

**EMI GROUP WORLDWIDE HOLDINGS LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**



**EMI GROUP WORLDWIDE HOLDINGS LIMITED**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2015**

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# **EMI GROUP WORLDWIDE HOLDINGS LIMITED**

## **OFFICERS AND PROFESSIONAL ADVISERS**

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### **THE BOARD OF DIRECTORS**

A Brown  
RM Constant  
BJ Muir  
DRJ Sharpe

### **COMPANY SECRETARY**

A Abioye

### **REGISTERED OFFICE**

364-366 Kensington High Street  
London  
W14 8NS

### **AUDITOR**

Ernst & Young LLP  
Statutory Auditor  
1 More London Place  
London  
SE1 2AF

# **EMI GROUP WORLDWIDE HOLDINGS LIMITED**

## **STRATEGIC REPORT**

### **YEAR ENDED 31 DECEMBER 2015**

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The directors present their strategic report for the company for the year ended 31 December 2015.

#### **PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The principal activity of the company during the year was that of an investment holding company.

The result and position of the company for the year ended and as at 31 December 2015 are set out in the statement of comprehensive income, statement of financial position and statement of changes in equity on pages 7,8 and 9 respectively. The result and position of the company were in line with directors' expectations.

#### **RESULTS AND DIVIDENDS**

The company's profit for the financial year was £52,552,000, (2014 - profit £36,943,000). The retained profit for the year has been transferred to reserves.

#### **PRINCIPAL RISKS AND UNCERTAINTIES**

The company operates as part of the Vivendi Group (the 'group') and all of its transactions are with fellow group undertakings.

As such its activities are dependant on the activities of the group as a whole. The risks and uncertainties facing the company are linked to those of the group. A detailed discussion of the group risks and uncertainties is contained in the Vivendi SA annual report.

The company is exposed to the following risks:

- interest rate fluctuations
- exchange rate movements

All risks and uncertainties are regularly monitored by the Board of Directors of the company.

#### **FUTURE DEVELOPMENTS**

Notwithstanding the risks and uncertainties outlined above, the directors do not anticipate any significant change in the activities and results of the company in the foreseeable future.

By Order of the board

A Brown  
Director



29 SEP 2016

# **EMI GROUP WORLDWIDE HOLDINGS LIMITED**

## **DIRECTORS' REPORT**

**YEAR ENDED 31 DECEMBER 2015**

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The directors present their report and the financial statements of the company for the year ended 31 December 2015.

### **DIRECTORS**

The directors who served the company during the year and subsequently were as follows:

A Brown  
RM Constant  
BJ Muir  
DRJ Sharpe

### **DIRECTORS' QUALIFYING THIRD PARTY INDEMNITY PROVISIONS**

A qualifying third party indemnity provision remains in force as at the date of approving the directors' report, subject to the provisions of s236 CA 2006. Vivendi SA, the ultimate parent undertaking, maintains a Directors & Officers Liability Programme which indemnifies directors' personal liabilities resulting from alleged wrongful acts committed in the line of their employment.

### **POLICY ON THE PAYMENT OF CREDITORS**

It is the company's policy that payments to suppliers are made in accordance with those terms and conditions agreed between the company and its suppliers, provided that all trading terms and conditions have been complied with.

### **DONATIONS**

The company made no charitable or political donations in either year.

# EMI GROUP WORLDWIDE HOLDINGS LIMITED

## DIRECTORS' REPORT (continued)

YEAR ENDED 31 DECEMBER 2015

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### DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the directors' report and financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 " The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. In preparing these financial statements, the directors are required to:

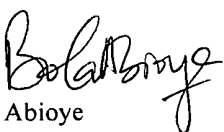
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as each of the directors at the date of approving this report are aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- each director has taken all 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 auditor is aware of that information.

By order of the board



A Abioye  
Company Secretary

Company Registration Number: 6226803

29 SEP 2016

# **EMI GROUP WORLDWIDE HOLDINGS LIMITED**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EMI GROUP WORLDWIDE HOLDINGS LIMITED**

**YEAR ENDED 31 DECEMBER 2015**

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We have audited the financial statements of EMI Group Worldwide Holdings Limited for the year ended 31 December 2015, which comprise the statement of comprehensive income, the statement of financial position and statement of changes in equity and the related notes 1 to 18. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR**

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102, "the Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

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

# EMI GROUP WORLDWIDE HOLDINGS LIMITED

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EMI GROUP WORLDWIDE HOLDINGS LIMITED (continued)

**YEAR ENDED 31 DECEMBER 2015**

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### MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

A handwritten signature in black ink, appearing to read "Ernst & Young LLP".

