

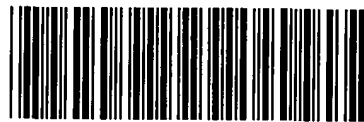
# ***FFRR Music Limited***

Registered No. 2126744

## **Report and Financial Statements**

**30 September 2016**

TUESDAY



\*L5XB8E5L\*

LD2

03/01/2017

#30

COMPANIES HOUSE

# FFRR Music Limited

---

Registered No. 2126744

## **DIRECTORS**

J Manners (resigned 21 April 2016)

M Lavin

J Smith

## **SECRETARY**

Olswang Cossec Limited

## **AUDITOR**

KPMG LLP

15 Canada Square

Canary Wharf

London

E14 5GL

## **REGISTERED OFFICE**

Seventh floor

90 High Holborn

London

WC1V 6XX

## STRATEGIC REPORT

The directors submit their strategic report for the year ended 30 September 2016.

### RESULTS AND DIVIDENDS

The company has not traded during the year and has made neither a profit nor a loss. No statement of profit and loss and other comprehensive income or statement of changes in equity has been presented.

### REVIEW OF THE BUSINESS

Under an Exploitation Agreement dated 1 October 2010, Warner/Chappell Music Limited, the immediate parent undertaking, accepted the benefit and burden of the company's rights and obligations under its current and future contracts with third parties. Following signature of this Agreement, all receivables and payables in relation to the company's rights and obligations were transferred to Warner/Chappell Music Limited.

Under the Exploitation Agreement the company's directors have the right to set an annual fee chargeable to Warner/Chappell Music Limited. In the current year this fee was set at £nil.

Given the nature of its business and the fact that it has no employees, the company considers there to be no key performance indicators.

### RISKS AND UNCERTAINTIES

The company is not subject to any specific risks and uncertainties other than those prevalent in the music publishing market in general. All risks and uncertainties are regularly monitored by the company's board of directors.

On behalf of the board



Director  
M Lavin

Date: 13 December 2016

## **DIRECTORS' REPORT**

The directors submit their report and financial statements for the year ended 30 September 2016

### **GOING CONCERN**

Given the fact that the company does not trade and has positive net assets the directors believe that the company has adequate financial resources to continue in operation for the foreseeable future. The accounts have therefore been prepared on the going concern basis.

### **DIRECTORS AND THEIR INTERESTS**

The directors of the company during the year ended 30 September 2016 were as listed on page 1.

At no time during the year did any director have any interest in the shares or debentures of the company or any other group undertaking.

### **POLITICAL CONTRIBUTIONS**

The Company made no political donations or incurred any political expenditure during the year.

### **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/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

### **AUDITOR**

In accordance with section 485 of the Companies Act 2006, a resolution is to be proposed at the Annual General Meeting for the reappointment of KPMG LLP as auditor of the Group and company. KPMG LLP have confirmed their willingness to continue in office.

On behalf of the board



Director  
M Lavin

Date: 13 December 2016

**STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS**

The directors are responsible for preparing the Strategic Report, 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 the directors have elected to prepare the financial statements in accordance with the United Kingdom 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*. The financial statements are required by law to 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 those 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FFRR MUSIC LIMITED

We have audited the financial statements of FFRR Music Limited for the year ended 30 September 2016 set out on pages 7 to 9. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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

## **Respective responsibilities of directors and auditor**

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

## **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

## **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2016 and of its result for the year then ended
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Opinion on other matters prescribed by the Companies Act 2006**


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

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FFRR MUSIC LIMITED

## Matters on which we are required to report by exception

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

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



13.12.2016

**Kevin Hall (Senior Statutory Auditor)**  
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants  
15 Canada Square  
Canary Wharf  
London  
E14 5GL

