

COMPANY REGISTRATION NUMBER 05853895

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**ALL AROUND THE WORLD LIMITED
DIRECTORS' REPORT AND FINANCIAL
STATEMENTS
FOR THE YEAR ENDED 29 DECEMBER 2014**

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ALL AROUND THE WORLD LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 29 DECEMBER 2014

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ALL AROUND THE WORLD LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

THE BOARD OF DIRECTORS

DRJ Sharpe
A M Barker
M G Cadman
J C Nuttall

COMPANY SECRETARY

A Abloye

REGISTERED OFFICE

364-366 Kensington High Street
London
W14 8NS

AUDITOR

Ernst & Young LLP
Chartered Accountants
Statutory Auditor
1 More London Place
London
SE1 2AF

ALL AROUND THE WORLD LIMITED

STRATEGIC REPORT

YEAR ENDED 29 DECEMBER 2014

The directors present their strategic report for the company for the period ended 29 December 2014.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

All Around The World Limited ('the company') is the holding company of a group of companies ('the group') which owns and controls a catalogue of sound recordings.

The result and position of the group as at and for the year ended 29 December 2014 are set out in the profit and loss account and balance sheet on pages 7 and 8 respectively. The result and position of the group and the company were in line with directors' expectations.

Turnover increased by £77,527 compared to the prior year. The operating loss for the year was £1,968,397 compared to an operating profit of £53,429 in 2013, a decrease of £2,021,826 mainly due to higher artist costs.

RESULTS AND DIVIDENDS

The group's loss on ordinary activities after taxation for the year was £2,074,049 (2013: £158,354 profit)

Dividends of £nil (2013: nil) were paid in the year. The retained profit for the year has been transferred to reserves.

PRINCIPAL RISKS AND UNCERTAINTIES

The group is faced with similar risks and uncertainties as other companies operating in the recorded music business, broadly:

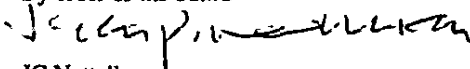
- competition from other major and independent record companies that license recorded music;
- competition from alternative music and entertainment products; and
- price pressure from the increased presence of supermarkets in the music markets and their threat to survival of independent music retailers;
- the threat of a devalued product due to piracy and the illegal use of music;
- uncertainty as to whether the growth of the digital market can replace the decline in the physical market; and
- interest rate fluctuations.

All risks and uncertainties are regularly monitored by the Board of Directors of the company.

FUTURE DEVELOPMENTS

Notwithstanding the risks and uncertainties outlined below, the directors do not anticipate any significant change in the activities and results of the company in the foreseeable future.

By order of the board



JC Nuttall
Director

15 SEP 2015

ALL AROUND THE WORLD LIMITED

DIRECTORS' REPORT

YEAR ENDED 29 DECEMBER 2014

The directors present their report and the financial statements of the group for the year ended 29 December 2014. All Around The World Limited ('the company') is the holding company of a group of companies ('the group') which owns and controls a catalogue of sound recordings.

DIRECTORS

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

DRJ Sharpe
A M Barker
M G Cadman
J C Nuttall

DIRECTORS' QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

A qualifying third party indemnity provision remains in force as at the date of approving the directors' report, subject to the provisions of s236 CA 2006. Vivendi SA, the ultimate parent undertaking, maintains a Directors & Officers Liability Programme which indemnifies directors' personal liabilities resulting from alleged wrongful acts committed in the line of their employment.

POLICY ON THE PAYMENT OF CREDITORS

It is the company's policy that payments to suppliers are made in accordance with those terms and conditions agreed between the company and its suppliers, provided that all trading terms and conditions have been complied with.

DONATIONS

The company made no charitable (2013 - nil) or political donations (2013 - £nil) during the year.

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the directors' report and 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 company and the group and of the profit or loss of the group for that year.

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;

ALL AROUND THE WORLD LIMITED

DIRECTORS' REPORT *(continued)*

YEAR ENDED 29 DECEMBER 2014

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as each of the directors at the date of approving this report are aware.

