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COMPANY REGISTRATION NUMBER 06405600

EMI Music Publishing Finance (UK) Limited

Annual Report and Consolidated Financial Statements

For the Year Ended 31 March 2022

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EMI Music Publishing Finance (UK) Limited Company Registration Number 06405600

Annual Report and Consolidated Financial Statements

Year ended 31 March 2022

CONTENTS	PAGE
Officers and Professional Advisers	1
Strategic Report	2
Directors' Report	6
Statement of Directors' Responsibilities in respect of the Annual Report and the Financial Statements	9
Independent Auditors' Report to the Members of EMI Music Publishing Finance (UK) Limited	10
Consolidated Statement of Comprehensive Income	13
Consolidated Balance Sheet	14
Company Balance Sheet	15
Consolidated Statement of Changes in Equity	16
Company Statement of Changes in Equity	17
Consolidated Cash Flow Statement	18
Notes to the Financial Statements	19

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EMI Music Publishing Finance (UK) Limited Company Registration Number 06405600

Officers and Professional Advisers

Year ended 31 March 2022

The Board of Directors	G R Henderson T F Kelly T W Major J J Platt
Company secretary	TMF Corporate Administration Services Limited (resigned on 30 November 2022) Baker McKenzie (appointed on 1 December 2022)
Registered office	4 Handyside Street London England N1C 4DJ
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 40 Clarendon Road Watford Hertfordshire WD17 1JJ United Kingdom

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Strategic Report

Year ended 31 March 2022

The Directors present the Strategic Report of EMI Music Publishing Finance (UK) Limited (the "Company") and its subsidiary undertakings (together the "Group") for the year ended 31 March 2022, detailing the main factors impacting upon the business during the year and a review of progress. The comparatives are for year ended 31 March 2021.

Principal activities and business review

The Company is a wholly owned subsidiary of Sony Music Publishing (UK) Limited and is part of the Sony Corporation Group. Sony Corporation is the ultimate parent undertaking.

The principal activity of the Company is that of a holding company. There has not been any change to the principal activity of the Company during the year ended 31 March 2022. Please refer to the future developments section below for details of the changes to the Company' trading activities.

The Group 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 Consolidated Profit and Loss Account.

The principal activity of the Group continued to be that of music publishing. There has not been any change to the principal activity of the Group during the year ended 31 March 2022 or subsequently. The Directors do not anticipate any change to the principal activity of the Group during the next year.

As stated in the Consolidated Profit and Loss Account on page 13, the Group made a profit before taxation of £35,399k in the year to 31 March 2022 compared with the previous year's profit before taxation of £37,268k. Included in the profit before taxation in the year to 31 March 2022 is a foreign exchange loss of £93k (2021: £1,719k foreign exchange gain) (see note 7).

In the Consolidated Balance Sheet shown on page 14, the net assets of the Group have decreased by 25.8% on prior year to £263,565k (2021: £355,379k).

	Group			Company		
	2022	2021	Change	**2022**	2021	Change
	£'000	£'000	%	**£'000**	£'000	%
Profit before taxation	**35,399**	37,268	(5.0)	**199,446**	409,257	(51.3)
Profit for the financial year	**28,483**	30,368	(6.2)	**199,985**	409,955	(51.2)
Total Shareholders' funds	**263,565**	355,379	(25.8)	**252,926**	173,238	46.0
NPS for the financial year	**51,755**	49,736	4.1	**-**	-	-
Operating profit/(loss)	**34,094**	30,085	13.3	**(71)**	(21)	(238.1)

Future developments

The Group

The Directors do not anticipate any significant changes to the Group activity in the foreseeable future.

The Company

The Directors do not anticipate any significant changes to the Company activity in the foreseeable future.

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 18.5% in 2021 according to data from IFPI. As physical sales and digital downloads have declined, digital subscription streaming services have subsidised this and fueled the growth in the overall market. As this change from physical revenue to streaming occurs, we still remain dependent on identifying, signing and retaining talented songwriters whose new releases 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 song writers.

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 Group's strategy are subject to a number of risks.

The key business risks and uncertainties affecting the Group 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 Group is working closely with collection societies to help establish effective and efficient licences with on-line service providers.

Financial risk management

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

Cash flow risk

The Company and Group maintains large reserves of cash. The Company's and Group's cash is managed in accordance with the Sony Corporation's financial risk management policies. Short-term deposits with related parties represent overnight deposits with Sony Global Treasury Services PLC, which are swept back to the financial statements of the company as/when needed for cash management purposes. Interest is paid monthly on these deposits.

Liquidity risk

Credit checks performed on potential customers ensure the Company's and Group's current assets are sufficiently liquid to enable it to pay its bills and fund its current liabilities. The Company and Group have significant short term debtors, predominantly due from intercompany counterparties, which are repayable on demand.

Recoverability of investments in subsidiaries

The Company is a holding company so has a large portfolio of investments. In accordance with FRS 102.27 Impairment of Assets, if there are impairment indicators the carrying values of investments have been compared to their recoverable amounts, represented by their net realisable value, and impaired where appropriate.

Credit risk

The Company and Group have short term debtors. The risk that a debtor may fail to meet its repayment obligations is low because all of the debt is held and managed by the Sony Corporation group.

Key performance indicators

Key performance indicators ("KPIs") are designed to indicate how the Company and Group has performed on key ratios, and the Company and Group uses Net Publisher Share margin "NPS" (being royalty income less royalty expense) and operating margin as the key performance indicators which are most appropriate. These ratios are shown on page 2. The Directors are satisfied with the performance of the Group and Company against these KPIs throughout the financial year.

Section 172 (1) Statement

The Directors have a duty to promote the success of the Group which is a key consideration when determining the Group'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 the information relevant to make a decision, they recognise the importance of considering 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 Group's business relationships with suppliers, customers, collection agencies and HM Revenue and Customs ("HMRC"). This includes engaging with external stakeholders that share the EMI Music Publishing Finance (UK) Limited's dedication to conducting business in a legal, ethical, and socially responsible manner, to deliver the best possible value for the Group and mitigate the risk to the Group.

