

COMPANY REGISTRATION NUMBER 08090852

MP Granite Limited
Annual Report and Financial Statements
For the Year Ended 31 March 2018



MP Granite Limited

Annual Report and Financial Statements

Year ended 31 March 2018

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MP Granite Limited

Officers and Professional Advisers

The Board of Directors G R Henderson (appointed on 14 November 2018)
 M N Bandier (appointed on 14 November 2018, resigned on 31 March 2019)
 G K Moot (appointed on 14 November 2018, resigned 31 March 2019)
 J S Puzio (appointed on 14 November 2018, resigned on 31 March 2019)
 F Crimmins (resigned on 14 November 2018)
 D H Johnson (resigned on 14 November 2018)

Company secretary F Crimmins & TMF Corporate Administration Services Limited

Registered office 30 Golden Square
 London
 United Kingdom
 W1F 9LD

Independent auditors BDO LLP
 Chartered Accountants and Statutory Auditors
 55 Baker Street
 London
 W1U 7EU

MP Granite Limited**Strategic Report****Year ended 31 March 2018**

The Directors present the Strategic Report of MP Granite Limited (the "Company") for the year ended 31 March 2018, detailing the main factors impacting upon the business during the year and a review of progress. The comparatives are for the year ended 31 March 2017.

Principal activities and business review

The Company is part of the DH Publishing L.P. group (the "Group"). DH Publishing L.P. is the ultimate parent undertaking as at 31 March 2018.

The principal activity of the Company is that of a holding company. The Company made a loss before taxation of €90,088,000 (2017: €2,520,000).

As at the Balance Sheet date, the Company's loan balance with EMI Music Publishing Limited was retranslated. As a result the Company suffered a foreign exchange loss of €3,384,000 (2017: €5,133,000).

The Company has net liabilities of €30,000 (2017: €90,058,000 net assets) at the reporting date.

On 22 January 2018, the Company sold all of its investment shares in EMI Music Publishing Malaysia Sdn. Bhd. to EMI Music Publishing Group International B.V. for €2,469,937, which resulted in no profit or loss recognised on disposal.

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

As discussed in the Future Developments section of this report, the Directors no longer consider the entity to be a going concern at the date of the financial statements.

Future developments

On 30 July 2018, Sony Corporation of America ("SCA"), a US corporation that is ultimately owned by Sony Corporation (Japan) ("Sony"), acquired the remaining 25.104% membership interest in Nile Acquisition LLC ("NALLC") from the Estate of Michael Joseph Jackson. Immediately following the acquisition, SCA contributed the membership interest down the chain to its wholly-owned subsidiary, Sony Music Holdings Inc. ("SMHI"). As a result of the foregoing transactions, NALLC became a wholly-owned subsidiary of SMHI, and an indirect subsidiary of Sony Corporation.

On 14 November 2018, SMHI acquired the remaining 60.166% partnership interest in DH Publishing L.P., a Cayman Islands limited partnership, from Nile Acquisition Holding Co. Ltd, an investor consortium led by Mubadala Investment Company. On 15 November 2018, SMHI contributed the limited partnership interest to NALLC. As a result of the foregoing transactions, DH Publishing LP became a wholly-owned subsidiary of NALLC, and an indirect subsidiary of Sony Corporation.

As a result of the two acquisitions, the Company's ultimate parent and controlling party will be Sony Corporation.

The Directors have decided to liquidate the Company, as it is a superfluous holding company that is no longer required in the Group. The Directors no longer consider the Company to be a going concern and therefore these financial statements have been prepared on a basis other than that of a going concern. No material adjustments have been made to the financial statements as a result of preparing them on a basis other than that of going concern.

Principal risks and uncertainties

As a holding company of music publishing assets, the principal risks and uncertainties facing the Company concern the shift in the types of revenue sources in the worldwide market for recorded music, whose value increased overall by 8.1% in 2018, according to data from the IFPI. As physical sales and digital downloads have declined, digital subscription services have subsidised this loss and fuelled the growth in the whole market. As this change from physical revenue to streaming occurs, we still remain dependent on identifying, signing and retaining talented songwriters whose new releases are well received and whose music will continue to generate revenues for years to come. Competition for such talent is intense and our financial results would be adversely affected if we fail to identify, sign and retain song writers. External bodies such as local third-party collection societies, have a significant influence on some of our revenues. Mechanical and Performance rates as well as distribution rules are usually set by performing rights societies through board approval and as such may result in the setting of rates at levels lower than we would wish and may therefore adversely affect our ability to increase profitability.

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

MP Granite Limited

Strategic Report (continued)

Year ended 31 March 2018

Financial risk management

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

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

Liquidity risk

The Company's asset base primarily comprises amounts due to or from fellow Group undertakings. The Company's current assets are sufficiently liquid to enable it to pay its bills and fund its current liabilities.

Price risk

The Company is a holding company so had a large portfolio of investments. Investments in subsidiaries are carried at cost less impairment. The carrying values of the investments have been compared to their recoverable amounts, represented by their net realisable value, and impaired where appropriate.

Key performance indicators

The Company's KPI is the performance of its investments, these are discussed further in the individual financial statements of each company invested in.