- there is no relevant audit information of which the group's auditor is unaware; and
- each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information

By order of the board



A Abioye
Company Secretary

Company Registration Number. 05853895

15 SEP 2015

ALL AROUND THE WORLD LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALL AROUND THE WORLD LIMITED

YEAR ENDED 29 DECEMBER 2014

We have audited the financial statements of All Around The World Limited for the year ended 29 December 2014 which comprise the Profit and Loss Account, Group and Parent Company Balance Sheets, the Group Cash Flow Statement and the related notes 1 to 21. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 pages 3 to 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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent company's affairs as at 29 December 2014 and of the group's loss 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.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

ALL AROUND THE WORLD LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALL AROUND THE WORLD LIMITED (continued)

YEAR ENDED 29 DECEMBER 2014

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 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.



Paul Gordon (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP, Statutory Auditor
London

22 SEP 2015

Company Registration Number: 05853895

ALL AROUND THE WORLD LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 29 DECEMBER 2014

	Note	2014 £	2013 £
GROUP TURNOVER	2	6,408,984	6,331,457
Cost of sales		<u>(5,627,424)</u>	<u>(4,696,709)</u>
GROSS PROFIT		781,560	1,634,748
Distribution costs		(3,275)	–
Administrative expenses		<u>(2,746,682)</u>	<u>(1,581,319)</u>
OPERATING (LOSS)/PROFIT	3	(1,968,397)	53,429
Interest receivable and similar income	7	30	112
(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(1,968,367)	53,541
Tax on (loss)/profit on ordinary activities	8	(105,682)	104,813
(LOSS)/PROFIT FOR THE FINANCIAL YEAR	9	<u>(2,074,049)</u>	<u>158,354</u>

All of the activities of the group are classed as continuing.

The group has no recognised gains or losses other than the results for the year as set out above

There is no difference between the profit on ordinary activities before taxation and the profit for the financial year stated above and their historical cost equivalents.

The notes on pages 11 to 22 form part of these financial statements.

ALL AROUND THE WORLD LIMITED

GROUP BALANCE SHEET

AS AT 29 DECEMBER 2014

	Note	2014 £	2013 £
FIXED ASSETS			
Intangible assets	10	1	33,334
Tangible assets	11	123,621	140,740
		<u>123,622</u>	<u>174,074</u>
CURRENT ASSETS			
Debtors	13	3,450,298	1,948,194
Cash at bank		—	1,396,676
		<u>3,450,298</u>	<u>3,344,870</u>
CREDITORS: Amounts falling due within one year	15	<u>(4,821,280)</u>	<u>(2,692,255)</u>
NET CURRENT (LIABILITIES)/ASSETS		<u>(1,370,982)</u>	<u>652,615</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(1,247,360)</u>	<u>826,689</u>
CAPITAL AND RESERVES			
Called-up equity share capital	18	200	200
Profit and loss account	19	<u>(1,247,560)</u>	<u>826,489</u>
EQUITY SHAREHOLDERS' (DEFICIT)/FUNDS	19	<u>(1,247,360)</u>	<u>826,689</u>

These accounts were approved by the board of directors and authorised for issue on and are signed on their behalf by

15 SEP 2015


JC Nuttall
Director

The notes on pages 11 to 22 form part of these financial statements.

ALL AROUND THE WORLD LIMITED

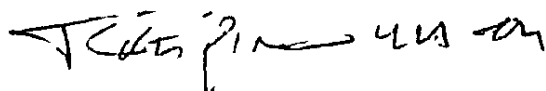
BALANCE SHEET

AS AT 29 DECEMBER 2014

	Note	2014 £	2013 £
FIXED ASSETS			
Intangible assets	10	580,000	580,000
Tangible assets	11	2,775	4,855
Investments	12	1,212	1,212
		<u>583,987</u>	<u>586,067</u>
CURRENT ASSETS			
Debtors	13	10,664,073	13,257,412
Cash at bank		-	362,770
		<u>10,664,073</u>	<u>13,620,182</u>
CREDITORS: Amounts falling due within one year	15	<u>(11,530,406)</u>	<u>(14,485,902)</u>
NET CURRENT LIABILITIES		<u>(866,333)</u>	<u>(865,720)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(282,346)</u>	<u>(279,653)</u>
CAPITAL AND RESERVES			
Called-up equity share capital	18	200	200
Profit and loss account	19	<u>(282,546)</u>	<u>(279,853)</u>
DEFICIT		<u>(282,346)</u>	<u>(279,653)</u>

