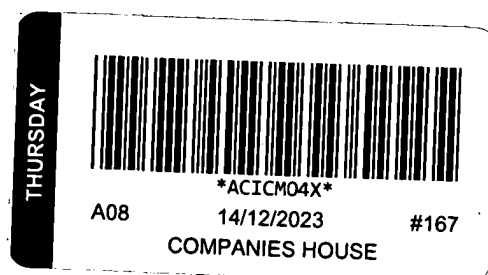


Company registration number 06773618 (England and Wales)

CONCORD UK GROUP SERVICES LIMITED
ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 DECEMBER 2022



CONCORD UK GROUP SERVICES LIMITED

COMPANY INFORMATION

Directors	V Pascucci K Hoskins J Minch R Valentine
Secretary	J Prakash
Company number	06773618
Registered office	c/o Concord Music Group Aldwych House 71-91 Aldwych London United Kingdom WC2B 4HN
Auditor	Azets Audit Services Ashcombe Court Woolsack Way Godalming Surrey United Kingdom GU7 1LQ

CONCORD UK GROUP SERVICES LIMITED

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CONCORD UK GROUP SERVICES LIMITED

STRATEGIC REPORT

FOR THE PERIOD ENDED 30 DECEMBER 2022

The directors present the strategic report, directors' report and audited financial statements for the Period ended 30 December 2022.

Principal activities

The company and group's principal activity remained unchanged throughout the year and continues to be a group management service company.

Future developments

On 1 January 2023, the company formed three new divisions, specialising in the services to be provided to the three associated music formats, classical, theatrical and popular music, the original division concentrating on those shared services provided to each of the three new divisions and affiliates. Beyond this functional rationalisation, the directors do not anticipate any change to the company's and group's activities in the foreseeable future.

Review of the business

The consolidated financial results of the company, set out in the group statement of comprehensive income on page 8, show a profit after tax of £313,038 (2021: £40,002).

The consolidated Balance Sheet at 30 December 2022 showed net current assets of £212,517 (2021: liabilities of £125,823). The directors of Alchemy Copyrights, LLC, the group's ultimate parent company, have confirmed that it will continue to provide support to the group to enable the group to meet the group's liabilities as they fall due for at least twelve months from the date of signing the financial statements.

The company and group is a group service company and therefore does not have any specific key performance indicators. The directors review the company and group's performance in aggregate with other group affiliated companies.

Principal risks and uncertainties

The company is predominantly dependent on the financial success of the Concord Copyrights Limited, Boosey & Hawkes Holdings Limited and Concord Theatricals Limited groups of companies, to whom the company supplies management services and who are its main source of income.

These fellow subsidiaries' revenues are substantially made up of royalties arising from popular and classical music composers signed to its fellow subsidiaries and performances of musical stage productions licensed by Concord Theatricals Limited. The company is therefore very dependent on Concord Copyrights Ltd, Boosey & Hawkes Holdings Ltd and Concord Theatricals Ltd's music catalogues continuing to be highly valued.

Additionally, the company and its fellow subsidiaries are potentially at risk from further downturn in the economies in which they respectively operate.

The board monitors all risks to which the company and its subsidiaries may be subject, with a view to minimising any adverse effects, as well as identifying any business opportunities that may present themselves.

CONCORD UK GROUP SERVICES LIMITED

STRATEGIC REPORT (CONTINUED)

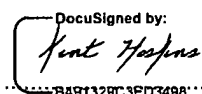
FOR THE PERIOD ENDED 30 DECEMBER 2022

Going Concern Implications

Current forecasts are dependent on the Concord Music Group continuing to support the ongoing operations of the company and group. In this respect Alchemy Copyrights, LLC, the ultimate parent company, has indicated its intention to continue to make available such funds and other necessary support as are needed by the company and group during the going concern assessment period. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company and group will have sufficient funds to continue to meet their liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

On behalf of the board

DocuSigned by:

B491329C3ED3498...

K Hoskins

Director

Date:8.....December 2023

CONCORD UK GROUP SERVICES LIMITED

DIRECTORS' REPORT

FOR THE PERIOD ENDED 30 DECEMBER 2022

The directors present their annual report and financial statements for the Period ended 30 December 2022.

