

COMPANY REGISTRATION NUMBER 00250282

**Peter Maurice Music Company Limited(The)
Annual Report and Financial Statements
For the Year Ended 31 March 2020**

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Peter Maurice Music Company Limited(The)

Annual Report and Financial Statements

Year ended 31 March 2020

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Peter Maurice Music Company Limited(The)

Officers and Professional Advisers

The Board of Directors G R Henderson
 T F Kelly
 T W Major
 J J Platt

Company secretary TMF Corporate Administration Services Limited

Registered office 22 Berners Street
 London
 United Kingdom
 W1T 3LP

Peter Maurice Music Company Limited(The)**Strategic Report****Year ended 31 March 2020**

The Directors present the Strategic Report of Peter Maurice Music Company Limited(The) ("the Company") for the year ended 31 March 2020, detailing the main factors impacting upon the business during the year and a review of progress. The comparatives are for the year ended 31 March 2019.

Principal activities and business review

The principal activity of the Company continued to be that of music publishing. As a result of the Company transferring its economic and beneficial rights associated with copyrights, publishings and other contracts to EMI Music Publishing Limited and the subsequent settlement of all inter-company loans. The Directors intend to make the Company dormant for the year ended 31 March 2022.

During the financial year, the Company's turnover decreased by 21% on prior year to £10,471,169 (2019: £13,202,389). The Company made a profit before taxation of £116,749,515 (2019: £4,235,072). The increase in profit before tax is attributable to the Company transferring its economic and beneficial rights associated with copyrights, publishings and other contracts to EMI Music Publishing Limited for the total consideration of £117,116,400 (see note 5).

The Company has net assets of £175,021,036 (2019: £58,877,641).

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

The Company employs no staff and has no separate facilities or overheads, except for those recharged for services rendered by other companies in the EMI Music Publishing group. This entity pays a proportion of employee/other costs borne directly by another UK group entity, in accordance with internal cost share allocation agreements.

The Directors are satisfied with the trading performance during the year.

Future developments

The Directors of the Company have made a strategic decision to reduce the Company's trading activities by transferring the Company's economic and beneficial rights associated with copyrights, publishings and other contracts to EMI Music Publishing Limited, which took place on 31 December 2019.

In the next 12 months, the Directors intend to settle all intercompany loan balances with EMI Music Publishing Limited and subsequently make the Company dormant for the year ended 31 March 2022.

Principal risks and uncertainties

The principal risks and uncertainties facing the Company concern the shift in the types of revenue sources in the worldwide market for recorded music, whose value increased overall by 8.2% in 2019, according to data from the IFPI. As physical sales and digital downloads have declined, digital subscription services have subsidised this loss and fuelled the growth in the whole 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 local third-party collection societies, 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.

Financial risks specific to the Company include liquidity risk and price risk.

Peter Maurice Music Company Limited(The)

Strategic Report (continued)

Year ended 31 March 2020

Financial risk management

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

The Company is part of the Group's administration agreement with Sony/ATV (the "Administrator") whereby the Administrator follows its board approved policy and procedures manual that sets out specific guidelines to manage credit risk.

Credit risk

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

Liquidity risk

Credit checks performed on potential customers ensure the Company's current assets are sufficiently liquid to enable it to pay its bills and fund its current liabilities.

Brexit risk

In a referendum held on 23 June 2016, the UK resolved to leave the European Union ('EU'). On 31 January 2020, the UK left the EU and has now entered an 11 month transition period until the end of 2020. During this period, the UK government will negotiate the terms of the UK's future relationship with the EU.

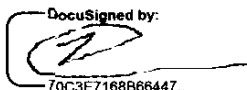
Although it is still unknown what those terms will be, Brexit may create global economic uncertainty, which may affect the Company's risk profile through introducing potentially significant new uncertainties and instability in the music sector.

As a result of the strategic decision to make the Company dormant by the year ended 31 March 2022 and as the Company will not be generating turnover in the year ended 31 March 2021. The Directors do not expect a significant impact on the Company as a result of changes in law and regulations caused by Brexit.