These accounts were approved by the board of directors and authorised for issue on and are signed on their behalf by:

15 SEP 2015



JC Nuttall
Director

The notes on pages 11 to 22 form part of these financial statements.

ALL AROUND THE WORLD LIMITED

GROUP CASH FLOW STATEMENT

YEAR ENDED 29 DECEMBER 2014

	Note	2014 £	2013 £
NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES		(1,373,017)	1,027,996
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received		30	112
NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		30	112
TAXATION		(23,689)	(183,054)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	20	–	(1,149)
FINANCING			
Repayment of directors' long-term loans		–	(16,738)
NET CASH OUTFLOW FROM FINANCING		–	(16,738)
(DECREASE)/INCREASE IN CASH	20	(1,396,676)	827,167
RECONCILIATION OF OPERATING (LOSS)/PROFIT TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES			
		2014 £	2013 £
Operating (loss)/profit		(1,968,397)	53,429
Amortisation		33,333	109,005
Depreciation		17,119	20,133
(Increase)/decrease in debtors		(1,612,406)	884,378
Increase/(decrease) in creditors		2,157,334	(38,949)
Net cash (outflow)/inflow from operating activities		(1,373,017)	1,027,996

The notes on pages 11 to 22 form part of these financial statements.

ALL AROUND THE WORLD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 29 DECEMBER 2014

1. ACCOUNTING POLICIES

Basis of accounting basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

The consolidated and the parent company financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards. At the balance sheet date the company and group had net liabilities. appropriate to prepare the financial statements on a going concern basis The Company's direct parent company Universal Music Operations Limited, has indicated that it intends to provide the company and group with sufficient funding to enable it to meet its liabilities as they fall due over a period of at least 12 months and as a result the directors have adopted the going concern basis in preparing these financial statements at 31 December 2014.

The Directors have taken exemption under S408 of Companies Act from disclosing the parent company profit and loss.

Basis of consolidation

The group financial statements consolidate the financial statements of All Around The Worlds Limited and its subsidiary undertakings drawn up to 29 December each year.

Revenue recognition

Turnover is recognised to the extent that the group obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty.

Royalties

Royalty income is recognised in the profit and loss account in the period to which it relates, or if it cannot be reliably estimated, on a receipts basis. Royalties payable are charged against the relevant income of the same period.

Interest income

Interest income is recognised as interest accrues using the effective interest method.

Dividends

Dividend income is recognised when the Group's right to receive payment is established.

ALL AROUND THE WORLD LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 29 DECEMBER 2014

1. ACCOUNTING POLICIES *(continued)*

Intangible fixed assets

Internally developed intangibles are not carried on the balance sheet. Intangible fixed assets represent brands, catalogues of master recordings and licenses. All intangible fixed assets are stated at fair value on acquisition and are not subsequently revalued. On the acquisition of a business, goodwill represents the difference between the purchase consideration and the fair value of the asset acquired.

TV licence and software are stated at cost less accumulated amortisation and provision for impairment. The licences are amortised over the length of the contract on a straight line basis.

Brands and catalogues are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable and provision is made for any impairment in value where the recoverable amount is calculated to be below the carrying value. The recoverable amount is the higher of fair value less selling costs and value-in-use. Value in use is based on the net present value of estimated future cash flows discounted at the company's pre-tax weighted average cost of capital. Any impairment loss is recognised as an expense immediately.

Tangible fixed assets

Depreciation is calculated so as to write off the cost of an asset over the useful economic life of that asset as follows:

Leaseholds	-	over 50 years
Plant & Machinery	-	over 3-5 years
Fixtures & Fittings	-	over 5 years
Motor Vehicles	-	over 5 years

Tangible fixed assets are stated at cost net of depreciation and any provision for impairment. Depreciation is charged on a straight line basis to write off the cost of the assets, less residual value, over their estimated useful lives.

