

Radar Scope Ltd

Annual report and financial statements

Registered number 10831061

24 September 2021

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*Radar Scope Ltd
Annual report and financial statements
24 September 2021*

DIRECTORS

P Robinson

S Robson (appointed 27 January 2021)

SECRETARY

CMS Cameron McKenna Nabarro Olswang LLP

Cannon Place

78 Cannon Street

London

EC4N 6AF

AUDITOR

Ecovis Wingrave Yeats LLP

3rd Floor, Waverley House

7-12 Noel Street

London

W1F 8GQ

REGISTERED OFFICE

Cannon Place

78 Cannon Street

London

EC4N 6AF

Contents

Directors' report	1-2
Statement of directors' responsibilities in respect of the annual report and the financial statements	3
Independent auditor's report to the members of Radar Scope Ltd	4-6
Profit and Loss Account and Other Comprehensive Income	7
Balance Sheet	8
Statement of Changes in Equity	9
Notes	10-16

Directors' report

The directors present their report and financial statements for the year ended 24 September 2021.

Results and dividends

The loss for the year after taxation amounted to \$NIL (2020 - \$NIL). The directors do not recommend the payment of a final dividend (2020 – \$nil).

Radar Scope Ltd has entered into an undisclosed agency agreement with a group company. This group company, as principal to all arrangements accepts the rights and obligations of the Level business and therefore accounts for all transactions. All monies received into the Radar Scope Ltd bank account are therefore due to the group company under this arrangement. The prior year data has been restated to reflect the bank balance as at year end and to thereby disclose the monies due to the group company.

Future developments

The directors do not envisage any change in the company's activities in the foreseeable future.

Directors

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

P Robinson
S Robson (appointed on 27 January 2021)

Going concern

Notwithstanding net current assets of \$0k as at 24.09.2021, the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reason.

The Directors considered the operating nature of the entity and expectations for the future trading along with the outstanding inter-company payables and inter-company receivables for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the company will have sufficient funds through funding from its ultimate parent Warner Music Group Corp and repayment of outstanding balances from fellow subsidiaries to meet its liabilities as they fall due for that period.

Warner Music Group Corp. has indicated its intention to continue to make available such funds as are needed by the company, and will ensure that no other group company will seek repayment of the amounts due at the balance sheet date, for the period covered by the forecasts. 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 will have sufficient funds to continue to meet its 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.

Disclosure of information to the 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, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

Directors' report (continued)


Strategic Report

The company qualifies as a small entity under section 382 of the Companies Act 2006. The company therefore has taken advantage of the exemption available under 414B (a) of the Companies Act 2006 and not presented a strategic report.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Ecovis Wingrave Yeats LLP will therefore continue in office.

On behalf of the board

DocuSigned by:

7DAF503BED9B462... 21 June 2022
P Robinson
Director

Cannon Place
78 Cannon Street
London
EC4N 6AF
Registered no. 10831061

Date:

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing 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 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 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RADAR SCOPE LTD

Opinion

We have audited the financial statements of Radar Scope Ltd (the 'Company') for the year ended 24 September 2021, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes, including a summary of 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 Company's affairs as at 24 September 2021 and of its profit for the year 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 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 Auditors' 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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 3, 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We determined that the laws and regulations which are directly relevant to the financial statements are those that relate to the reporting framework Financial Reporting Standard 102 and the relevant tax compliance regulations in the jurisdictions in which the Company operates. We evaluated the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.
- In addition, there are other significant laws and regulations which may have an effect on the determination of the amounts and disclosures in the financial statements. For these laws and regulations, the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through fines or litigation being imposed. As required by the auditing standards, auditing procedures in respect of non-compliance with these identified laws and regulations are limited to enquiry of the Directors and other management and inspection of regulatory and legal correspondence, if any.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations and fraud risks identified in the paragraphs above. In addition to the audit procedures, we remained alert to any indications of non-compliance throughout the audit.