Key performance indicators

There are no KPIs specifically relating to environmental and employee issues as the Company has no employees or separate facilities. It is not possible to obtain meaningful market share information for a company of this size, so we do not consider a KPI appropriate.

Signed on behalf of the Directors

DocuSigned by:

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T W Major
Director

22 Berners Street
London
W1T 3LP

Approved by the Directors on 24-Mar-21

Peter Maurice Music Company Limited(The)**Directors' Report****Year ended 31 March 2020**

The Directors present their annual report and the unaudited financial statements of Peter Maurice Music Company Limited(The) ("the Company") for the year ended 31 March 2020.

Going concern

The Company has made a profit for the financial year of £116,143,395 (2019: £3,445,161), has net current assets of £175,020,986 (2019: £58,015,382) and net assets of £175,021,036 (2019: £58,877,641) at the reporting date.

These financial statements have been prepared on a going concern basis. The Directors of the Company have made a strategic decision to reduce the Company's trading activities by transferring the Company's economic and beneficial rights associated with copyrights, publishings and other contracts to EMI Music Publishing Limited, which took place on 31 December 2019.

In the next 12 months, the Directors intend to settle all intercompany loan balances with EMI Music Publishing Limited and subsequently make the Company dormant for the year ended 31 March 2022.

In preparing the financial statements the Directors have taken into account all information that could reasonably be expected to be available for the following 12 months from the date of signing the financial statements and beyond.

Given the current uncertain economic environment, caused largely by COVID-19, the Directors have carried out a review of the business and have compared the forecast future anticipated cashflows.

The parent company EMI Music Publishing Limited, has agreed to provide financial support to the Company in order that it can continue to trade and meet its liabilities as they fall due.

The Directors have considered the Company's net assets, COVID-19, the Company's ongoing cash requirements, the recoverability of amounts owed by group undertakings and the letter of support received from EMI Music Publishing Limited.

As a result of the review, the Directors are confident the Company has sufficient resources to continue as a going concern for at least 12 months from the date of signing these financial statements and on this basis, they consider that it is appropriate to prepare the financial statements on the going concern basis.

Results and dividends

The profit for the financial year amounted to £116,143,395 (2019: £3,445,161). The Directors have proposed a final ordinary dividend in respect of the current financial year of £175,020,078, equivalent to £6,136.75 per share (2019: £nil). This has not been included within creditors as it was not approved before the year end.

The Company is a wholly owned subsidiary and the interests of the Group Directors are disclosed in the financial statements of the parent company.

Future developments

Further details relating to the future developments of the Company can be found in the Strategic Report on page 3.

Subsequent events

Please see note 16 for details of the Company's events after the reporting date.

Directors

The Directors who served the Company during the year and up to the date of signing the financial statements are listed on page 2.

Peter Maurice Music Company Limited(The)

Directors' Report (continued)

Year ended 31 March 2020

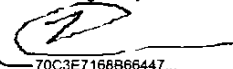
Qualifying third party indemnity provisions

Certain Directors benefited from the qualifying third party indemnity provisions in place during the financial year and at the date of this report.

Political contributions

The Company made no political donations or incurred any political expenditure during the year (2019: £nil).

Signed on behalf of the Directors

DocuSigned by:

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T W Major
Director

22 Berners Street
London
W1T 3LP

Approved by the Directors on 24-Mar-21

Peter Maurice Music Company Limited(The)

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

Year ended 31 March 2020

The Directors are responsible for preparing the Strategic Report, the Directors' 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 Company financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing 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;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Peter Maurice Music Company Limited(The)**Profit and Loss Account and Other Comprehensive Income****Year ended 31 March 2020**

	<i>Note</i>	2020 £ Discontinued	2019 £ Discontinued
Turnover	<i>3</i>	10,471,169	13,202,389
Cost of sales		(5,947,365)	(7,510,649)
Gross profit		4,523,804	5,691,740
Administrative expenses		(1,328,658)	(1,456,668)
Operating profit	<i>4</i>	3,195,146	4,235,072
Gain on disposal of operations	<i>5</i>	113,554,369	-
Profit before taxation		116,749,515	4,235,072
Tax on profit	<i>8</i>	(606,120)	(789,911)
Profit for the financial year		116,143,395	3,445,161

The notes on pages 11 to 19 form part of these financial statements.