Investments

Investments in subsidiary and associated undertakings are stated at cost less provision for impairment.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

ALL AROUND THE WORLD LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 29 DECEMBER 2014

1. ACCOUNTING POLICIES *(continued)*

Taxation

The charge/credit for taxation is based on the profit/loss for the financial year and takes into account taxation deferred because of the timing differences between the treatment of certain items for taxation and accounting purposes

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more tax in the future or a right to pay less tax in future.

Deferred tax is measured at the average tax rates that are expected to apply in the period in which the timing differences are expected to reverse, based on tax rates and law that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis. Deferred tax assets are recognised only to the extent that it is considered more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Foreign currencies

Monetary assets and liabilities in foreign currencies at the balance sheet date are translated at the market rates of exchange ruling at the date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. All differences are included in the profit and loss account.

Advances

Advances to artists are written down to the estimated amount that will be recoverable from future royalty payments to the artist. Net advances to artists are classified as falling due within one year, although elements may not be recovered until more than one year. Long term advances to artists, where the effect of the time value of money is material, are discounted.

2. TURNOVER

Turnover represents the invoiced value of services and royalty income, excluding VAT. Turnover is attributable to one activity, the marketing and distribution of recorded music.

Turnover by destination is as follows:

	2014 £'000	2013 £'000
United Kingdom	<u>6,408,984</u>	<u>6,331,457</u>

Turnover by source arises in the United Kingdom.

ALL AROUND THE WORLD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 29 DECEMBER 2014

3. OPERATING (LOSS)/PROFIT

Operating (loss)/profit is stated after charging:

	2014 £	2013 £
Amortisation of intangible assets	33,333	109,005
Depreciation of owned fixed assets	17,119	20,133
Auditor's remuneration - audit of the financial statements	<u>38,000</u>	<u>-</u>

4. AUDITORS' REMUNERATION

The auditor's remuneration for the period ended 29 December 2014 was £38,00 (2013: £40,000) and was borne in current and prior year by Universal Music Operations Limited, our joint venture partner.

5. PARTICULARS OF EMPLOYEES

The average number of staff employed by the group during the financial year amounted to:

	2014 No	2013 No
Commercial and administrative	<u>8</u>	<u>8</u>

The aggregate payroll costs of the above were:

	2014 £	2013 £
Wages and salaries	741,260	710,586
Social security costs	94,313	95,439
Other pension costs	<u>48,556</u>	<u>26,400</u>
	<u>884,129</u>	<u>832,425</u>

The amounts above include the average monthly number of employees, including directors.

6. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were:

	2014 £	2013 £
Remuneration receivable	497,000	509,394
Excess retirement benefits funded by the company:		
Pensions as directors	<u>48,000</u>	<u>26,400</u>
	<u>545,000</u>	<u>535,794</u>

ALL AROUND THE WORLD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 29 DECEMBER 2014

6. DIRECTORS' REMUNERATION *(continued)*

Remuneration of highest paid director:

	2014 £	2013 £
Total remuneration (excluding pension contributions)	248,600	254,697
Value of company pension contributions to money purchase schemes	24,000	14,300
	<u>272,600</u>	<u>268,997</u>

Directors' emoluments

The aggregate emoluments of the highest paid directors were £248,600 (2013 - £254,697). Payments to a pension scheme of £24,000 (2013:£ 14,300) were made on behalf of the highest paid directors.