The Directors work to ensure the Group maintains a high reputation for high standards of business conduct. The Group 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 Group 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 Group 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

Suppliers, customers and collection agencies:

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

The Group has maintained prompt contractual payments to all suppliers to ensure our suppliers received payment in a timely manner.

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.

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Section 172 (1) Statement (continued)

Social impact:

Given music's ability to reach, engage and unite people, the board recognises the important of the Group 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 Group plays its part in these actions and initiatives.

Employees:

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

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Signed on behalf of the Directors

T W Major
Director

4 Handyside Street
London
England
N1C 4DJ

Approved by the Directors on 15-Dec-22

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The Directors present their annual report and audited consolidated financial statements for the year ended 31 March 2022. The comparatives are for the year ended 31 March 2021.

Going concern

The Group made a profit for the financial year of £28,483k (2021: £30,368k profit), had net current assets of £244,791k (2021: £335,142k net current assets) and net assets of £263,565k (2021: £355,379k net assets) at 31 March 2022.

The financial statements of the EMI Music Publishing Group have been prepared on the going concern basis.

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 Group'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. These considerations included the strategic decision of the Directors of the Company to change the nature of the Company's activities from that of a finance company to that of a holding company within the Sony Corporation group, with all previously held intercompany loans settled by 31 March 2022. The Directors have also considered the Group's access to financial resources after this change, including from cash and current assets across the year and its ability to meet its liabilities as they are expected to fall due. They have also considered the ability and commitment of its parent company, to provide ongoing financial support to the Group if required, given the significant amounts owed to group undertakings and the overall reliance on group-wide funding facilities.

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 its parent to provide financial support if required, the Directors are confident the Group 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 and Group's financial statements.

Results and dividends

The Group profit for the financial year amounted to £28,483k (2021: £30,368k). Dividends paid during the year amounts to £122,085k (2021: £nil). The Directors have not recommended a dividend for the year (2021: £nil).

Future developments

Further details relating to the future developments of the Company and Group can be found in the Strategic Report on page 2.

Financial risk management

Further details relating to the financial risk management of the Company and Group can be found in the Strategic Report on page 3.

Directors

The Directors who served the Company during the year and up to the date of signing this report are listed on page 1.

Qualifying third party indemnity provisions

The Directors benefited from the qualifying third party indemnity provisions in place during the financial year and at the date of approval of the financial statements.

Political contributions

The Company made no political donations or incurred any political expenditure during the year (2021: £nil).

Streamlined Energy and Carbon report (SECR)

The Group 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 premises for the year ended 31 March 2022 were powered by 100% renewable, REGO certified energy providers with zero waste 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.

The information in respect of water consumption for the year ended 31 March 2022 was not available.

Methodology

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

During the year ended 31 March 2022, we leased 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 Group 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 80,054 kgCO2e (2021: 70,200 kgCO2e) or 190 kgCO2e (2021: 198 kgCO2e) per £1m of revenue across the UK music publishing businesses.

Scope 1	Natural Gas	Transport - Company Car	Refrigerants
	kWh	kWh	kWh
2022	N/A	N/A	-
2021	N/A	N/A	11.73

Scope 2	Electricity
	kWh
2022	377,028.00
2021	330,615.30

Scope 3	Recycling	Anaerobic Digestion	Waste to Energy	Water
	KG	KG	KG	M3
2022	1,577.00	3,476.00	1,964.00	N/A
2021	1,909.24	723.77	2,508.07	170.15

Engagement with suppliers, customers and others in a business relationship with the company

In the Strategic report, within the Section 172 (1) Statement on page 4, The Directors have summarised how they have engaged with suppliers, customers and others in a business relationship.

Disclosure of information to the auditors

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's and the Group's auditors are unaware, and each Director has taken all steps that he or she ought to have taken as a Director in order to make himself or herself aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

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Independent auditors

Pursuant to Section 487 of the Companies Act 2016, the independent auditors will be deemed to be reappointed and PricewaterhouseCoopers LLP will therefore continue in office.

Signed on behalf of the Directors

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T W Major
Director

4 Handyside Street
London
England
N1C 4DJ

Approved by the Directors on 15-Dec-22

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Statement of Directors' Responsibilities in respect of the Annual Report and the Financial Statements

Year ended 31 March 2022

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the Group and Company 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 Group and parent company and of the Group's profit or loss for that year. In preparing each of the Group and parent company 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 Group and parent company will continue in business.

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

Independent auditors' report to the members of EMI Music Publishing Finance (UK) Limited

Report on the audit of the financial statements

Opinion

In our opinion, EMI Music Publishing Finance (UK) Limited's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 31 March 2022 and of the group's and company's profit and the group's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including 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, which comprise: the Consolidated Balance Sheet and Company Balance Sheet as at 31 March 2022; the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity and the Consolidated Cash Flow Statement 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 group 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 group's and 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 group's and 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 the 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 the Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and the Directors' Report for the year ended 31 March 2022 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 group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and the 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 Annual Report and 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 group's and 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 group or 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 group 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
- Challenging assumptions and judgements made by management in it's significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing

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. 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.

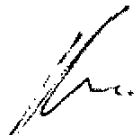
Other required reporting

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 company 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
16 December 2022

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EMI Music Publishing Finance (UK) Limited

Company Registration Number 06405600

Consolidated Statement of Comprehensive Income

Year ended 31 March 2022

	Note	2022 £'000	2021 £'000
Turnover	3	**192,113**	197,269
Cost of sales		**(140,252)**	(148,463)
Gross profit		**51,861**	48,806
Administrative expenses		**(17,767)**	(18,721)
Operating profit	4	**34,094**	30,085
Interest receivable and similar income	7	**3,220**	12,331
Interest payable and similar expense	8	**(1,946)**	(5,153)
Income from shares in group undertakings		**31**	5
Profit before taxation		**35,399**	37,268
Tax on profit		**(6,916)**	(6,900)
Profit for the financial year		**28,483**	30,368

The notes on pages 19 to 36 form part of these financial statements.