Philip Young (Senior Statutory Auditor)

For and on behalf of Ernst & Young LLP, Statutory Auditor

London

30 September 2016

Company Registration Number: 6226803



**EMI GROUP WORLDWIDE HOLDINGS LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2015**

	<b>Note</b>	<b>Total 2015 £'000</b>	<b>Total 2014 £'000</b>
Administrative expenses		-	(2,572)
<b>OPERATING PROFIT(LOSS)</b>	<b>4</b>	-	(2,572)
<b>PROFIT(LOSS) ON ORDINARY ACTIVITIES BEFORE INVESTMENT INCOME, INTEREST AND TAXATION</b>		-	(2,572)
Interest receivable and similar income	<b>7</b>	40,356	69,919
Interest payable and similar charges	<b>8</b>	-	(30,404)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		40,356	36,943
Tax on profit on ordinary activities	<b>9</b>	12,196	-
<b>PROFIT FOR THE FINANCIAL YEAR</b>		52,552	36,943
<b>TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR</b>		52,552	36,943

All of the activities of the company are classed as continuing operations.

**EMI GROUP WORLDWIDE HOLDINGS LIMITED**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2015**

	<b>Note</b>	<b>2015 £'000</b>	<b>2014 £'000</b>
<b>FIXED ASSETS</b>			
Financial assets (Investments)	<b>10</b>	<u>533,831</u>	<u>533,831</u>
		<u>533,831</u>	<u>533,831</u>
<b>CURRENT ASSETS</b>			
Debtors: Amounts falling due within one year	<b>11</b>	<u>1,188,569</u>	<u>1,136,017</u>
		<u>1,188,569</u>	<u>1,136,017</u>
<b>CREDITORS: Amounts falling due within one year</b>	<b>12</b>	<u>(554,076)</u>	<u>(554,076)</u>
<b>NET CURRENT ASSETS</b>		<u>634,493</u>	<u>581,941</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,168,324</u>	<u>1,115,772</u>
<b>NET ASSETS</b>		<u>1,168,324</u>	<u>1,115,772</u>
<b>CAPITAL AND RESERVES</b>			
Called-up equity share capital	<b>16</b>	167,732	167,732
Share premium account		690,488	690,488
Profit and loss account		<u>310,104</u>	<u>257,552</u>
<b>EQUITY SHAREHOLDERS' FUNDS</b>		<u>1,168,324</u>	<u>1,115,772</u>

These accounts were approved by the board of directors and authorised for issue on  
and are signed on their behalf by:

**29 SEP 2016**

A Brown  
Director



**EMI GROUP WORLDWIDE HOLDINGS LIMITED**  
**STATEMENT OF CHANGES IN EQUITY**  
**YEAR ENDED 31 DECEMBER 2015**

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	Share capital £'000	Share Premium £'000	Profit & Loss Account £'000	Total share-holders' funds £'000
Balance brought forward at 1 January 2014	167,732	690,488	220,609	1,078,829
Balance at 1 January 2014 restated	167,732	690,488	220,609	1,078,829
<b>Total comprehensive income for the period</b>				
Profit for the year	-	-	36,943	36,943
Balance brought forward at 1 January 2015	167,732	690,488	257,552	1,115,772
Balance at 1 January 2015 restated	167,732	690,488	257,552	1,115,772
<b>Total comprehensive income for the period</b>				
Profit for the year	-	-	52,552	52,552
<b>Balance carried forward at 31 December 2015</b>	<b>167,732</b>	<b>690,488</b>	<b>310,104</b>	<b>1,168,324</b>

# EMI GROUP WORLDWIDE HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 DECEMBER 2015

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#### 1. STATUTORY INFORMATION

EMI Group Worldwide Holdings Limited is a company limited by shares and incorporated and domiciled in the UK. The registered office is 364-366 Kensington High Street, London, W14 8NS.

#### 2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with the FRS 102 as it applies at 31 December 2015.

The company transitioned from previously UK GAAP to FRS 102 as at 1 January 2014. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 18.