Results and dividends

The results for the Period are set out on page 8.

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

Directors

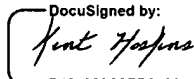
The directors who held office during the Period and up to the date of signature of the financial statements were as follows:

V Pascucci
K Hoskins
J Minch
R Valentine

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board

DocuSigned by:

.....B491929C9ED3486...
K Hoskins
Director

Date:8.....December 2023

CONCORD UK GROUP SERVICES LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE PERIOD ENDED 30 DECEMBER 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company, and of the profit or loss of the group 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and 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 company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CONCORD UK GROUP SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF CONCORD UK GROUP SERVICES LIMITED

Opinion

We have audited the financial statements of Concord UK Group Services Limited (the 'parent company') and its subsidiaries (the 'group') for the Period ended 30 December 2022 which comprise the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 30 December 2022 and of the group's profit for the Period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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.

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 parent 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.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial Period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

CONCORD UK GROUP SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CONCORD UK GROUP SERVICES LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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 parent 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 parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's 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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

CONCORD UK GROUP SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF CONCORD UK GROUP SERVICES LIMITED

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

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



Russell Chowney BFP FCA (Senior Statutory Auditor)
For and on behalf of Azets Audit Services

Date: 8 December 2023

Chartered Accountants
Statutory Auditor

Ashcombe Court
Woolsack Way
Godalming
Surrey
United Kingdom
GU7 1LQ

CONCORD UK GROUP SERVICES LIMITED**GROUP STATEMENT OF COMPREHENSIVE INCOME****FOR THE PERIOD ENDED 30 DECEMBER 2022**

		Period ended 30 December 2022	Year ended 31 December 2021 as restated
	Notes	£	£
Turnover	2	12,979,881	10,857,810
Administrative expenses		(12,934,496)	(10,625,762)
Operating profit		45,385	232,048
Interest payable and similar expenses	6	(130)	(20,831)
Amounts written off investments		-	855
Profit before taxation		45,255	212,072
Tax on profit	7	267,783	(172,070)
Profit for the financial Period		313,038	40,002
Other comprehensive income			
Currency translation gain/(loss) taken to retained earnings		4,169	(2,434)
Total comprehensive income for the Period		317,207	37,568

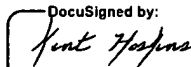
Profit for the financial Period is all attributable to the owners of the parent company.

Total comprehensive income for the Period is all attributable to the owners of the parent company.

CONCORD UK GROUP SERVICES LIMITED**GROUP BALANCE SHEET****AS AT 30 DECEMBER 2022**

		30 December 2022		31 December 2021	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	8		1,041,410		1,062,543
Current assets					
Debtors	11	1,514,798		1,903,302	
Cash at bank and in hand		2,257,318		1,416,676	
		<u>3,772,116</u>		<u>3,319,978</u>	
Creditors: amounts falling due within one year	12	<u>(3,559,599)</u>		<u>(3,445,801)</u>	
Net current assets/(liabilities)			<u>212,517</u>		<u>(125,823)</u>
Net assets			<u>1,253,927</u>		<u>936,720</u>
Capital and reserves					
Called up share capital	15		100		100
Profit and loss reserves			<u>1,253,827</u>		<u>936,620</u>
Total equity			<u>1,253,927</u>		<u>936,720</u>

The financial statements were approved by the board of directors and authorised for issue onDecember 2023 and are signed on its behalf by:

DocuSigned by:

 B491329C3ED3498...
 K Hoskins
 Director

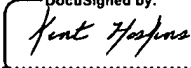
Company registration number 06773618 (England and Wales)

CONCORD UK GROUP SERVICES LIMITED**COMPANY BALANCE SHEET****AS AT 31 DECEMBER 2022**

		30 December 2022		31 December 2021	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	8		727,028		858,428
Investments	9		21,902		21,902
			<u>748,930</u>		<u>880,330</u>
Current assets					
Debtors	11	998,497		1,498,367	
Cash at bank and in hand		2,002,026		1,170,000	
		<u>3,000,523</u>		<u>2,668,367</u>	
Creditors: amounts falling due within one year	12	<u>(2,518,044)</u>		<u>(2,662,428)</u>	
Net current assets			<u>482,479</u>		<u>5,939</u>
Net assets			<u>1,231,409</u>		<u>886,269</u>
Capital and reserves					
Called up share capital	15		100		100
Profit and loss reserves			1,231,309		886,169
Total equity			<u>1,231,409</u>		<u>886,269</u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £345,040 (2021 - £31,731 profit).