There are no items to be included in other comprehensive income.

All activities are classed as continuing for the current and prior years.

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EMI Music Publishing Finance (UK) Limited

Company Registration Number 06405600

Consolidated Balance Sheet

As at 31 March 2022

	Note	2022 £'000	2021 £'000
Fixed assets			
Intangible assets	10	**18,774**	20,237
		18,774	20,237
Current assets			
Debtors	12	**470,571**	913,980
Cash at bank and in hand	13	**279**	40,435
		470,850	954,415
Creditors: amounts falling due within one year	14	**(226,059)**	(619,273)
Net current assets		**244,791**	335,142
Total assets less current liabilities		**263,565**	355,379
Net assets		**263,565**	355,379
Capital and reserves			
Called up share capital	17	**140**	-
Other reserves	17	**74,537**	72,889
Profit and Loss Account		**188,888**	282,490
Total shareholders' funds		**263,565**	355,379

The notes on pages 19 to 36 form part of these financial statements.

These financial statements on pages 13 to 36 were approved by the Board of Directors on 15-Dec-22 and signed on their behalf by:

DocuSigned by:
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T W Major
Director
Company Registration Number: 06405600

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EMI Music Publishing Finance (UK) Limited Company Registration Number 06405600

Company Balance Sheet

As at 31 March 2022

	Note	2022 £'000	2021 £'000
Fixed assets			
Investments	11	249,865	245,096
Current assets			
Debtors	12	6,245	560,630
Cash at bank and in hand	13	-	876
		6,245	561,506
Creditors: amounts falling due within one year	14	(3,184)	(633,364)
Net current assets/(liabilities)		3,061	(71,858)
Total assets less current liabilities		252,926	173,238
Net assets		252,926	173,238
Capital and reserves			
Called up share capital	17	140	-
Other reserves	17	15,613	13,965
Profit and Loss Account		237,173	159,273
Total shareholders' fund		252,926	173,238

The notes on pages 19 to 36 form part of these financial statements.

In accordance with Section 408 of the Companies Act 2006, the Company is exempt from the requirement to present its own profit and loss account and other comprehensive income. The Company's profit for the year was £199,985k (2021: £409,955k profit), included in this amount are dividends received of £201,321k (2021: £410,787k).

The financial statements on pages 13 to 36 were approved by the Board of Directors on 15-Dec-22 and signed on their behalf by:

DocuSigned by:
70C3E718B866447...

T W Major
Director
Company Registration Number: 06405600

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EMI Music Publishing Finance (UK) Limited Company Registration Number 06405600

Consolidated Statement of Changes in Equity

Year ended 31 March 2022

	Note	Called up share capital £'000	Other reserves £'000	Profit and Loss Account £'000	Total shareholders' funds £'000
Balance at 1 April 2020		-	72,889	252,122	325,011
Total comprehensive income for the year					
Profit for the financial year		-	-	30,368	30,368
Total comprehensive income for the year		-	-	30,368	30,368
Balance at 31 March 2021		-	72,889	282,490	355,379
Balance at 1 April 2021		-	72,889	282,490	355,379
Total comprehensive income for the year					
Profit for the financial year		-	-	28,483	28,483
Total comprehensive income for the year		-	-	28,483	28,483
Transactions with owners, recorded directly in equity					
Issue of shares	17	140	-	-	140
Receipt of share premium on issue of shares	17	-	1,648	-	1,648
Dividend paid		-	-	(122,085)	(122,085)
Total contributions by and distributions to owners		140	1,648	(122,085)	(120,297)
Balance at 31 March 2022		**140**	**74,537**	**188,888**	**263,565**

The notes on pages 19 to 36 form part of these financial statements.

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EMI Music Publishing Finance (UK) Limited Company Registration Number 06405600

Company Statement of Changes in Equity

Year ended 31 March 2022

	Note	Called up share capital £'000	Other reserves £'000	Profit and Loss Account £'000	Total shareholders' (deficit)/funds £'000
Balance at 1 April 2020		-	13,965	(250,682)	(236,717)
Total comprehensive income for the year					
Profit for the financial year		-	-	409,955	409,955
Total comprehensive income for the year		-	-	409,955	409,955
Balance at 31 March 2021		-	13,965	159,273	173,238
Balance at 1 April 2021		-	13,965	159,273	173,238
Total comprehensive income for the year					
Profit for the financial year		-	-	199,985	199,985
Total comprehensive income for the year		-	-	199,985	199,985
Transactions with owners, recorded directly in equity					
Issue of shares	17	140	-	-	140
Receipt of share premium on issue of shares	17	-	1,648	-	1,648
Dividend paid		-	-	(122,085)	(122,085)
Total contributions by and distributions to owners		-	1,648	(122,085)	(120,297)
Balance at 31 March 2022		**140**	**15,613**	**237,173**	**252,926**

The notes on pages 19 to 36 form part of these financial statements.