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 is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

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 Auditors' 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.

Opening balances

The financial statements for the prior period were not audited.

Jessica Teague

Jessica Teague (Senior statutory auditor)
for and on behalf of

Ecovis Wingrave Yeats LLP
Chartered Accountants & Statutory auditor
3rd Floor, Waverley House
7-12 Noel Street
London
W1F 8GQ

Date: 21 June 2022

Profit and Loss Account
for year ended 24 September 2021

<i>Note</i>	2021	2020
	\$	\$
		(unaudited)
	-	-
	_____	_____
(Loss)/Profit before taxation	-	-
Tax on (loss)/profit	-	-
	_____	_____
(Loss)/Profit for the financial year	-	-
	_____	_____

All amounts are derived from continuing activities.

Other Comprehensive Income

The company had no other comprehensive income for the year ended 24 September 2021 (2020 – \$nil).

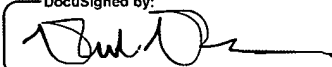
The notes on pages 10 to 16 form part of these financial statements.

Balance Sheet
at 24 September 2021

	<i>Note</i>	2021	2020
		\$	\$
			(restated, unaudited)
Cash at bank and in hand	9	51,092	20,888
Creditors: amounts falling due within one year	10	(51,092)	(20,888)
Net current assets		<u>-</u>	<u>-</u>
Net assets		<u>1</u>	<u>1</u>
Capital and reserves		<u>1</u>	<u>1</u>
Called up share capital	11	1	1
Shareholders' funds		<u>1</u>	<u>1</u>

The notes on pages 10 to 16 form part of these financial statements.

These financial statements were approved by the board of directors and were signed on its behalf by:

DocuSigned by:

 Signed 7DAF503BED9B482
P Robinson (Director)

Cannon Place
 78 Cannon Street
 London
 EC4N 6AF
 Registered no. 10831061

Date 21/06/2022

Statement of Changes in Equity

	Called up Share capital	Share Premium	Profit and loss account	Total equity
	\$	\$	\$	\$
Balance as at 26 September 2019 (unaudited)	-	1	-	1
Profit and total comprehensive loss for the year	-	-	-	-
Balance at 25 September 2020 (unaudited)	-	1	-	1
Profit and total comprehensive loss for the year	-	-	-	-
Balance at 24 September 2021	-	1	-	1

The notes on pages 10 to 16 form part of these financial statements.

Notes

(forming part of the financial statements)

1 Accounting policies

Radar Scope Ltd (the “Company”) is a company limited by shares and incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (“FRS 102”). The presentation currency of these financial statements is US dollars.

The Company proposes to continue to adopt the reduced disclosure framework of FRS 102 in its next financial statements.

Basis of preparation

The financial statements are prepared under the historical cost convention.

Accounting period

The company prepares financial statements for either 52 or 53 week periods ending within one week of 30 September.

Going concern

Notwithstanding net current assets of \$0k as at 24.09.2021, the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reason.

The Directors considered the operating nature of the entity and expectations for the future trading along with the outstanding inter-company payables and inter-company receivables for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the company will have sufficient funds through funding from its ultimate parent Warner Music Group Corp and repayment of outstanding balances from fellow subsidiaries to meet its liabilities as they fall due for that period.

Warner Music Group Corp. has indicated its intention to continue to make available such funds as are needed by the company, and will ensure that no other group company will seek repayment of the amounts due at the balance sheet date, for the period covered by the forecasts. 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 will have sufficient funds to continue to meet its 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.

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.

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 interest for a similar debt instrument.

Notes *(continued)*

1 **Accounting policies** *(continued)*

Interest-bearing borrowings classified as basic financial instruments

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

Related Parties

The company has taken advantage of the exemption in FRS 102 not to disclose details of transactions between fellow wholly-owned group undertakings.