All of the activities of the Company are classed as discontinued for the current and prior years.

There are no items of Comprehensive Income other than those in the Profit and Loss Account, and therefore no Statement of Comprehensive Income has been presented.

Peter Maurice Music Company Limited(The)**Balance Sheet****At 31 March 2020**

	<i>Note</i>	2020 £	2019 £
Fixed assets			
Intangible assets	9	-	862,209
Investments	10	50	50
		<u>50</u>	<u>862,259</u>
Current assets			
Debtors	11	175,020,986	62,213,579
Creditors: amounts falling due within one year	12	-	(4,198,197)
Net current assets		<u>175,020,986</u>	<u>58,015,382</u>
Total assets less current liabilities		<u>175,021,036</u>	<u>58,877,641</u>
Net assets		<u>175,021,036</u>	<u>58,877,641</u>
Capital and reserves			
Called up share capital	14	1	28,520
Profit and Loss Account		<u>175,021,035</u>	<u>58,849,121</u>
Shareholders' funds		<u>175,021,036</u>	<u>58,877,641</u>

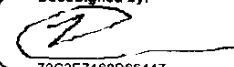
The notes on pages 11 to 19 form part of these financial statements.

For the year ending 31 March 2020 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476.

The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements on pages 8 to 19 were approved by the Board of Directors on 24-Mar-21 and signed on their behalf by:

DocuSigned by:

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T W Major

Director

Company Registration Number: 00250282

Peter Maurice Music Company Limited(The)**Statement of Changes in Equity****Year ended 31 March 2020**

	<i>Note</i>	Called up share capital £	Profit and Loss Account £	Shareholders' funds £
Balance at 1 April 2018		28,520	55,403,960	55,432,480
Total comprehensive income for the year				
Profit for the financial year		-	3,445,161	3,445,161
Total comprehensive income for the year		-	3,445,161	3,445,161
Balance at 31 March 2019		28,520	58,849,121	58,877,641
Balance at 1 April 2019		28,520	58,849,121	58,877,641
Total comprehensive income for the year				
Profit for the financial year		-	116,143,395	116,143,395
Total comprehensive income for the year		-	116,143,395	116,143,395
Transactions with owners, recorded directly in equity				
Capital reduction	14	(28,519)	28,519	-
Total contributions by and distributions to owners		(28,519)	28,519	-
Balance at 31 March 2020		1	175,021,035	175,021,036

The notes on pages 11 to 19 form part of these financial statements.

Peter Maurice Music Company Limited(The)**Notes to the Financial Statements****Year ended 31 March 2020****1. Accounting policies**

Peter Maurice Music Company Limited(The) ("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 00250282 and the registered address is 22 Berners Street, London, W1T 3LP.

The Company is exempt under section 401 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These 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.

The Company's ultimate parent undertaking, Sony Corporation includes the Company in its consolidated financial statements. The consolidated financial statements of Sony Corporation are available to the public and may be requested from 22 Berners Street, London, W1T 3LP. In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Cash Flow Statement and related notes;
- Key Management Personnel compensation;

As the consolidated financial statements of Sony Corporation include the disclosures equivalent to those required by FRS 102, the Company has also taken the exemptions available in respect of the following disclosures:

- 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 periods 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 on a going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom.

Going concern

The Company has made a profit for the financial year of £116,143,395 (2019: £3,445,161), has net current assets of £175,020,986 (2019: £58,015,382) and net assets of £175,021,036 (2019: £58,877,641) at the reporting date.