Consolidated Cash Flow Statement

Year ended 31 March 2022

	Note	2022 £'000	2021 £'000
Cash flows from operating activities			
Profit for the year		**28,483**	30,368
Adjustments for:			
Amortisation of intangible fixed assets	10	**1,732**	2,016
Depreciation of tangible fixed assets		**-**	49
Interest receivable and similar income	7	**(3,168)**	(10,316)
Interest payable and similar charges	8	**1,824**	5,113
Foreign exchange loss/(gain)	7,8	**93**	(1,719)
Other income	7	**-**	(296)
Taxation	9	**6,916**	6,900
Other adjustment		**-**	(391)
Cash flows before working capital		**35,880**	31,724
Decrease/(increase) in debtors		**447,511**	(8,268)
Decrease in creditors due within one year		**(3,741)**	(26,388)
		479,650	(2,932)
Tax refunded/(paid)		**152**	(7,429)
Net cash generated from/(used in) operating activities		**479,802**	(10,361)
Cash flows from investing activities			
Acquisition of intangible assets	10	**(269)**	(1,570)
Net cash used in investing activities		**(269)**	(1,570)
Cash flows from financing activities			
Repayment of loans from fellow group undertakings		**(399,392)**	(106,838)
Drawdowns of new loans		**-**	97,999
Interest paid		**-**	(246)
Issue of share capital	17	**1,788**	-
Dividend paid		**(122,085)**	-
Net cash used in financing activities		**(519,689)**	(9,085)
Net decrease in cash and cash equivalents		**(40,156)**	(21,016)
Cash and cash equivalents at 1 April		**40,435**	61,451
Cash and cash equivalents at 31 March		**279**	40,435

The notes on pages 19 to 36 form part of these financial statements.

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1 Accounting policies

EMI Music Publishing Finance (UK) Limited ("the Company") is a private company limited by shares, incorporated, domiciled and registered in England and Wales in the United Kingdom. The registered number is 06405600 and the registered address of the Company has been changed from 22 Berners Street, London, W1T 3LP to 4 Handyside Street, London, England, N1C 4DJ with effect from 1 July 2022.

These Group and company financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102"). The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The parent company is included in the consolidated financial statements, and is considered to be a qualifying entity under FRS 102 paragraphs 1.8. to 1.12. The following exemptions available under FRS 102 in respect of certain disclosures for the parent company financial statements have been applied:

- No separate parent company Cash Flow Statement with related notes is included;
- Key Management Personnel compensation has not been included; and
- Certain disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

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

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 2.

Basis of preparation

These financial statements are prepared under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom.

Going concern

The Group made a profit for the financial year of £28,483k (2021: £30,368k profit), had net current assets of £244,791k (2021: £335,142k net current assets) and net assets of £263,565k (2021: £355,379k net assets) at 31 March 2022.

The financial statements of the EMI Music Publishing Group have been prepared on the going concern basis.

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 Group'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. These considerations included the strategic decision of the Directors of the Company to change the nature of the Company's activities from that of a finance company to that of a holding company within the Sony Corporation group, with all intercompany loans previously held settled by 31 March 2022. The Directors have also considered the Group's access to financial resources after this change, including from cash and current assets across the year and its ability to meet its liabilities as they are expected to fall due. They have also considered the ability and commitment of its parent company, to provide ongoing financial support to the Group if required, given the significant amounts owed to group undertakings and the overall reliance on group-wide funding facilities.

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1 Accounting policies (continued)

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 its parent to provide financial support if required, the Directors are confident the Group 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 and Group's financial statements.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings made up to 31 March 2022.

A subsidiary is an entity that is controlled by the parent. The results of subsidiary undertakings are included in the Consolidated Profit and Loss Account from the date that control commences until the date that control ceases. Control is established when the Company has the power to govern the operating and financial policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable.

An associate is an entity in which the Group has significant influence, but not control, over the operating and financial policies of the entity. Significant influence is presumed to exist when the investors holds between 20% and 50% of the equity voting rights.

A joint venture is a contractual arrangement undertaking in which the Group exercises joint control over the operating and financial policies of the entity. Where the joint venture is carried out through an entity, it is treated as a jointly controlled entity. The Group's share of the profits less losses of associates and of jointly controlled entities is included in the Consolidated Profit and Loss Account and its interest in their net assets is recorded on the Balance Sheet using the equity method.

Under Section 408 of the Companies Act 2006 the Company is exempt from the requirement to present its own Profit and Loss Account. The profit for the year was £199,985k (2021: £409,955k profit).

In the parent financial statements, investments in subsidiaries, jointly controlled entities and associates are carried at cost less impairment.

Related party transactions

The Company is exempt under the terms of FRS 102.33 Related Party Disclosures from disclosing related party transactions with entities that are part of the Sony Corporation group or investees of the Sony Corporation Group provided that any subsidiary which is party to the transaction is wholly owned by the Group.

Classification of financial instruments issued by the Group

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

- they include no contractual obligations upon the Group 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 Group; and
- where the instrument will or may be settled in the entity's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the entity's own equity instruments or is a derivative that will be settled by the entity 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 entity'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.

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1 **Accounting policies (continued)**

Financial instruments

The company has adopted sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets

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 year 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.

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 year, to defer settlement of the creditor for at least twelve months after the reporting date. 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.

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.

Interest-bearing borrowings classified as basic financial instruments

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

Investments

Investments in subsidiaries, jointly controlled entities and associates are carried at cost less impairment.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

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1 Accounting policies (continued)

Intangible assets

Copyrights that are acquired by the Group are stated at cost less accumulated amortisation and accumulated impairment losses.

CRM is software for producing music songs and is stated at cost less accumulated amortisation and accumulated impairment losses.

Amortisation

Amortisation is charged to the Profit and Loss Account on a straight-line basis over the purchased rights in copyrights with reference to the licence year or estimated periods that the Company intends to derive future economic benefits from the use of the assets. Intangible assets are amortised from the date they are available for use. The estimated useful lives are as follows:

- Copyrights 5 - 20 years
- CRM 5 years

The Company reviews the amortisation period and method at least annually and where events and circumstances indicate that the useful life may have changed since the last reporting date these are amended. Periodic review could potentially result in a change in amortisable lives and residual values and therefore, amortisation expenses in the future periods.

Intangible assets are tested for impairment in accordance with section 27 Impairment of assets, when there is an indication that an intangible asset may be impaired.