The financial statements were approved by the board of directors and authorised for issue on8.....December 2023 and are signed on its behalf by:

DocuSigned by:

 K Hoskins
 Director

Company registration number 06773618 (England and Wales)

CONCORD UK GROUP SERVICES LIMITED**GROUP STATEMENT OF CHANGES IN EQUITY****FOR THE PERIOD ENDED 30 DECEMBER 2022**

	Share capital	Profit and loss reserves	Total
	£	£	£
For the period ended 31 December 2021:			
Balance at 1 January 2021	100	899,052	899,152
Year ended 31 December 2021:			
Profit for the year	-	40,002	40,002
Other comprehensive income:			
Currency translation differences	-	(2,434)	(2,434)
Total comprehensive income	-	37,568	37,568
Balance at 31 December 2021	100	936,620	936,720
Period ended 30 December 2022:			
Profit for the period	-	313,038	313,038
Other comprehensive income:			
Currency translation differences	-	4,169	4,169
Total comprehensive income	-	317,207	317,207
Balance at 30 December 2022	100	1,253,827	1,253,927

CONCORD UK GROUP SERVICES LIMITED**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 DECEMBER 2022**

	Share capital	Profit and loss reserves	Total
	£	£	£
For the period ended 31 December 2021:			
Balance at 1 January 2021	100	854,438	854,538
Year ended 31 December 2021:			
Profit and total comprehensive income for the year	-	31,731	31,731
Balance at 31 December 2021	100	886,169	886,269
Period ended 30 December 2022:			
Profit and total comprehensive income	-	345,040	345,040
Balance at 30 December 2022	100	1,231,309	1,231,409

CONCORD UK GROUP SERVICES LIMITED**GROUP STATEMENT OF CASH FLOWS****FOR THE PERIOD ENDED 30 DECEMBER 2022**

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from operations	19	1,071,628		723,676	
Interest paid		(130)		(9,000)	
Income taxes refunded/(paid)		310,548		(9,000)	
Net cash inflow from operating activities		1,382,046		705,676	
Investing activities					
Purchase of tangible fixed assets		(559,689)		(659,000)	
Proceeds from disposal of tangible fixed assets		2,438		11,000	
Net cash used in investing activities		(557,251)		(648,000)	
Net increase in cash and cash equivalents		824,795		57,676	
Cash and cash equivalents at beginning of Period		1,416,676		1,369,000	
Effect of foreign exchange rates		15,847		(10,000)	
Cash and cash equivalents at end of Period		2,257,318		1,416,676	

CONCORD UK GROUP SERVICES LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 DECEMBER 2022

1 Accounting policies

Company information

Concord UK Group Services Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is c/o Concord Music Group, Aldwych House, 71-91 Aldwych, London, United Kingdom, WC2B 4HN.

The group consists of Concord UK Group Services Limited and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Business combinations

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

1.3 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company Concord UK Group Services Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 30 December 2022. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

CONCORD UK GROUP SERVICES LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 DECEMBER 2022

1 Accounting policies

(Continued)

Entities in which the group holds an interest and which are jointly controlled by the group and one or more other venturers under a contractual arrangement are treated as joint ventures. Entities other than subsidiary undertakings or joint ventures, in which the group has a participating interest and over whose operating and financial policies the group exercises a significant influence, are treated as associates.

Investments in joint ventures and associates are carried in the group balance sheet at cost plus post-acquisition changes in the group's share of the net assets of the entity, less any impairment in value. The carrying values of investments in joint ventures and associates include acquired goodwill.

If the group's share of losses in a joint venture or associate equals or exceeds its investment in the joint venture or associate, the group does not recognise further losses unless it has incurred obligations to do so or has made payments on behalf of the joint venture or associate.