These financial statements have been prepared on a going concern basis. The Directors of the Company have made a strategic decision to reduce the Company's trading activities by transferring the Company's economic and beneficial rights associated with copyrights, publishings and other contracts to EMI Music Publishing Limited, which took place on 31 December 2019.

In the next 12 months, the Directors intend to settle all intercompany loan balances with EMI Music Publishing Limited and subsequently make the Company dormant for the year ended 31 March 2022.

Peter Maurice Music Company Limited(The)**Notes to the Financial Statements (continued)****Year ended 31 March 2020**

1. Accounting policies (continued)**Going concern (continued)**

In preparing the financial statements the Directors have taken into account all information that could reasonably be expected to be available for the following 12 months from the date of signing the financial statements and beyond.

Given the current uncertain economic environment, caused largely by COVID-19, the Directors have carried out a review of the business and have compared the forecast future anticipated cashflows.

The parent company EMI Music Publishing Limited, has agreed to provide financial support to the Company in order that it can continue to trade and meet its liabilities as they fall due.

The Directors have considered the Company's net assets, COVID-19, the Company's ongoing cash requirements, the recoverability of amounts owed by group undertakings and the letter of support received from EMI Music Publishing Limited.

As a result of the review, the Directors are confident the Company has sufficient resources to continue as a going concern for at least 12 months from the date of signing these financial statements and on this basis, they consider that it is appropriate to prepare the financial statements on the going concern basis.

Foreign currency

Transactions in foreign currencies are translated to the Company's 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.

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:

- 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
- 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's 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 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.

Peter Maurice Music Company Limited(The)**Notes to the Financial Statements (continued)****Year ended 31 March 2020**

1. Accounting policies (continued)**Basic financial instruments (continued)***Investments*

Investments in subsidiaries are carried at cost less impairment.

Intangible assets

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

Amortisation

Amortisation is charged to the Profit and Loss Account on a straight-line basis over the licence period or estimated useful lives of intangible assets. Intangible assets are amortised from the date they are available for use. The estimated useful lives are as follows:

Copyrights	5 - 20 years
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The Company reviews the amortisation period and method when events and circumstances indicate that the useful life may have changed since the last reporting date.

Discontinued operations

Discontinued operations are components of the Company that have been disposed of at the reporting date and previously represented a separate major line of business or geographical area of operation. They are included in the profit and loss account in a separate column for the current and comparative periods, including the gain or loss on sale.

During the year the Company transferred its economic and beneficial rights associated with copyrights, publishing and other contracts to EMI Music Publishing Limited for the total consideration of £117,116,400. This has been classified as a discontinued operation.

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 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. 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.

Peter Maurice Music Company Limited(The)**Notes to the Financial Statements (continued)****Year ended 31 March 2020**

1. Accounting policies (continued)**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 periods different from those in which they are recognised in the financial statements.

The following timing differences are not provided for:

- differences relating to investments in subsidiaries 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 it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

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.

Turnover

The Company's turnover is wholly attributable to its principal activity and the Directors do not believe that any part of the Company'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. Turnover is stated after deducting all commissions and any sales related taxes levied on turnover.

In certain countries, the Company has assigned its rights to royalty income to other undertakings of the EMI Music Publishing Group.

Debtors - royalty advances

Royalties due to an advance 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-down value of an advance, a provision for the estimated shortfall will be raised. Advances are included in debtors as recoverable within one year although certain amounts may be recovered after more than one year.

Provisions

A provision is recognised where the expected future earnings of a writer do not support the net value of the advance. Advances to writers who are deemed to be unproven at the time of the advance are fully provided for at that time. A further review of the recoverability of unproven and proven writers is undertaken at the end of the period, and an additional adjustment to the provision may be made at this point. The expense charged to the Profit and Loss Account in the year was £339,008 (2019: £363,118).