Impairment

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 other than deferred tax 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 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"). An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss.

1 **Accounting policies (continued)**

Employee benefits

Defined contribution plans and other long term employee benefits

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the Profit and Loss Account in the periods during which services are rendered by employees.

Turnover

The Group's turnover is wholly attributable to its principal activity and the directors do not believe that any part of the Group's worldwide market is significantly different from any other.

Turnover consists of income from copyrights and is recorded when reported to the Group by the relevant source, or when the Company reasonably estimates that the income has been earned from a relevant source. The Group'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 performance obligations related to the year ended 31 March 2022. Turnover is stated after deducting all sales commissions and any sales related taxes levied on turnover.

Turnover generated with respect to copyrights exploited in a territory with an affiliated entity or exploited in the UK where the copyright is registered by an affiliate in a separate territory is recognised based on the Group's share of income based on the intercompany arrangements in place.

Sychronization revenue is earned where a musical work is licensed by a third party for coordination with advertisements, television or film. Whilst these arrangements may give the licensee access to use of the work for a period of time revenue is recognised at the point the licence arrangement is agreed from which point there is no further performance obligation for the Group to fulfill and the licensee can exploit the rights freely.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the Profit and Loss Account 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 Balance Sheet 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 years 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 associates 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 Balance Sheet date. Deferred tax balances are not discounted.

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

1 Accounting policies (continued)

Foreign currencies

Transactions in foreign currencies are translated to the Group Companies' functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the Balance Sheet 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 the 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 Profit and Loss Account.

Expenses

Interest receivable and Interest payable

Interest payable and similar expenses include interest payable and net foreign exchange losses that are recognised in the Profit and Loss Account (see foreign currency accounting policy).

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. Foreign currency gains or losses are reported on a net basis.

Royalty advances

Royalties due to a composer are credited against the outstanding advance in the year of receipt until the amount of the advance is extinguished. If it is thought that future earnings will not amount to the written-value of an advance, a provision for the estimated shortfall will be raised. Advances are included in prepayments as recoverable within one year, on the basis the advance could theoretically be fully recouped in the following year and the exact aging profile is unknown.

2 Accounting estimates and judgements

The Group and Company makes estimates and judgements concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The following critical accounting judgement, apart from those involving estimation (which are dealt with separately below), was applicable to the financial statements.

Recognition of synchronization revenue:

Sychronization revenue is earned where a musical work is licensed by a third party for coordination with advertisements, television or film. Whilst these arrangements may give the licensee access to use of the work for a period of time revenue is recognised at the point the licence arrangement is agreed from which point there is no further performance obligation for the Group to fulfill and the licensee can exploit the rights freely.

The following critical accounting estimates were applicable to the financial statements.

Impairment of investments in subsidiaries and non-financial assets

The Company conducts impairment reviews of investments in subsidiaries and non-financial assets whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable or tests for impairment annually in accordance with the relevant accounting standards. Determining whether an asset is impaired requires an estimation of the recoverable amount, which requires the Company to estimate the value in use which is based on future cash flows, and a suitable discount rate in order to calculate the present value. Where the estimated future cash flows are less than the carrying value of the investment, an impairment loss would arise. Management believe that any reasonable possible changes in the assumptions used in the impairment reviews would not affect management's view on impairment at current year end. Refer Note 11.

Accrued royalties

The Company uses estimates to calculate writer royalties in respect of revenue that has not yet been processed. This is estimated based on historical actual rates. Refer Note 14.

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2 ***Accounting estimates and judgements (continued)***

Recoverability of writer 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 with the related expense recognised within administrative expenses. A further review of the recoverability of unproven and proven writers is undertaken at the end of the year, 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 £1,785k (2021: £2,872k). Refer Note 14.

Cash to accrual

The Group'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 2022. The assessment of amounts earned which have not yet been confirmed is inherently uncertain and determined as managements best estimate based on current market activity and historical experience. An associated royalty expense due to writers is also estimated and accrued based on actual royalty rates previously incurred. The amounts initially recognised are trued up in subsequent periods once all amounts have been confirmed. Refer Note 14.

Amortisation and impairment of intangible assets

The Group determines the estimated useful lives, residual values and related amortisation charges for its purchased rights in copyrights with reference to their licence periods or estimated periods that the Group 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 and recognise impairments where the carrying value of the intangible assets is no longer believed to be recoverable. 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, residual values and recoverable amounts of intangible assets and therefore significantly different amortisation expenses or impairments could arise in the future years. Refer Note 10.

3 **Turnover**

The turnover is attributable to the one principal activity of the Group.

An analysis of turnover by geographical market is given below:

	2022 £'000	2021 £'000
United Kingdom	**50,620**	54,865
Europe	**80,762**	88,821
USA	**40,254**	34,430
Rest of the World	**20,477**	19,153
	192,113	197,269

4 Operating profit

	2022 £'000	2021 £'000
Included in operating profit is the following:		
Auditors' remuneration - audit of these financial statements	**150**	151
Amortisation of intangible assets	**1,732**	2,016
Depreciation of tangible fixed assets	**-**	49

Cost recharges of £8,799k (2021: £9,802k) due to other group companies are included in administrative expenses in the Profit and Loss Account in respect of salaries and wages, rent and overheads and other administrative expenses.

5 Directors' remuneration

The Directors, who were also the Key Management Personnel of the Company, received no direct remuneration from the Company during the year (2021: £nil). The UK Directors were remunerated by Sony Music Publishing (UK) Limited, corresponding costs are appropriately borne by the company. The US Directors were remunerated by Sony Music Holdings Inc.