Unrealised gains arising from transactions with joint ventures and associates are eliminated to the extent of the group's interest in the entity.

1.4 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future, see the strategic report for further detail. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.5 Turnover

Turnover represents management services plus an agreed upon service charge percentage (net of VAT) billed to affiliate undertakings on an accruals basis.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	the period of the lease
Fixtures and fittings	3 to 10 years
Computers	3 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

CONCORD UK GROUP SERVICES LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 DECEMBER 2022

1 Accounting policies

(Continued)

1.8 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. 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 loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

CONCORD UK GROUP SERVICES LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 DECEMBER 2022

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.9 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

CONCORD UK GROUP SERVICES LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 DECEMBER 2022

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

1.12 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

1.13 Pension costs

The company contributes to a Group Personal pension operated through Legal & General for company employees. The amount charged to the profit and loss account is respect of pension costs and other post-retirement benefits is the contributions payable in the year.

2 Turnover

The company engages in only one class of business that of providing management services to the group of companies of which it is a member. Turnover is derived as follows:

	2022	2021
	£	As restated £
Turnover analysed by class of business		
United Kingdom	9,323,865	7,779,553
Germany	3,656,016	3,078,257
	<u>12,979,881</u>	<u>10,857,810</u>

3 Auditor's remuneration

	2022	2021
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	<u>30,000</u>	<u>13,930</u>

CONCORD UK GROUP SERVICES LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 DECEMBER 2022

3 Auditor's remuneration

(Continued)

Total group audit fees Concord UK group was all borne by Concord UK Group Services, the above is the fees in relation to the audit of Concord UK Group services only.

4 Employees

The average monthly number of persons (including directors) employed by the group and company during the Period was:

	Group 2022 Number	2021 Number	Company 2022 Number	2021 Number
Administration	95	78	53	45
Marketing	3	4	3	4
Total	<u>98</u>	<u>82</u>	<u>56</u>	<u>49</u>

Their aggregate remuneration comprised:

	Group 2022 £	2021 as restated £	Company 2022 £	2021 as restated £
Wages and salaries	6,364,258	5,072,355	4,116,900	2,925,197
Social security costs	876,120	647,047	492,808	281,681
Pension costs	299,663	215,982	299,663	215,982
	<u>7,540,041</u>	<u>5,935,384</u>	<u>4,909,371</u>	<u>3,422,860</u>

As a group service company, the costs and headcount disclosed above refer to all UK group employees paid through the company. During the year, the affiliated companies that had been using their own separate PAYE schemes were transferred into the company's PAYE scheme with effect from 1 Nov 2022.

5 Directors' remuneration

	2022 £	2021 £
Remuneration for qualifying services	815,642	1,732,375
Company pension contributions to defined contribution schemes	17,292	59,643
	<u>832,934</u>	<u>1,792,018</u>

CONCORD UK GROUP SERVICES LIMITED**NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)****FOR THE PERIOD ENDED 30 DECEMBER 2022****5 Directors' remuneration****(Continued)**

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2022	2021
	£	£
Remuneration for qualifying services	403,000	488,000
Company pension contributions to defined contribution schemes	17,292	-
	<u>420,292</u>	<u>488,000</u>

1 director (2021:1) was a member of the Boosey & Hawkes Pension Scheme, run by an affiliate undertaking. In the prior year the highest paid director received no defined contribution pension benefits and was already receiving a defined benefit pension entitlement from the Boosey & Hawkes Pension Scheme.

There are no key personnel beyond the board.

6 Interest payable and similar expenses

	2022	2021
	£	£
Interest on financial liabilities measured at amortised cost:		
Other interest on financial liabilities	130	20,831
	<u>130</u>	<u>20,831</u>

7 Taxation

	2022	2021
	£	£
Current tax		
UK corporation tax on profits for the current period	(144,242)	172,070
	<u>(144,242)</u>	<u>172,070</u>
Deferred tax		
Origination and reversal of timing differences	(123,541)	-
	<u>(123,541)</u>	<u>-</u>
Total tax (credit)/charge	<u>(267,783)</u>	<u>172,070</u>

In the March 2021 budget it was announced that the UK corporation tax rate would increase to 25% from 1 April 2023. This will have a consequential effect on the company's future tax charge or credit.