7. INTEREST RECEIVABLE AND SIMILAR INCOME

	2014 £	2013 £
Bank interest receivable	<u>30</u>	<u>112</u>

8. TAXATION ON ORDINARY ACTIVITIES TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES

(a) Analysis of (credit) / charge in the year

	2014 £	2013 £
Current tax:		
UK Corporation tax based on the results for the year at 21.50% (2013 - 23.25%)	-	83,661
Adjustments in respect of previous years	(4,620)	-
Total current tax	(4,620)	83,661
Deferred tax:		
Origination and reversal of timing differences (note 14)		
Capital allowances	4,098	591
Other	<u>106,204</u>	<u>(189,065)</u>
Total deferred tax (note 14)	<u>110,302</u>	<u>(188,474)</u>
Tax on (loss)/profit on ordinary activities	<u>105,682</u>	<u>(104,813)</u>

ALL AROUND THE WORLD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 29 DECEMBER 2014

8. TAXATION ON ORDINARY ACTIVITIES TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES *(continued)*

(b) Factors affecting current tax charge

The tax assessed on the (loss)/profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 21.50% (2013 - 23.25%).

The tax assessed on the profit/(loss) on ordinary activities for the year is lower than the average rate of corporation tax in the UK of 21.5% (2013 - 23.25%). The Finance Act 2013 enacted reductions in the UK corporate tax rate to 21% from April 2014 and 20% from April 2015. Deferred tax assets and liabilities are measured at the rate that is expected to apply to the accounting period when the asset is realised or the liability is settled, based on the above rates.

	2014 £	2013 £
(Loss)/profit on ordinary activities before taxation	<u>(1,968,367)</u>	<u>53,541</u>
(Loss)/profit on ordinary activities at the standard rate of UK Corporation tax of 21.50% (2013: 23.25%)	(423,199)	12,449
Expenses not deductible for tax purposes	234,786	20,655
Utilisation of tax losses	-	(155,322)
Unrelieved tax losses	285,217	-
Adjustments in respect of previous periods	(4,620)	-
Movement in timing differences	(105,263)	188,474
Impact of statutory rate change	<u>8,459</u>	<u>17,405</u>
Current tax (credit)/charge for the financial year	<u>(4,620)</u>	<u>83,661</u>

(c) Factors that may affect future tax charges

Nil

9. LOSS ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The loss dealt with in the financial statements of the parent company was £(2,693) (2013 - £646,251).

ALL AROUND THE WORLD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 29 DECEMBER 2014

10. INTANGIBLE FIXED ASSETS

Group

	Brand & Catalogue £	TV Licence & Software £	Total £
COST			
At 30 December 2013 and 29 December 2014	<u>55,000</u>	<u>280,536</u>	<u>335,536</u>
AMORTISATION			
At 30 December 2013	55,000	247,202	302,202
Charge for the year	<u>—</u>	<u>33,333</u>	<u>33,333</u>
At 29 December 2014	<u>55,000</u>	<u>280,535</u>	<u>335,535</u>
NET BOOK VALUE			
At 29 December 2014	<u>—</u>	<u>1</u>	<u>1</u>
At 29 December 2013	<u>—</u>	<u>33,334</u>	<u>33,334</u>

Company

	Brand & Catalogue £
COST	
At 30 December 2013 and 29 December 2014	<u>635,000</u>
AMORTISATION	
At 30 December 2013 and 29 December 2014	<u>55,000</u>
NET BOOK VALUE	
At 29 December 2014	<u>580,000</u>
At 29 December 2013	<u>580,000</u>

ALL AROUND THE WORLD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 29 DECEMBER 2014

11. TANGIBLE FIXED ASSETS

Group	Leasehold Property £	Plant & Machinery £	Fixtures & Fittings £	Motor Vehicles £	Total £
COST					
At 30 December 2013 and 29 December 2014	<u>115,000</u>	<u>393,766</u>	<u>41,563</u>	<u>18,669</u>	<u>568,998</u>
DEPRECIATION					
At 30 December 2013	5,100	367,781	41,563	13,814	428,258
Charge for the year	<u>2,300</u>	<u>12,739</u>	<u>—</u>	<u>2,080</u>	<u>17,119</u>
At 29 December 2014	<u>7,400</u>	<u>380,520</u>	<u>41,563</u>	<u>15,894</u>	<u>445,377</u>
NET BOOK VALUE					
At 29 December 2014	<u>107,600</u>	<u>13,246</u>	<u>—</u>	<u>2,775</u>	<u>123,621</u>
At 29 December 2013	<u>109,900</u>	<u>25,985</u>	<u>—</u>	<u>4,855</u>	<u>140,740</u>
Company				Motor Vehicles £	
COST					
At 30 December 2013 and 29 December 2014					<u>18,669</u>
DEPRECIATION					
At 30 December 2013					13,814
Charge for the year					<u>2,080</u>
At 29 December 2014					<u>15,894</u>
NET BOOK VALUE					
At 29 December 2014					<u>2,775</u>
At 29 December 2013					<u>4,855</u>