#### 3. ACCOUNTING POLICIES

##### **Basis of preparation of financial statements**

The financial statements for the year ended 31 December 2015 are the first financial statements that comply with FRS 102. The presentation currency of these financial statements is sterling and rounded to the nearest £'000.

In the transition to FRS 102 from old UK GAAP, the company has made no measurement and recognition adjustments as explained in note 18.

FRS 102 grants certain first-time adoption exemptions from the full requirements of FRS 102. The following exemptions have been taken in these financial statements:

##### **First time adoption exemptions taken**

- The company has measured the value of its investments in subsidiaries at cost less impairment. The deemed cost shall be the carrying amount at the date of transition as determined under the entity's previous GAAP valuation.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

# EMI GROUP WORLDWIDE HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 DECEMBER 2015

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#### 3. ACCOUNTING POLICIES (continued)

##### FRS 102 - Qualifying exemptions

- The company's ultimate parent undertaking, Vivendi SA includes the company in its consolidated financial statements. The consolidated financial statements of Vivendi SA are prepared in accordance with International Financial Reporting Standards as adopted by the EU and are available to the public and may be obtained from 42 Avenue de Friedland, 75380 Paris, Cedex 08, France. In these financial statements, the company is considered to be a qualifying entity and has applied the exemptions available under FRS 102 in respect of the following disclosures:
- Reconciliation of the number of shares outstanding from the beginning to end of the period.
- Cash Flow Statement and related notes;
- Related party disclosures; and
- Key Management Personnel compensation.

As the consolidated financial statements of Vivendi SA include the equivalent disclosures, the company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- Certain disclosures required by FRS 102.26 *Share Based Payments*; and
- The disclosures required by FRS 102.11 *Basic Financial Instruments* and FRS 102.12 *Other Financial Instruments Issues* in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

##### Other qualifying exemptions

As the ultimate parent undertaking prepares publicly available consolidated accounts and is incorporated within the European Union the company has taken advantage of the exemption under section 400 of the Companies Act 2006 from preparing consolidated accounts. As such, these financial statements give information about the company as an individual undertaking and not about its group.

##### Measurement convention

The financial statements are prepared on the historical cost basis.

##### Going concern

The Company's business activities, together with the factors likely to affect future developments, its financial exposures and its risk exposures are described in the strategic report.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources available to it to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

**EMI GROUP WORLDWIDE HOLDINGS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2015**

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**3. ACCOUNTING POLICIES (continued)**

**Classification of financial instruments issued by the Company**

In accordance with FRS 102.22, financial instruments issued by the company are treated as equity only to the extent that they meet the following two conditions:

- (a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and
- (b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

**Basic financial instruments**

***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 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.

***Interest-bearing loans borrowings classified as basic financial instruments***

All interest-bearing loans and borrowings are initially recognised at net proceeds. Interest bearing debt is increased by the finance cost in respect of the reporting period and reduced by any settlement made. Interest is charged and earned on a fixed element of the debt at an arms length rate.

Finance costs of debt are allocated over the term of the debt at a constant rate on the carrying amount.

***Investments in subsidiaries, jointly controlled entities and associates***

These are separate financial statements of the company. Investments in subsidiaries, are carried at cost less impairment.

**EMI GROUP WORLDWIDE HOLDINGS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2015**

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**3. ACCOUNTING POLICIES (continued)**

**Impairment excluding deferred tax assets**

***Financial assets (including trade and other debtors)***

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

***Non-financial assets***

The carrying amounts of the company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

**Expenses**

***Interest receivable and Interest payable***

Interest payable and similar charges include interest payable, finance charges, unwinding of the discount on provisions, and net foreign exchange losses that are recognised through profit or loss in the statement of comprehensive income.

Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method. Dividend income is recognised in the statement of comprehensive income on the date the company's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

**EMI GROUP WORLDWIDE HOLDINGS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2015**

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**3. ACCOUNTING POLICIES (continued)**

**Taxation**

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised through profit or loss in the statement of comprehensive income except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the statement of financial position date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which 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. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, associated and joint ventures to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the statement of financial position date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Foreign currencies**

Transactions in foreign currencies are translated to the company's functional currency at the foreign exchange rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the statement of comprehensive income.