Peter Maurice Music Company Limited(The)**Notes to the Financial Statements (continued)****Year ended 31 March 2020****2. Accounting estimates and judgements**

The Company makes estimates and judgements concerning the future. The resulting accounting estimates will by definition, seldom equal the related actual results. These estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

During the year the Company transferred their economic and beneficial rights associated with copyrights, publishing and other contracts to EMI Music Publishing Limited for the total consideration of £117,116,400. The fair value of consideration was determined by a valuation report, using the Company's 3 year average Net Publisher Share "NPS" (being royalty income less royalty expense). A profit on disposal of £113,554,369 (2019: £nil) has been recognised in the profit and loss account (see note 5).

3. Turnover

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

An analysis of turnover by geographical market is given below:

	2020 £	2019 £
United Kingdom	6,594,107	8,042,853
Rest of Europe	2,453,315	3,366,075
USA	742,841	734,239
Rest of the world	680,906	1,059,222
	<u>10,471,169</u>	<u>13,202,389</u>

4. Operating profit

Included in profit is the following:

	2020 £	2019 £
Amortisation of intangible assets	243,910	209,789
Cost recharges due to EMI Music Publishing Limited	<u>729,422</u>	<u>818,282</u>

5. Profit on disposal of operations

	2020 £	2019 £
Profit on the transfer and assignment of the beneficial rights of royalties to EMI Music Publishing Limited	<u>113,554,369</u>	<u>-</u>

On 31 December 2019, the Company transferred its economic and beneficial rights associated with copyrights, publishings and other contracts valued at a total of £117,116,400 to EMI Music Publishing Limited. This has resulted on a gain on disposal of £113,554,369 and has been treated as a disposal of operations.

Peter Maurice Music Company Limited(The)**Notes to the Financial Statements (continued)****Year ended 31 March 2020****6. Directors' remuneration**

The Directors who are also the Company key management, received no remuneration for their services to the Company during the year (2019: £nil).

The UK Directors were remunerated by Sony Music Publishing (UK) Limited and the US Directors were remunerated by Sony Music Holdings Inc.

7. Staff numbers and costs

The Company had no employees (2019: none).

8. Taxation**Total tax expense recognised in the Profit and Loss Account**

	2020 £	2019 £
<i>Current tax</i>		
Current tax on profit for the year	597,989	789,911
Total current tax	<u>597,989</u>	<u>789,911</u>
<i>Deferred tax</i>		
Origination and reversal of timing differences	9,089	14,752
Adjustment in respect of previous years	-	(13,199)
Effect of changes in tax rates	(958)	(1,553)
Total deferred tax	<u>8,131</u>	<u>-</u>
Total tax	<u>606,120</u>	<u>789,911</u>

Reconciliation of effective tax rate

	2020 £	2019 £
Profit for the year	116,143,395	3,445,161
Total tax expense	<u>606,120</u>	<u>789,911</u>
Profit before taxation	116,749,515	4,235,072
Tax using the UK corporation tax rate of 19% (2019: 19%)	22,182,408	804,664
<i>Effect of:</i>		
Expenses not deductible for tax purposes	-	(1)
Income not taxable	(21,575,330)	-
Effects of group relief/other reliefs	-	-
Adjustments in respect of previous years	-	(13,199)
Tax rate changes	(958)	(1,553)
Total tax expense	<u>606,120</u>	<u>789,911</u>

Factors that may affect future tax charges

A UK corporation rate of 19% (effective 1 April 2020) was substantively enacted on 17 March 2020, reversing the previously enacted reduction in the rate from 19% to 17%. The deferred tax liability at the Balance Sheet date has been calculated at 19% (2019: 19%).