Interest receivable and interest payable

Interest payable and similar charges include interest payable, finance charges on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method and unwinding of the discount on provisions that are recognised in the profit and loss account.

Other interest receivable and similar income include interest receivable on funds invested.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method. Dividend income is recognised in the profit and loss account on the date the company's right to receive payments is established.

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.

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.

Notes (continued)

2 Prior Year Restatement

The 2020 balance sheet has been restated in US dollars, to show the gross bank balance and intercompany creditor, not just the net assets of the company as at the balance sheet date.

3 Other Income and Expenses

This is stated after charging/(crediting):

	2021	2020
	\$	\$
		(unaudited)
Auditor remuneration – audit services	-	-
	<u>-</u>	<u>-</u>

Under the undisclosed agency agreement all rights and obligations, including audit fees of \$2,500, is reported by the group company (2020 unaudited: \$nil).

4 Directors' Remuneration

	2021	2020
	\$	\$
		(unaudited)
Directors' emoluments	-	-
	<u>-</u>	<u>-</u>

The directors do not perform qualifying services and therefore no emoluments are disclosed in relation to these directors.

5 Taxation

a. Total tax expense recognised in the profit and loss account

	2021	2020
	\$	\$
		(unaudited)
<i>Current tax</i>		
UK corporation tax on (loss)/profit for the period	-	-
Adjustments in respect of prior periods	-	-
Overseas tax suffered	-	-
Double taxation relief	-	-
Total current tax	<u>-</u>	<u>-</u>
Total tax	<u>-</u>	<u>-</u>

Notes (continued)

b. Reconciliation of tax charge

The standard rate of current tax for the year based on the UK standard rate of corporation tax is 19% (2020: 19%).

	2021 \$	2020 \$(unaudited) \$
(Loss)/Profit before tax for the year	-	-
Profit before tax multiplied by the standard rate of tax in the UK of 19% (2020: 19%)	-	-
Factors affecting charge:		
Losses for which no deferred tax was recognised	-	-
Effect of tax rates in foreign jurisdictions	-	-
Adjustment to tax in respect of prior periods	-	-
Total tax (credit)/expense included in profit and loss	-	-

c. Tax rate changes

An increase in the UK corporation tax rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021, the UK deferred tax asset as at 24 September 2021 has been calculated based on this rate. This will also have a consequential effect on the company's future tax charge.

d. Deferred tax

The Company had no deferred tax provision at 24 September 2021 (2020: \$nil).

6 Cash and cash equivalents/bank overdrafts

	2021 \$	2020 (restated, unaudited) \$
Cash at bank and in hand	51,092	20,888
	<u>51,092</u>	<u>20,888</u>

Notes (continued)

7 Creditors: amounts falling due within one year

	2021	2020 (restated, unaudited)
	\$	\$
Amounts payable to fellow group undertakings:		
Interest-free loans from group undertakings	(51,092)	(20,888)
	<u>(51,092)</u>	<u>(20,888)</u>

Included within Amounts owed to group/subsidiary undertakings, are \$51k (2020 - \$21k) of short term intercompany payable loans. This is a non-interest bearing loan which is repayable on demand with 5 business days of notice.

8 Share capital

	2021	2020
	\$	\$ (unaudited)
Allotted, called up and fully paid:		
1 Ordinary share of £1	1	1

Share capital – represents the nominal value of shares that have been issued.

Share premium – includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Profit and loss account – includes all current and prior period retained profits and losses.

9 Ultimate parent company and parent company of larger group

The company is 100% owned by Warner Music International Services Limited, the immediate parent undertaking.

On 24 September 2021 Access Industries LLC a company incorporated in Delaware in the United States of America, was the ultimate parent undertaking. Warner Music Group Corp. was the parent undertaking of the smallest and largest group of undertakings of which the company was a member and for which group financial statements are drawn up. Copies of Warner Music Group Corp.'s financial statements can be obtained from 1209 Orange Street, Wilmington, DE 19801, USA.