**EMI GROUP WORLDWIDE HOLDINGS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2015**

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**4. OPERATING PROFIT/(LOSS)**

Operating profit/(loss) is stated after charging/(crediting):

	2015 £'000	2014 £'000
Net loss/(gain) on foreign currency translation	-	2,572
	<u>-</u>	<u>2,572</u>

**5. AUDITORS' REMUNERATION**

The auditors' remuneration for the year ended 31 December 2015 was £7,000 (2014 - £7,000) and was borne by another group company in both years.

**6. PARTICULARS OF EMPLOYEES**

The company had no employees during the year ended 31 December 2015 (2014 - Nil)

The emoluments of the directors of the company were borne by other group companies in both years.

No recharge of the directors' emoluments in respect of services to this company has been made as it is not possible to accurately apportion the emoluments.

**7. INTEREST RECEIVABLE AND SIMILAR INCOME**

	2015 £'000	2014 £'000
Interest receivable from group undertakings	40,356	69,919
	<u>40,356</u>	<u>69,919</u>

**8. INTEREST PAYABLE AND SIMILAR CHARGES**

	2015 £'000	2014 £'000
Interest payable to group undertakings	-	30,404
	<u>-</u>	<u>30,404</u>

**EMI GROUP WORLDWIDE HOLDINGS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2015**

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**9. TAX ON LOSS ON ORDINARY ACTIVITIES**

**(a) Analysis of tax credit in the year**

	<b>2015</b> <b>£'000</b>	<b>2014</b> <b>£'000</b>
<b>Current tax:</b>		
<b>UK Taxation</b>		
In respect of the year		
Total deferred tax	(12,196)	-
Tax on profit on ordinary activities	<u>(12,196)</u>	<u>-</u>

	<b>2015</b> <b>£'000</b>	<b>2015</b> <b>£'000</b>	<b>2015</b> <b>£'000</b>	<b>2014</b> <b>£'000</b>	<b>2014</b> <b>£'000</b>	<b>2014</b> <b>£'000</b>
	<b>Current Tax</b>	<b>Deferred Tax</b>	<b>Total Tax</b>	<b>Current Tax</b>	<b>Deferred Tax</b>	<b>Total Tax</b>
Recognised in Profit and loss	-	(12,196)	(12,196)	-	-	-
<b>Total Tax</b>	<u>-</u>	<u>(12,196)</u>	<u>(12,196)</u>	<u>-</u>	<u>-</u>	<u>-</u>

**EMI GROUP WORLDWIDE HOLDINGS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2015**

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**9. TAX ON LOSS ON ORDINARY ACTIVITIES (continued)**

**(b) Factors affecting current tax credit**

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK of 20.25% (2014 - 21.50%).

The Finance Act 2013 enacted reductions in the UK corporate tax rate to 21% from April 2014 and 20% from April 2015. As announced in the Budget on 8 July 2015, the Corporation Tax main rate will be reduced to 19% from 1 April 2017 and 18% from 1 April 2020, which were enacted by the Finance (No. 2) Act 2015. Deferred tax assets and liabilities are measured at the rate that is expected to apply to the accounting period when the asset is realised or the liability is settled, based on the above rates.

	2015 £'000	2014 £'000
Profit on ordinary activities before taxation	<u>40,356</u>	<u>36,943</u>
Profit on ordinary activities at the standard rate of UK Corporation tax of 20.25% (2014: 21.50%)	8,172	7,943
Utilisation of tax losses	-	(7,943)
Movement in timing differences in respect of tax losses	(20,891)	-
Impact of statutory rate change	<u>523</u>	<u>-</u>
Current tax (credit)/charge for the financial year	<u>(12,196)</u>	<u>-</u>

**(c) Factors that may affect future tax charges**

The company has a total unutilised tax losses carried forward estimated at £267,071,309 (2014 - £288,088,311), which may reduce future tax charges.

**EMI GROUP WORLDWIDE HOLDINGS LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2015**

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**10. FINANCIAL ASSETS (INVESTMENTS)**

	<b>Shares In Subs/Grp £'000</b>	<b>Total £'000</b>
<b>COST</b>		
At 1 January 2015	1,113,872	1,113,872
<b>At 31 December 2015</b>	<b>1,113,872</b>	<b>1,113,872</b>
<b>PROVISION FOR IMPAIRMENT</b>		
At 1 January 2015	580,041	580,041
<b>At 31 December 2015</b>	<b>580,041</b>	<b>580,041</b>
<b>NET BOOK VALUE</b>		
<b>At 31 December 2015</b>	<b>533,831</b>	<b>533,831</b>
At 31 December 2014	533,831	533,831