Peter Maurice Music Company Limited(The)**Notes to the Financial Statements (continued)****Year ended 31 March 2020****9. Intangible assets**

	Copyrights £
Cost	
At 1 April 2019	2,257,276
Additions	2,943,732
Disposals	(5,201,008)
At 31 March 2020	-
Amortisation and impairment	
At 1 April 2019	1,395,067
Amortisation for the year	243,910
Disposals	(1,638,977)
At 31 March 2020	-
Net book value	
At 31 March 2020	-
At 31 March 2019	862,209

On 31 December 2019, the Company transferred its copyrights with a net book value of £3,562,031 to EMI Music Publishing Limited, as part of the Strategic decision to make the Company dormant for the year ended 31 March 2021 (see note 5).

10. Fixed asset investments

	Shares at cost £
Cost	
At 1 April 2019	50
At 31 March 2020	50
Net book value	
At 31 March 2020	50
At 31 March 2019	50

The Company has the following investments in subsidiaries whose activity is that of music publishing:

	Country of incorporation	Class of shares held	Ownership 2020 %	Ownership 2019 %
Moss Rose Music Limited	UK	Ordinary	100	100

The Directors believe that the carrying value of the investments is supported by their underlying net assets.

The registered office address of all subsidiaries incorporated in the UK is 22 Berners Street, London, W1T 3LP, United Kingdom.

In the opinion of the Directors, the aggregate value of interests consisting of shares is not less than the amounts at which those investments are stated in the Balance Sheet.

Peter Maurice Music Company Limited(The)**Notes to the Financial Statements (continued)****Year ended 31 March 2020****11. Debtors**

	2020 £	2019 £
Trade debtors	-	39,560
Prepayments and accrued income	-	4,532,948
Amounts owed by group undertakings	175,020,986	57,580,940
Deferred tax asset (see note 13)	-	60,131
	<u>175,020,986</u>	<u>62,213,579</u>

At 31 March 2020, debtors falling due after more than one year amounted to £nil (2019: £nil).

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

12. Creditors: amounts falling due within one year

	2020 £	2019 £
Accruals and deferred income	-	3,408,286
Taxation	-	789,911
	<u>-</u>	<u>4,198,197</u>

13. Deferred tax

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2020 £	2019 £	2020 £	2019 £	2020 £	2019 £
Fixed assets timing differences	-	(60,131)	-	-	-	(60,131)
Net tax (assets) / liabilities	<u>-</u>	<u>(60,131)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(60,131)</u>

Peter Maurice Music Company Limited(The)**Notes to the Financial Statements (continued)****Year ended 31 March 2020****14. Called up share capital****Share capital****Allotted, called up and fully paid:**

	2020	2019
	£	£
28,520 (2019: 28,520) Ordinary shares of £0.0000350631136044881 (2019: £1) each	1	28,520

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.

On 21 February 2020, the share capital of the Company was reduced by £28,519, by cancelling and repaying paid up capital to the extent of £0.999964936886396 on each issued Ordinary share reducing the nominal value of each share from £1 to £0.0000350631136044881, with the reduction credited to the Profit and Loss Account.

Distributable reserves have increased by £28,519, as a result of a reduction of the Company's Share Capital Account in accordance with Section 641 of the Companies Act 2006.

Reserves*Called up share capital*

Represents the nominal value of shares issued.

Profit and Loss Account

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

Dividends

After the Balance Sheet date total dividends £175,020,078, equivalent to £6,136.75 (2019: £nil) per qualifying Ordinary share were proposed by the Directors. The dividends have not been provided for at the year end.

15. Ultimate parent company and parent company of larger group

The ultimate parent undertaking and controlling party is Sony Corporation, a company registered in Japan.

The largest group in which the results of the Company are consolidated is that headed by Sony Corporation, 1-7-1 Konan Minato-ku, Tokyo, Japan, 108-0075. The smallest group in which they are consolidated is that headed by EMI Music Publishing Finance (UK) Limited, 22 Berners Street, London, W1T 3LP. The consolidated financial statements of these groups are available to the public and may be requested from 22 Berners Street, London, W1T 3LP, United Kingdom.

16. Subsequent events

On 1 April 2020, total dividends £175,020,078 equivalent to £6,136.75 per qualifying ordinary share was declared by the Company and paid in full.