# FFRR Music Limited

## BALANCE SHEET at 30 September 2016

	Notes	2016 £000	2015 £000
<b>CURRENT ASSETS</b>			
Debtors	5	125	125
<b>NET CURRENT ASSETS</b>		<u>125</u>	<u>125</u>
<b>NET ASSETS</b>		<u>125</u>	<u>125</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	6	125	125
<b>EQUITY SHAREHOLDERS' FUNDS</b>		<u>125</u>	<u>125</u>

The financial statements of FFRR Music Limited (registered number 2126744) were approved by the board of directors and were signed on its behalf by:

*Mumtaz A. Gani*

Director  
M Lavin

Date: 13 December 2016

The notes on pages 8 to 9 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

at 30 September 2016

**1. ACCOUNTING POLICIES**

FFRR Music Limited is a company limited by shares and incorporated and domiciled in the UK.

***Basis of Preparation***

The financial statements are prepared on the historical cost basis. They were prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014. The amendments to FRS 102 issued in July 2015 and effective immediately have been applied. The presentation currency of these financial statements is sterling. In the transition to FRS 102 from old UK GAAP, the Company has made no measurement and recognition adjustments.

The Company's parent undertaking, Warner Music Group Corp., includes the Company in its consolidated financial statements. The consolidated financial statements of Warner Music Group Corp. are available to the public and may be obtained from 1209 Orange Street, Wilmington, DE 19801, USA. 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:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Related party transactions entered into between two or more members of a group;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

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

***Accounting convention***

Under an Exploitation Agreement effective 1 October 2010, Warner/Chappell Music Limited, the immediate parent undertaking, accepted the benefit and burden of the company's rights and obligations under its current and future contracts with third parties. Under the Exploitation Agreement the company's directors have the right to set an annual fee chargeable to Warner/Chappell Music International Limited. In the current year this fee was set at £nil. (2015 £nil).

***Basic financial instruments***

Trade and other debtors are recognised initially at cost. They are assessed for any impairment on an annual basis.

***Going Concern***

Given the fact that the company does not trade and has positive net assets the directors believe that the company has adequate financial resources to continue in operation for the foreseeable future. The accounts have therefore been prepared on the going concern basis.

***Audit Fees***

Audit Fees of £500 (2015 – £500) have been borne by Warner/Chappell Music Limited, another group undertaking.

**2. TAX ON PROFITS ON ORDINARY ACTIVITIES**

No liability to UK corporation tax arose on ordinary activities for the year ended 30 September 2016 nor for the year ended 30 September 2015.

**3. STAFF COSTS**

The company had no employees during the year to 30 September 2016 (2015 – nil).

# FFRR Music Limited

## NOTES TO THE FINANCIAL STATEMENTS

at 30 September 2016

### 4. PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME

The company has not traded during the year and has made neither a profit nor a loss nor had any other comprehensive income. No statement of profit and loss and other comprehensive income or statement of changes in equity has been presented.

Under the terms of the agreement entered into with Warner/Chappell Music Limited effective 1 October 2010, Warner/Chappell Music Limited is responsible for the payment of all costs and expenses of the company.

### 5. DEBTORS

	2016 £000	2015 £000
Amounts owed by group undertakings	125	125
	<u>125</u>	<u>125</u>

### 6. ISSUED SHARE CAPITAL

	2016 £000	2015 £000
Authorised: 126,000 ordinary shares of £1 each	126	126
	<u>126</u>	<u>126</u>
Allotted, called up and fully paid: 125,100 ordinary shares of £1 each	125	125
	<u>125</u>	<u>125</u>

### 7. EXPLANATION OF TRANSITION TO FRS 102 FROM OLD UK GAAP

As stated in note 1, these are the Company's first financial statements prepared in accordance with FRS 102.

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 30 September 2016 and the comparative information presented in these financial statements for the year ended 30 September 2015.

In preparing its FRS 102 balance sheet, the Company has not needed to adjust amounts reported previously in financial statements prepared in accordance with its old basis of accounting (UK GAAP).

### 8. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

Warner Chappell Music Limited is the company's immediate parent undertaking.

At 30 September 2016, Ai Entertainment Holdings 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 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.