ALL AROUND THE WORLD LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 29 DECEMBER 2014

12. INVESTMENTS

Company	Group companies £
COST	
At 30 December 2013 and 29 December 2014	<u>1,212</u>
NET BOOK VALUE	
At 29 December 2014 and 29 December 2013	<u>1,212</u>

The company has the following investments in directly held subsidiary undertakings:

Name	Ordinary share holdings	Nature of business
AATW Limited* (06147104)	100%	Non trading
All Around The World Productions Limited* (05453232)	100%	Record company
All Around The World Properties Limited	100%	Property investment company
All Around The World Recordings Limited* (03524532)	100%	Creating music copyright
All Around The World Reproductions Limited* (02661832)	100%	Record company
All Around The World TV Limited* (05810661)	100%	Record company
Clubland Productions Limited* (04939285)	100%	Record company
Ultimate... ..Hits Limited* (05742076)	100%	Non trading
Penny Street TV Limited* (06341743)	100%	Television Broadcasting
TV Two Limited* (06747927)	100%	Non trading

*The company has provided guarantees to these subsidiaries, incorporated in England and Wales, under registered number indicated, in order for them to claim exemptions from audit for the financial year 2013, under section 479A of the UK Companies Act 2006.

13. DEBTORS

	2014 £	Group 2013 £	2014 £	Company 2013 £
Trade debtors	222,314	404,080	—	—
Amounts owed by group undertakings	—	—	10,615,982	13,209,537
VAT recoverable	394,116	167,273	—	—
Other debtors	2,388,104	905,521	45,000	45,000
Deferred taxation (Note 14)	113,635	223,937	3,091	2,875
Prepayments and accrued income	332,129	247,383	—	—
	<u>3,450,298</u>	<u>1,948,194</u>	<u>10,664,073</u>	<u>13,257,412</u>

Loans to fellow Group undertakings are classified as current as they are repayable on demand. Interest rates on intercompany loans have been agreed between parties on a loan by loan basis.

ALL AROUND THE WORLD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 29 DECEMBER 2014

14. DEFERRED TAXATION

The movement in the deferred taxation asset during the year was:

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Asset brought forward	223,937	35,463	2,875	3,757
(Decrease)/Increase in asset	(110,302)	188,474	216	(882)
Asset carried forward	<u>113,635</u>	<u>223,937</u>	<u>3,091</u>	<u>2,875</u>

The group and company's assets for deferred taxation consist of the tax effect of timing differences in respect of:

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Provision for deferred tax, FA allowances	30,774	34,872	3,091	2,875
Other timing differences	<u>82,861</u>	<u>189,065</u>	<u>-</u>	<u>-</u>
	<u>113,635</u>	<u>223,937</u>	<u>3,091</u>	<u>2,875</u>

15. CREDITORS: Amounts falling due within one year

	2014	Group	2014	Company
	£	2013	£	2013
		£		£
Trade creditors	1,792,763	356,124	-	-
Amounts owed to group undertakings	-	-	11,530,406	14,485,902
Corporation tax	38,479	66,788	-	-
Other creditors	2,420,095	1,767,652	-	-
Accruals and deferred income	<u>569,943</u>	<u>501,691</u>	<u>-</u>	<u>-</u>
	<u>4,821,280</u>	<u>2,692,255</u>	<u>11,530,406</u>	<u>14,485,902</u>

Loans from fellow Group undertakings are classified as current as they are repayable on demand. Interest rates on intercompany loans have been agreed between parties on a loan by loan basis.

