4	86,671	14,748
Administrative expenses		<u>(1,323,963)</u>	<u>(14,046)</u>
Operating (loss)/profit	5	<u>(1,237,292)</u>	<u>702</u>
(Loss)/profit before taxation		(1,237,292)	702
Tax on (loss)/profit	8	<u>9,271</u>	<u>(1,973)</u>
Loss for the financial year		<u><u>(1,228,021)</u></u>	<u><u>(1,271)</u></u>

The above results were derived from continuing operations.

**(Registration number: 05103087)**  
**Balance Sheet as at 31 March 2022**

	Note	2022 £	2021 £
<b>Current assets</b>			
Debtors: amounts falling due within one year	10	3,726,364	2,667,617
Investments		<u>237,699,236</u>	<u>-</u>
	9	241,425,600	2,667,617
<b>Creditors: Amounts falling due within one year</b>	11	<u>(242,850,469)</u>	<u>(2,864,465)</u>
<b>Net liabilities</b>		<u>(1,424,869)</u>	<u>(196,848)</u>
<b>Capital and reserves</b>			
Called up share capital	13	100	100
Accumulated losses		<u>(1,424,969)</u>	<u>(196,948)</u>
<b>Total equity</b>		<u>(1,424,869)</u>	<u>(196,848)</u>

Approved and authorised by the Board on 25 July 2023 and signed on its behalf by:

  
James Mullan (Jul 25, 2023 15:17 GMT+1)

JA Mullan  
Director

**Statement of Changes in Equity for the Year Ended 31 March 2022**

	Called up share capital £	Accumulated losses £	Total £
At 1 April 2021	100	(196,948)	(196,848)
Loss for the year	-	(1,228,021)	(1,228,021)
Total comprehensive expense	-	(1,228,021)	(1,228,021)
At 31 March 2022	100	(1,424,969)	(1,424,869)

	Called up share capital £	Accumulated losses £	Total £
At 1 April 2020	100	(195,677)	(195,577)
Loss for the year	-	(1,271)	(1,271)
Total comprehensive expense	-	(1,271)	(1,271)
At 31 March 2021	100	(196,948)	(196,848)

## **Notes to the Financial Statements for the Year Ended 31 March 2022**

### **1 General information**

The company is a private company limited by share capital, incorporated in England, the United Kingdom.

The address of its registered office is:

2 Canal Reach  
London  
NIC 4DB

These financial statements were authorised for issue by the Board on 24 March 2023.

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

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.

#### **Statement of compliance**

The individual financial statements of The Orchard, EU Limited have been prepared in accordance 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.

#### **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 3.

#### **Going concern**

The financial statements have been prepared on a going concern basis. The directors have received notice from the immediate parent entity, Orchard Enterprises NY, Inc., that it will support the operational needs of the company in order to allow it to meet its liabilities as and when they fall due for a period of 12 months from the date of approval of the financial statements. Therefore, the directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of Orchard Enterprises NY, Inc.

## **Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)**

### **2 Accounting policies (continued)**

#### **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);

This information is included in the consolidated financial statements of Sony Corporation as at 31 March 2022 and these financial statements may be obtained from 7-1, Konan 1-chome, Minato-ku, Tokyo, 108-0075.

#### **Turnover and revenue recognition**

Turnover comprises the value of recharges of costs to a parent entity, excluding VAT. Turnover is recognised in the year in which the expense occurs.

#### **Foreign currency transactions and balances**

##### **(i) Functional and presentation currency**

The company's functional and presentational 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 profit and loss account.

## **Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)**

### **2 Accounting policies (continued)**

#### **Taxation**

Taxation expense for the year 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.

##### *(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.

## **Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)**

### **2 Accounting policies (continued)**

#### **Financial instruments**

The Company has chosen to adopt sections 11 and 12 of FRS 102 in respect of financial instruments.

##### *(i) Financial assets*

Basic financial assets, including trade and other receivables, cash and bank balances, 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, 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.

#### **Investments**

Investments are stated at cost less any provision for impairment. The Company is included in the consolidated financial statements of Sony Group 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.

#### **Impairment of Investments**

The impairment review process involves the directors making judgements about, inter alia, estimated future cash flows and, where appropriate, the discount rate to be applied to those cash flows. This is done at each reporting date. The assessment is not performed in the year of the investment as the value is aligned to the market value through the initial cost recognised.

#### **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.



## Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

### 3 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 directors have identified the following critical judgements:

#### Impairment of Investments

The impairment review process involves the directors making judgements about, inter alia, estimated future cash flows and, where appropriate, the discount rate to be applied to those cash flows. This is done at each reporting date. The assessment is not performed in the year of the investment as the value is aligned to the market value through the initial cost recognised.

### 4 Turnover

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

A geographical analysis of the company's turnover for the year is as follows:

	2022 £	2021 £
USA	<u>86,671</u>	<u>14,748</u>

### 5 Operating loss

Arrived at after charging/(crediting)

	2022 £	2021 £
Depreciation expense	-	4,009
Auditors' remuneration - Audit of company's financial statements	7,950	7,950
Foreign exchange (gains) / losses	<u>-</u>	<u>(3,203)</u>

Cost recharges of £66,070 (2021: £11,425) due to other group companies are included in administrative expenses in the Profit and Loss Account in respect of salaries and wages.

**Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)**

**6 Directors' remuneration**

The directors received no emoluments from the company for their services to the company. They were remunerated by other group companies. This was also the case in the prior year.

**7 Staff costs**

The aggregate payroll costs (including directors' remuneration) were as follows:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Wages and salaries	58,058	9,881
Social security costs	8,012	1,364
	<u>66,070</u>	<u>11,245</u>

Salary costs are borne by another group company and a portion of the costs are recharged to the company

There were no persons employed by the company during the year (2021: nil).

## Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

### 8 Tax on profit

Tax charged/(credited) in the income statement

	2022 £	2021 £
<b>Current taxation</b>		
UK corporation tax	-	393
Adjustment in respect of previous periods	659	78
	<u>659</u>	<u>471</u>
<b>Deferred taxation</b>		
Origination and reversal of timing differences	1,107	707
Impact of change in tax rate	(10,378)	-
Adjustments in respect of previous periods	(659)	795
	<u>(9,930)</u>	<u>1,502</u>
Total deferred taxation	<u>(9,930)</u>	<u>1,502</u>
Tax (receipt)/expense in the income statement	<u>(9,271)</u>	<u>1,973</u>

The tax on profit before tax for the year is higher than the standard rate of corporation tax in the UK (2021 - higher than the standard rate of corporation tax in the UK) of 19% (2021 - 19%).

The differences are reconciled below:

	2022 £	2021 £
(Loss)/profit before tax	<u>(1,237,292)</u>	<u>702</u>
Corporation tax at standard rate	(235,085)	133
Increase from effect of tax rate change on opening balance	(10,378)	-
Effect of expense not deductible in determining taxable profit (tax loss)	236,192	967
Increase due to adjustment for prior periods	-	873
	<u>(9,271)</u>	<u>1,973</u>
Total tax (credit)/charge	<u>(9,271)</u>	<u>1,973</u>

Legislation to increase the main rate of corporation tax from 19% to 25% from 1 April 2023 was included in the Finance Act 2021 which was received Royal Assent on 10 June 2021. The impact on the deferred tax on the company is immaterial.

## Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

### 9 Investments in subsidiaries, joint ventures and associates

#### Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held		
			2022	2021	
Subsidiary undertakings					
AWAL Digital Limited	2 Canal Reach, London, NIC 4DB UK	ordinary share capital	100%	0%	
AWAL Recordings Limited	2 Canal Reach, London, NIC 4DB UK	ordinary share capital	100%	0%	
AWAL Recordings Licensing Limited	2 Canel Reach, London, NIC 4DB UK	ordinary share capital	100%	0%	
Kollective Neighbouring Rights Limited	2 Canal Reach, London, NIC 4DB UK	ordinary share capital	100%	0%	
Kollective Neighbouring Rights II Limited	2 Canal Reach, London, NIC 4DB UK	ordinary share capital	100%	0%	
Wilson Page Limited	2 Canal Reach, London, NIC 4DB UK	ordinary share capital	100%	0%	

The directors believe that the carrying value of the investments is supported by their underlying business and assets.

The company has the following related undertakings, all of which are incorporated in Great Britain and wholly owned except where otherwise indicated. All companies are unlisted.

## Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

### 10 Debtors

	Note	2022 £	2021 £
<i>Amounts falling due within one year:</i>			
Amounts owed by group undertakings		3,657,733	2,632,281
Taxation and social security		22,973	-
Corporation tax debtor	8	1,096	704
Deferred tax assets	12	44,562	34,632
		<u>3,726,364</u>	<u>2,667,617</u>

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

### 11 Creditors

	2022 £	2021 £
<i>Amounts falling due within one year:</i>		
Amounts owed to group undertakings	242,504,724	2,856,515
Accruals and deferred income	345,745	7,950
	<u>242,850,469</u>	<u>2,864,465</u>

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

### 12 Deferred taxation

	2022 £	2021 £
Fixed asset timing differences	9,577	7,594
Losses	34,985	27,038
<b>Deferred tax asset</b>	<u>44,562</u>	<u>34,632</u>

The movement on deferred tax is as follows:

**Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)**

**12 Deferred taxation (continued)**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Asset at start of year	34,632	36,134
Deferred tax charge/credit to income statement for the period	9,930	(707)
Adjustment in respect of prior years	<u>-</u>	<u>(795)</u>
<b>Asset at end of year</b>	<b><u>44,562</u></b>	<b><u>34,632</u></b>

## Notes to the Financial Statements for the Year Ended 31 March 2022 (continued)

### 13 Called up share capital

Allotted, called up and fully paid shares

	2022		2021	
	No.	£	No.	£
ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

### 14 Related party transactions

The company has taken advantage of the exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

### 15 Parent and ultimate parent undertaking

The company's immediate parent is Orchard Enterprises NY, Inc., incorporated in United States of America.

The ultimate parent is Sony Corporation, incorporated in Japan.

The most senior parent entity producing publicly available financial statements is Sony Corporation. These financial statements are available upon request from 7-1, Konan 1-chome, Minato-ku, Tokyo, 108-0075.

The ultimate controlling party is Sony Corporation.