**Subsidiary Undertakings**

The principal subsidiaries of EMI Group Worldwide Holdings Limited as at 31 December 2015 were as follows:

<b>Name</b>	<b>Country of Incorporation</b>	<b>Ordinary share holding</b>	<b>Nature of business</b>
EMI Group (Newco) Limited*	UK	100%	Holding Company
EMI Group Limited	UK	100%	Holding Company
Virgin Music Group	UK	100%	Holding Company
EMI Group Worldwide	UK	100%	Holding Company
EMI Group International Holdings Limited	UK	100%	Holding Company
EMI Group Holdings (UK)	UK	100%	Holding Company
EMI Group Holdings B.V.	The Netherlands	100%	Holding Company
EMI Group Finance Limited	UK	100%	Finance Company
Virgin Records Limited	UK	100%	Recorded Music

\* Held directly by the company

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**11. DEBTORS: Amounts due within one year**

	2015 £'000	2014 £'000
Amounts owed by group undertakings	1,176,373	1,136,017
Deferred taxation (note 13)	12,196	-
	<u>1,188,569</u>	<u>1,136,017</u>

All amounts owed by fellow group undertakings are classified as current as they are repayable on demand. Interest rates on intercompany loans have been agreed between parties on a loan by loan basis.  
All other amounts owed by UK group undertakings are unsecured and repayable on demand.

**12. CREDITORS: Amounts falling due within one year**

	2015 £'000	2014 £'000
Amounts owed to group undertakings	554,076	554,076
	<u>554,076</u>	<u>554,076</u>

All amounts owed to fellow group undertakings are classified as current as they are repayable on demand. Interest rates on intercompany loans have been agreed between parties on a loan by loan basis. All other amounts owed to group undertakings are due to UK group undertakings, are unsecured and repayable on demand.

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**13. DEFERRED TAXATION**

The movement in the deferred taxation account during the year was:

	2015 £'000	2014 £'000
Deferred taxation on ordinary activities account movement arising during the year	12,196	-
Provision carried forward	<u>12,196</u>	<u>-</u>

The movement for deferred taxation consists of the tax effect of timing differences in respect of:

	2015 £'000	2014 £'000
Other timing differences	12,196	-
	<u>12,196</u>	<u>-</u>

The deferred tax is included in the statement of financial position is as follows:

	2015 £'000	2014 £'000
Included in debtors (note 11)	<u>12,196</u>	<u>-</u>

**14. POST BALANCE SHEET EVENT**

No post balance sheet events have been identified by management.

**15. CAPITAL COMMITMENTS**

The company had no capital commitments at 31 December 2015 or 31 December 2014.

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**16. SHARE CAPITAL**

**Authorised:**

	2015 No	£'000	2014 No	£'000
Ordinary shares of £1 each	167,832,233	167,832	167,832,233	167,832
	<u>167,832,233</u>	<u>167,832</u>	<u>167,832,233</u>	<u>167,832</u>

**Allotted, called up and fully paid:**

	2015 No	£'000	2014 No	£'000
Ordinary shares of £1 each	167,732,133	167,732	167,732,133	167,732
	<u>167,732,133</u>	<u>167,732</u>	<u>167,732,133</u>	<u>167,732</u>

	2015 £'000	2014 £'000
<b>Amounts presented in equity:</b>		
167,732,133 of Ordinary shares of £1 each	167,732	167,732
	<u>167,732</u>	<u>167,732</u>

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**17. ULTIMATE PARENT COMPANY**

The immediate parent undertaking is Societe d'Investissements et de Gestion 104 S.A.S. The ultimate parent undertaking and controlling party is Vivendi SA, a company incorporated in France. The smallest and largest group in which the results of the company will be consolidated will be that headed by Vivendi SA, incorporated in France. Copies of its annual report in English may be obtained from:

Vivendi SA  
42 Avenue de Friedland  
75380 Paris  
Cedex 08  
France

**18. EXPLANATION OF TRANSITION TO FRS 102 FROM PREVIOUS UK GAAP**

As stated in note 2, these are the Company's first financial statements prepared in accordance with FRS 102.

The accounting policies set out in note 3 have been applied in preparing the financial statements for the year ended 31 December 2015 and the comparative information presented in these financial statements for the year ended 31 December 2014.

There are no differences arising from the transition from UK GAAP to FRS 102.