CONCORD UK GROUP SERVICES LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 DECEMBER 2022

7 Taxation

(Continued)

The actual (credit)/charge for the Period can be reconciled to the expected charge for the Period based on the profit or loss and the standard rate of tax as follows:

	2022 £	2021 £
Profit before taxation	45,255	212,072
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	8,598	40,294
Tax effect of expenses that are not deductible in determining taxable profit	6,786	4,042
Permanent capital allowances in excess of depreciation	(27,380)	117,283
Depreciation on assets not qualifying for tax allowances	6,829	6,500
Effect of overseas tax rates	8,730	3,951
Deferred tax adjustments in respect of prior years	(123,541)	-
Group relief adjustments from prior years	(147,805)	-
Taxation (credit)/charge	(267,783)	172,070

8 Tangible fixed assets

Group	Leasehold improvements £	Fixtures and fittings £	Computers £	Total £
Cost				
At 1 January 2022	1,297,147	358,686	3,271,292	4,927,125
Additions	64,512	96,655	398,522	559,689
Disposals	-	-	(2,438)	(2,438)
Exchange adjustments	2,041	17,687	4,344	24,072
At 30 December 2022	1,363,700	473,028	3,671,720	5,508,448
Depreciation and impairment				
At 1 January 2022	1,000,763	202,365	2,661,454	3,864,582
Depreciation charged in the Period	138,796	50,052	401,212	590,060
Exchange adjustments	54	8,761	3,581	12,396
At 30 December 2022	1,139,613	261,178	3,066,247	4,467,038
Carrying amount				
At 30 December 2022	224,087	211,850	605,473	1,041,410
At 31 December 2021	296,384	156,321	609,838	1,062,543

CONCORD UK GROUP SERVICES LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 DECEMBER 2022

8 Tangible fixed assets (Continued)

Company	Leasehold improvements	Fixtures and fittings	Computers	Total
	£	£	£	£
Cost				
At 1 January 2022	1,261,464	42,206	3,195,349	4,499,019
Additions	4,690	2,329	397,205	404,224
Disposals	-	-	(2,438)	(2,438)
At 30 December 2022	1,266,154	44,535	3,590,116	4,900,805
Depreciation and impairment				
At 1 January 2022	999,815	41,933	2,598,843	3,640,591
Depreciation charged in the Period	137,208	192	395,786	533,186
At 30 December 2022	1,137,023	42,125	2,994,629	4,173,777
Carrying amount				
At 30 December 2022	129,131	2,410	595,487	727,028
At 31 December 2021	261,649	273	596,506	858,428

9 Fixed asset investments

	Notes	Group 2022 £	2021 £	Company 2022 £	2021 £
Investments in subsidiaries	10	-	-	21,902	21,902

Movements in fixed asset investments

Company	Shares in subsidiaries £
Cost or valuation	
At 1 January 2022 and 30 December 2022	21,902
Carrying amount	
At 30 December 2022	21,902
At 31 December 2021	21,902

CONCORD UK GROUP SERVICES LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 DECEMBER 2022

10 Subsidiaries

Details of the company's subsidiaries at 30 December 2022 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
Concord Verwaltungs-GmbH (Formerly Boosey & Hawkes Verwaltungs GmbH)	Germany	Ordinary	100.00

Concord Verwaltungs-GmbH is incorporated under the laws of Germany, with registered number HRB118755 and registered address of Oranienstrasse 164, 10969, Berlin, Germany.

11 Debtors

	Group 2022 £	2021 £	Company 2022 £	2021 £
Amounts falling due within one year:				
Trade debtors	67,876	66,928	67,734	67,367
Corporation tax recoverable	-	4,482	-	-
Amounts owed by group undertakings	570,137	1,234,624	225,618	903,000
Other debtors	30,916	239,000	11,813	178,000
Prepayments and accrued income	722,328	358,268	569,791	350,000
	<u>1,391,257</u>	<u>1,903,302</u>	<u>874,956</u>	<u>1,498,367</u>
Amounts falling due after more than one year:				
Deferred tax asset (note 13)	<u>123,541</u>	<u>-</u>	<u>123,541</u>	<u>-</u>
Total debtors	<u>1,514,798</u>	<u>1,903,302</u>	<u>998,497</u>	<u>1,498,367</u>