6 Staff numbers and costs

The monthly average number of persons employed by the Group (including Directors) during the year, analysed by category, was as follows:

Group	2022 Number	2021 Number
Administration Division	**29**	36
Selling and Distribution Division	**29**	31
	58	67

The aggregate payroll costs of these persons were as follows:

	2022 £'000	2021 £'000
Wages and salaries	**10,181**	11,086
Social security costs	**1,395**	1,469
Other pension costs	**773**	859
	12,349	13,414

A portion of salary costs are recharged and shared with other group companies Of the total amount, an amount of £7,492k (2021: £6,356k) has been recharged from Sony Music Publishing (UK) Limited, £937k (2021: £nil) from Sony/ATV Music Publishing Limited and £351k (2021: £1,269k) from Sony/ATV Music Publishing Europe Limited.

The amounts in the comparative year have been re-presented to be presented on a consistent basis, with the amounts in the table presented gross before the recharges described above.

Company

The Company had no employees (2021: *nil*).

Salary and wages are borne by another group Company and a portion of the costs are recharged to the Company.

7 Interest receivable and similar income

	2022 £'000	2021 £'000
Foreign exchange gains	-	1,719
Interest receivable from group undertakings	3,168	10,316
Other income	52	296
	3,220	12,331

8 Interest payable and similar expense

	2022 £'000	2021 £'000
Foreign exchange losses	93	-
Interest payable to group undertakings	1,824	5,113
Other interest payable	29	40
	1,946	5,153

9 Tax on profit

Total tax recognised in the Consolidated Profit and Loss Account

	2022 £'000	2021 £'000
Current tax		
Current tax on profit for the year	7,072	7,212
Adjustments in respect of prior years	340	(1,006)
Foreign tax suffered	1,174	1,130
Current foreign withholding tax	(643)	(575)
Total current tax	7,943	6,761
Deferred tax		
Origination and reversal of timing differences	(280)	139
Adjustments in respect of prior years	(435)	-
Effect of changes in tax rates	(312)	-
Total deferred tax	(1,027)	139
Total tax	6,916	6,900

All taxation for current and prior year has been recognised directly in the Profit and Loss Account. No amounts have been recognised in Other Comprehensive Income or directly in Equity.

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9 Taxation on profit - continued

Reconciliation of effective tax rate

Tax assessed for the year is lower (2021: lower) than the standard rate of corporation tax in the UK for the year ended 31 March 2022 of 19% (2021: 19%). The differences are explained below:

	2022 £'000	2021 £'000
Profit before taxation	**35,399**	37,268
Tax using the UK corporation tax rate of 19% (2021: 19%)	**6,726**	7,081
Effect of:		
Expenses not deductible for tax purposes	**69**	425
Income not taxable	**-**	(67)
Overseas taxes	**528**	555
Adjustments in respect of prior years	**(95)**	(1,006)
Deferred tax not recognised	**-**	(88)
Effect of changes in tax rates	**(312)**	-
Total tax expense included in profit or loss	**6,916**	6,900

Unrecognised deferred tax asset

At the Balance Sheet date the Group had an unrecognised deferred tax asset of £nil (2021: £88k) in relation to tax deductions as a result of excess interest deductions and capital allowances available for offset against future profits.

Factors affecting future tax charge

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.

10 Intangible assets

Group	Copyrights £'000
Cost	
At 1 April 2021	58,465
Additions	269
At 31 March 2022	**58,734**
Accumulated amortisation	
At 1 April 2021	38,228
Amortisation for the year	1,732
At 31 March 2022	**39,960**
Net book value	
At 31 March 2022	**18,774**
At 31 March 2021	20,237

The Company has no intangible assets.

11 Investments

Company	Shares in group undertakings £'000
Cost	
At 1 April 2021	245,096
Addition	4,769
At 31 March 2022	**249,865**
Net book value	
At 31 March 2022	**249,865**
At 31 March 2021	245,096

In the opinion of the Directors, the aggregate value of the investments is at least equal to their carrying value.

Principal subsidiary undertakings

The subsidiary undertakings listed below are exempt from the Companies Act 2006 requirements relating to the audit of their individual financial statements by virtue of Section 479A of the Act as this Company has guaranteed the subsidiary Companies under Section 479C of the Act.

The Company has the following investments in subsidiaries, associates and joint ventures whose activity is that of music publishing.

Subsidiary undertaking	Country of Incorporation	Company number	Class of share held	Ownership 2022 %	Ownership 2021 %
EMI Music Publishing Limited (A)(1)†	UK	00594758	Ordinary	100	100
EMI Songs Limited (A)†	UK	00874639	Ordinary	90	90
EMI Music Publishing Tunes Limited (A)†	UK	01782046	Ordinary	100	100
EMI United Partnership Limited (A)†	UK	01688838	Ordinary	90	90
EMI Music Publishing Europe Limited (A)†	UK	00291686	Ordinary	100	100
EMI MP UK Spareco 167 Limited (B)(C)(2)†	UK	06449766	Ordinary	-	-
Acton Green Music Limited (A)	UK	01186681	Ordinary	100	100
Bardell Smith Publishing Limited (A)	UK	01182469	Ordinary	100	100
Cinderella Music Limited (B)(C)	UK	00722348	Ordinary	100	100
EMI Music Publishing Copyright Holdings Limited (A)	UK	02200692	Ordinary	100	100
EMI Melodies Limited (A)	UK	01512980	Ordinary	100	100
Laurel Music Company Limited (B)(C)	UK	00657872	Ordinary	100	100
Lorna Music Company Limited (B)(C)	UK	00667372	Ordinary	100	100
Mercury Music Co Limited (B)(C)	UK	00570882	Ordinary	100	100
Motor Music Limited (A)	UK	01318708	Ordinary	100	100
And Son Music Limited (A)	UK	01305920	Ordinary	100	100
Ardmore & Beechwood Limited (A)	UK	00606756	Ordinary	100	100
B.Feldman & Co. Limited (A)	UK	00414515	Ordinary	100	100
Berry Music Co Limited (B)(C)	UK	00543038	Ordinary	100	100
Big Ben Music Limited (A)	UK	01013566	Ordinary	100	100
Biot Music Limited (B)(C)	UK	01835949	Ordinary	100	100
Dix Limited (B)(C)	UK	00184742	Ordinary	100	100
Donna Music Limited (B)(C)	UK	00835501	Ordinary	100	100