16. TRANSACTIONS WITH THE DIRECTORS

During the year the company paid Reidy's Music Entertainment Limited £43,462 (2013 - £17,500) and owed £nil (2013 - £43,462), a company in which J C Nuttall has an interest. During the year rental and other property services of £37,387 (2013:£ 43,462) were purchased from Reidys Music. These were incurred by the company but paid for by Universal Music Operations Limited, our joint venture partner.

At the balance sheet date the company was owed £45,000 (2013 - £45,000) by All Around The World Publishing Limited, a company in which the directors J C Nuttall and M G Cadman have an interest.

At the balance sheet date the company was owed £300 (2013 - £300) by Clubland connections Limited, a company in which the directors J C Nuttall and M Cadman have an interest.

ALL AROUND THE WORLD LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 29 DECEMBER 2014

17. RELATED PARTY TRANSACTIONS

Universal Music Operations Limited owns 50% of the ordinary shares in the company

Sales to Universal Music Operations Limited during the year were £1,252,376 (2013: £1,102,000). Purchases from Universal Music Operations during the year were £652,443 (2013: £nil). Amounts owed to Universal Music Operations at the year end were £263,190 (2013: £863,124 payable).

18. SHARE CAPITAL

Authorised share capital:

	2014 £	2013 £
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

Allotted, called up and fully paid:

	2014 No	£	2013 No	£
Ordinary shares of £1 each	<u>200</u>	<u>200</u>	<u>200</u>	<u>200</u>

19. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENT ON RESERVES

Group	Share capital £	Profit and loss account £	Total share- holders' funds £
Balance brought forward at 30 December 2012	200	668,135	668,335
Profit for the year	—	158,354	158,354
Balance brought forward at 30 December 2013	200	826,489	826,689
Loss for the year	—	(2,074,049)	(2,074,049)
Balance carried forward at 29 December 2014	<u>200</u>	<u>(1,247,560)</u>	<u>(1,247,360)</u>
Company	Share capital £	Profit and loss account £	Total share- holders' funds £
Balance brought forward at 30 December 2012	200	(926,104)	(925,904)
Profit for the year	—	646,251	646,251
Balance brought forward at 30 December 2013	200	(279,853)	(279,653)
Loss for the year	—	(2,693)	(2,693)
Balance carried forward at 29 December 2014	<u>200</u>	<u>(282,546)</u>	<u>(282,346)</u>

20. NOTES TO THE CASH FLOW STATEMENT

ALL AROUND THE WORLD LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 29 DECEMBER 2014

CAPITAL EXPENDITURE

	2014 £	2013 £
Payments to acquire tangible fixed assets	—	(6,069)
Receipts from sale of fixed assets	—	4,920
Net cash outflow from capital expenditure	<u>—</u>	<u>(1,149)</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2014 £	2013 £
(Decrease)/increase in cash in the period	(1,396,676)	827,167
Cash outflow from directors' long-term loans	—	16,738
	<u>(1,396,676)</u>	<u>843,905</u>
Change in net funds	(1,396,676)	843,905
Net funds at 30 December 2013	<u>1,396,676</u>	<u>552,771</u>
Net funds at 29 December 2014	<u>—</u>	<u>1,396,676</u>

ANALYSIS OF CHANGES IN NET DEBT

	At 30 Dec 2013 £	Cash flows £	At 29 Dec 2014 £
Cash in hand and at bank	1,396,676	(1,396,676)	—
Net debt	<u>1,396,676</u>	<u>(1,396,676)</u>	<u>—</u>

21. ULTIMATE PARENT COMPANY

All Around The World Limited is owned 50% by Universal Music Operations and 50% by J C Nuttall, and M G Cadman

J C Nuttall, and M G Cadman, who were directors of the company, manage the company on a day to day basis.

The ultimate parent undertaking is Vivendi SA, a company incorporated in France. The largest group in which the results of the company will be consolidated will be that headed by Vivendi SA, incorporated in France. Copies of its annual report in English may be obtained from:

Vivendi S.A.
42 Avenue de Friedland
75380 Paris
Cedex 08
France