12 Creditors: amounts falling due within one year

	Group 2022 £	2021 £	Company 2022 £	2021 £
Trade creditors	65,418	247,177	45,309	89,000
Amounts owed to group undertakings	562,749	377,128	-	40,000
Corporation tax payable	16,547	6,056	17,421	226,000
Other taxation and social security	638,308	393,459	522,741	355,000
Other creditors	694,214	703,912	673,113	498,428
Accruals and deferred income	1,582,363	1,718,069	1,259,460	1,454,000
	<u>3,559,599</u>	<u>3,445,801</u>	<u>2,518,044</u>	<u>2,662,428</u>

CONCORD UK GROUP SERVICES LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 DECEMBER 2022

13 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

	Assets 2022 £	Assets 2021 £
Group		
Fixed assets net book value in excess of tax written down value of assets	123,541	-
	<u>123,541</u>	<u>-</u>
	Assets 2022 £	Assets 2021 £
Company		
Fixed assets net book value in excess of tax written down value of assets	123,541	-
	<u>123,541</u>	<u>-</u>
	Group 2022 £	Company 2022 £
Movements in the Period:		
Asset at 1 January 2022	-	-
Credit to profit or loss	(123,541)	(123,541)
	<u>(123,541)</u>	<u>(123,541)</u>
Asset at 30 December 2022	(123,541)	(123,541)
	<u>(123,541)</u>	<u>(123,541)</u>

The deferred tax asset set out above is not expected to reverse in the next 12 months.

14 Retirement benefit schemes

	2022 £	2021 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	299,663	215,982
	<u>299,663</u>	<u>215,982</u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

15 Share capital

	2022 Number	2021 Number	2022 £	2021 £
Group and company				
Ordinary share capital				
Issued and fully paid				
Ordinary B shares of 10p each	200	200	20	20
	<u>200</u>	<u>200</u>	<u>20</u>	<u>20</u>

CONCORD UK GROUP SERVICES LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 DECEMBER 2022

15 Share capital

(Continued)

	2022 Number	2021 Number	2022 £	2021 £
Preference share capital Issued and fully paid				
Preference share capital of 10p each	800	800	80	80
Preference shares classified as equity			80	80
Total equity share capital			100	100

16 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2022 £	2021 £	Company 2022 £	2021 £
Within one year	1,655,366	1,854,515	733,851	933,000
Between two and five years	4,212,917	5,882,652	1,863,780	2,612,000
	5,868,283	7,737,167	2,597,631	3,545,000

17 Events after the reporting date

There are no subsequent events to disclose.

18 Ultimate parent company and parent company of larger group

The company is a 100% indirect subsidiary undertaking of Alchemy Copyrights LLC. The largest group in which the results of the company and its group are consolidated is that headed by Alchemy Copyrights LLC, a corporation incorporated in the state of Delaware, USA and located at 10 Lea Avenue, Nashville, TN 37210, USA. The consolidated accounts of this corporation are not publicly available, consequently, Concord UK Group Services Ltd presents consolidated financial statements, as the parent of the smallest group, which include its results.

CONCORD UK GROUP SERVICES LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 DECEMBER 2022

19 Cash generated from group operations

	2022 £	2021 £
Profit for the Period after tax	313,038	40,002
Adjustments for:		
Taxation (credited)/charged	(267,783)	172,070
Finance costs	130	20,831
Depreciation and impairment of tangible fixed assets	590,060	680,000
Other gains and losses	(2,199)	(855)
Movements in working capital:		
Decrease in debtors	335,075	912,628
Increase/(decrease) in creditors	103,307	(1,101,000)
Cash generated from operations	<u>1,071,628</u>	<u>723,676</u>

20 Prior period adjustment

A prior period adjustment has been made to ensure that the company and the group recognises all sales invoices relating to costs recharged as turnover and the associated costs as administration expenses. The adjustment has increased turnover £671,653 and increased administration expenses by £671,653. The prior period adjustment does not have any profit impact.