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11 Investments (continued)

Principal subsidiary undertakings (continued)

Subsidiary undertaking	Country of incorporation	Company number	Class of share held	Ownership 2022 %	Ownership 2021 %
EMI Film & Theatre Music Limited (A)	UK	00970812	Ordinary	100	100
EMI Harmonies Limited (A)	UK	00970422	Ordinary	100	100
EMI Music Publishing Mills Music Limited (B)(C)	UK	00746968	Ordinary	100	100
EMI Multimood Music Limited (B)(C)	UK	00746959	Ordinary	100	100
Francis, Day & Hunter Limited (A)	UK	00203742	Ordinary	100	100
General Music UK Limited (A)	UK	01840398	Ordinary	100	100
Gloucester Place Music Limited (A)	UK	01492259	Ordinary	100	100
Hit & Run Music (Publishing) Limited (A)	UK	01333197	Ordinary	100	100
Arcadia 99 Limited (A)	UK	02041330	Ordinary	100	100
Charisma Music Publishing Co. Limited(The) (A)	UK	01211507	Ordinary	100	100
K.P.M. Music Limited (A)	UK	00660023	Ordinary	100	100
DGI Library Limited (A)	UK	04617391	Ordinary	100	100
The Ded Good Music Library Limited (A)	UK	03426791	Ordinary	100	100
Keith Prowse Music Publishing Company Limited (A)	UK	00553066	Ordinary	100	100
Lawrence Wright Music Company Limited (B)(C)	UK	00269300	Ordinary	100	100
Levels Songs Limited (A)	UK	06607524	Ordinary	100	100
Music House (International) Limited (A)	UK	01994142	Ordinary	100	100
Nisbet and Beck Music Limited (A)	UK	01383392	Ordinary	100	100
Sam Fox Publishing Company (London) Limited (B)(C)	UK	00217080	Ordinary	100	100
Screen Gems-EMI Music Limited (B)(C)	UK	00188714	Ordinary	100	100
Peter Maurice Music Company Limited(The) (A)	UK	00250282	Ordinary	100	100
Themes International (Music) Limited (A)	UK	01090387	Ordinary	100	100
Delabel Music Publishing (UK) Limited (A)	UK	04128736	Ordinary	100	100
Robbins Music Corporation Limited (B)(C)	UK	00511653	Ordinary	100	100
Peers Music Limited (A)	UK	00730403	Ordinary	100	100
Play MusicFinder Limited (B)(C)	UK	04302889	Ordinary	100	100
Purple Fox Limited (A)	UK	07931888	Ordinary	100	100
Purple Firefly Limited (B)(C)	UK	07968779	Ordinary	100	100
Manchester Music Limited (B)(C)	UK	00871015	Ordinary	100	100
EMI Paradise Music Limited*	UK	00691827	Ordinary	67	67
Touch it Music Production Limited (A)	UK	05888398	Ordinary	100	100
Moss Rose Music Limited (A)	UK	00787741	Ordinary	100	100
Jump Music Limited (A)	UK	09830644	Ordinary	100	100

The registered office address of all subsidiary incorporated in the UK is 4 Handyside Street, London, England N1C 4DJ.

11 Investments (continued)

(A) Subsidiaries that are exempt from audit by virtue of S479A of the Companies Act 2006.
(B) Dormant subsidiaries that are exempt from preparing individual financial statements by virtue of S394A of the Companies Act 2006.
(C) Dormant subsidiaries that are exempt from filing with the registrar individual financial statements by virtue of S448A of the Companies Act 2006.

† Directly owned.

* Ordinary share capital held (where different to voting rights held) by EMI Music Publishing Limited or its subsidiary undertakings. EMI Paradise Music Limited (50% of share capital held) is included as a subsidiary since EMI Music Publishing Limited has control through the proportion of voting rights held (67%).

During the year:

(1) On 9 July 2021, EMI Music Publishing Tunes Limited issued 47,691,724 shares of £0.10 each to EMI Music Publishing Finance (UK) Limited in exchange for an intercompany payable of £4,769k to its name.

During the previous year:

(1) On 1 April 2020, the Company received a dividend of £5,446k from EMI Music Publishing Limited. Subsequently, EMI Music Publishing Limited issued 5,445,758 shares of £1.00 each to EMI Music Publishing Finance (UK) Limited in exchange for an intercompany receivable in the total amount of £5,446k. Such issuance of additional shares has led to EMI Music Publishing Finance (UK) Limited owning 86,639,786 ordinary shares.

(2) On 7 April 2020, EMI MP UK Spareco 167 Limited a 100% wholly owned subsidiary was voluntarily struck off by the Company.

The following are the principal undertakings in which the Company's interest as at 31 March 2022 is more than 20%, and whose activity is that of music publishing.

	Country of Incorporation	Class of share held	Ownership 2022 %	Ownership 2021 %
Associated undertakings - associates				
Box & Cox Publications Limited (A)(i)	UK	Ordinary	16	16
British Lion Music Limited (A)(i)	UK	Ordinary	40	40
Hermusic Limited (ii)	UK	Ordinary	40	40
Associated undertakings - joint ventures				
Kennedy Street Music Limited (ii)	UK	Ordinary	50	50

(i) The registered office address incorporated in the UK is 27 Abbey Gardens, London, England, NW8 9AS.

(ii) The registered office address incorporated in the UK is 4 Handyside Street, London, England N1C 4DJ.

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12 Debtors

Group	**2022**	2021
	£'000	£'000
Trade debtors	**38**	6,381
Amounts owed by Group undertakings	**326,808**	765,287
Deferred tax asset (see note 15)	**1,351**	324
Prepayments and accrued income	**142,374**	141,988
	470,571	913,980
Due within one year	**470,571**	913,980

Trade debtors are stated after provision for impairment of £720k (2021: £322k).

Company	**2022**	2021
	£'000	£'000
Amounts owed by Group undertakings	**2,298**	557,211
Deferred tax asset (see note 15)	**867**	-
Taxation and social security	**3,080**	3,419
	6,245	560,630
Due within one year	**6,245**	560,630
	6,245	560,630

On 9 July 2021, EMI Music Publishing Tunes Limited issued 47,691,724 shares of £0.10 each to EMI Music Publishing Finance (UK) Limited in exchange for an intercompany payable of £4,769k to its name.

Amounts owed by group undertakings are unsecured, interest free and repayable on demand except to the tune of £271,359k (2021: £nil) for consolidated accounts and £2,302k (2021: £nil) for the Company that relates to short term lending to Sony Global Treasury Services Plc which is unsecured, repayable on demand and interest is charged at 0.002% to 0.5875% (2021: 0.05%).

Prepayments and accrued income amounts relate to advances paid to artists less the provisions made against those balances, and an estimate of accrued income at the Balance Sheet date.

13 Cash at bank and in hand

Group	2022 £'000	2021 £'000
Cash at bank and in hand	279	40,435

Company	2022 £'000	2021 £'000
Cash at bank and in hand	-	876

14 Creditors: amounts falling due within one year

Group	2022 £'000	2021 £'000
Trade creditors	146,277	165,885
Amounts owed to Group undertakings	67,209	446,552
Taxation and social security	-	2,130
Corporation Tax	10,023	1,928
Accruals and deferred income	2,550	2,778
	226,059	619,273

Company	2022 £'000	2021 £'000
Amounts owed to Group undertakings	140	633,364
Taxation and social security	3,044	-
	3,184	633,364

Amounts owed to group undertakings are unsecured, interest free and repayable on demand except to the tune of £nil (2021: £398,278k) for consolidated accounts and £nil (2021: £nil) for the Company that relates to short term lending from Sony Global Treasury Services Plc which is unsecured, repayable on demand and interest is charged at 0.62% to 1.33% (2021: 0.64% to 1.13%).

On 9 July 2021, the Company received a dividend of £201,321k from EMI Music Publishing Limited in specie. The Company has offset the amount of dividend against the intercompany loan of £126,321k from EMI Music Publishing Group International B.V. and £75,000k from Sony Music Publishing (UK) Limited, the benefits of which were assigned and transferred by EMI Music Publishing Limited as part of loan restructuring.

15 Deferred tax assets

Deferred tax assets are attributable to the following:

Group	Assets 2022 £'000	2021 £'000
Fixed asset timing differences	239	275
Short term timing differences	27	49
Unused tax losses	1,085	-
Net tax assets	1,351	324

Company	Assets 2022 £'000	2021 £'000
Unused tax losses	867	-
Net tax assets	867	-

16 Employee benefit

Defined contribution scheme

The Group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the Group to the scheme and amounted to £782k (2021: £365k).

There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

17 Capital and reserves

Share capital	2022 £'000	2021 £'000
Allotted and called up		
140,001 (2021: 178,872,561) Ordinary shares of £1 each (2021: £0.00000000559057238522 each)	140	*

* The amount is below rounding off norms.

Dividends paid during the year amounts to £122,085k (2021: £nil). The Directors have not recommended a dividend for the year (2021: £nil).

On 10 July 2021, the Company consolidate the previously issued ordinary share of 178,872,561 at a par value of £0.00000000559057238522 to ordinary share of 1 at a par value of £1.

On 10 March 2022, the Company issued 140,000 Ordinary shares at a par value of £1 at £12.775789571 per share which included a component of share premium.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

17 Capital and reserves (continued)

Reserves

Called up share capital

Represents the nominal value of shares issued.

Other reserves

Other reserves consists of share premium, which represents the excess paid over the nominal value of shares issued and additional capital contributions which have been made.

Profit and Loss Account

Represents the reserves for net gains and losses recognised in the Profit and Loss Account.

18 Net debt analysis

The below is an analysis of changes in net debt of the Group from the beginning to the end of the current reporting year:

Group	Borrowings due within one year £'000	Subtotal £'000	Cash and cash equivalents £'000	Net debt £'000
Balance at 1 April 2021	(446,552)	(446,552)	40,435	(406,117)
Cash flows	399,392	399,392	(40,156)	359,236
Other loan adjustments	(18,225)	(18,225)	-	(18,225)
New loans issued	-	-	-	-
Interest charged - not paid	(1,824)	(1,824)	-	(1,824)
Effect of movements in foreign exchange	-	-	-	-
Balance as 31 March 2022	**(67,209)**	**(67,209)**	**279**	**(66,930)**

19 Financial Commitments and Contingencies

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

	2022 £'000	2021 £'000
Within one year	18,792	26,299
Within two to five years	64,083	64,626
	82,875	90,925

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20 Related parties

The Company is exempt under the terms of FRS 102.33 Related Party Disclosures from disclosing related party transactions with entities that are part of the Sony Corporation group or investees of the Sony Corporation Group provided that any subsidiary which is party to the transaction is wholly owned by the Group.

21 Ultimate parent company and parent company of larger group

The immediate parent undertaking and controlling party of the Company is Sony Music Publishing (UK) Limited, 4 Handyside Street, London, England, N1C 4DJ Company registered in England and Wales in the United Kingdom.

The largest and smallest group in which the results of the Company are consolidated is that headed by Sony Corporation is also the ultimate parent undertaking. The consolidated financial statements of these groups are available to the public and may be obtained from 1-7-1 Konan Minato-ku, Tokyo, Japan, 108-0075.