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

Signed on behalf of the Directors



G R Henderson
Director

30 Golden Square
London
United Kingdom
W1F 9LD

Approved by the Directors on 20/12/2019

MP Granite Limited

Directors' Report

Year ended 31 March 2018

The Directors present their report and the audited financial statements of the Company for the year ended 31 March 2018. The comparatives are for the year ended 31 March 2017.

Going concern

The Directors no longer consider the Company to be a going concern and therefore these financial statements have been prepared on a basis other than that of a going concern. No material adjustments have been made to the financial statements as a result of preparing them on a basis other than that of going concern.

The Directors intend to liquidate the Company, as it is a superfluous holding company that is no longer required in the Group. The Directors do not believe that preparing the financial statements on a basis other than going concern had a significant impact on the financial statements.

Results and dividends

The loss for the financial year amounted to €90,088,000 (2017: €2,520,000). The Directors have not recommended a dividend (2017: €103,737,379).

Future developments

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

Directors

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

Qualifying third party indemnity provisions

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

Political contributions

The Company made no political donations or incurred any political expenditure during the year (2017: €nil).

Disclosure of information to the auditor

The Directors who held office at the date of approval of the Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each Director has taken all steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

MP Granite Limited

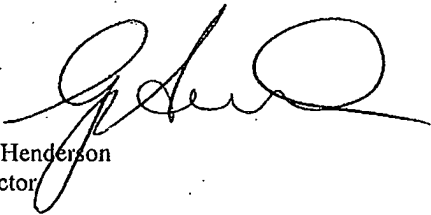
Directors' Report (continued)

Year ended 31 March 2018

Independent auditor

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

Signed on behalf of the Directors



G R Henderson
Director

30 Golden Square
London
United Kingdom
W1F 9LD

Approved by the Directors on 20/12/2019

MP Granite Limited

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

Year ended 31 March 2018

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 they have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practices (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 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business. As explained in note 1 to the financial statements, following the transfer of the Company's assets to other group entities, the Directors do not believe the going concern basis to be appropriate and, in consequence, these financial statements have not been prepared on that basis.

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 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.

MP Granite Limited

Independent Auditors' Report to the Members of MP Granite Limited

Opinion

We have audited the financial statements of MP Granite Limited ("the Company") for the year ended 31 March 2018 which comprise the Income statement, the Balance Sheet, the Statement of Changes in Equity, and the notes to the financial statements, 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 31 March 2018 and of its 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.

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 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.

Emphasis of matter - basis of preparation

We draw attention to Note 1 to the financial statements which explains that it is the Director's intention to liquidate the Company. Accordingly, the financial statements have been prepared on a basis other than that of going concern as described in Note 1. Our opinion is not modified in this respect of this matter.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 the audit:

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

MP Granite Limited

Independent Auditors' Report to the Members of MP Granite Limited (continued)

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 Strategic report and 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 Statement of Directors Responsibilities, 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.

Auditor's responsibilities for the audit of the financial statements

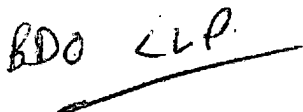
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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 for the audit of the financial statements is located on the Financial Reporting Council's website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's 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 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.



Andrew Viner (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London, UK

Signed on. 20/12/2019

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

MP Granite Limited**Income Statement****Year ended 31 March 2018**

	<i>Note</i>	2018 €'000	2017 €'000
Administrative expenses		(7)	-
Operating (loss) / result	3	(7)	-
Interest receivable and similar income	4	2,566	2,613
Interest payable and similar expenses	5	(92,647)	(5,133)
Loss before taxation		(90,088)	(2,520)
Tax on loss	8	-	-
Loss for the financial year		(90,088)	(2,520)

The notes on pages 13 to 19 form part of these financial statements.

All of the activities of the Company are classed as continuing for the current and prior years until such time as the Directors liquidate the Company.

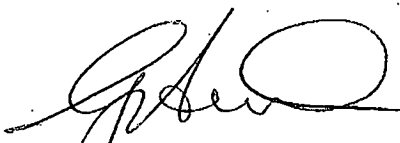
There are no items of comprehensive income other than those in the Income Statement and therefore no Statement of Comprehensive Income has been presented.

MP Granite Limited**Balance Sheet****As at 31 March 2018**

	<i>Note</i>	2018 €'000	2017 €'000
Fixed assets			
Investments	9	-	2,470
Current assets			
Debtors	10	103,737	191,348
Creditors: amounts falling due within one year	11	(103,767)	(103,760)
Net current (liabilities)/assets		(30)	90,058
Total assets less current liabilities		(30)	90,058
Net (liabilities)/assets		(30)	90,058
Capital and reserves			
Called up share capital	12	-	-
Retained (deficit)/earnings		(30)	90,058
Total shareholders' (deficit)/funds		(30)	90,058

The notes on pages 13 to 19 form part of these financial statements.

The financial statements on pages 10 to 19 were approved by the Board of Directors on 20/12/2019 and signed on their behalf by:


G R Henderson
Director

Company Registration Number: 08090852

MP Granite Limited**Statement of Changes in Equity****Year ended 31 March 2018**

	Called up share capital €'000	Retained earnings/ (deficit) €'000	Total shareholders' funds/(deficit) €'000
Balance at 1 April 2016	170,657	25,658	196,315
Total comprehensive expense for the year			
Loss for the financial year	-	(2,520)	(2,520)
Total comprehensive expense for the year	-	(2,520)	(2,520)
Transactions with owners, recorded directly in equity			
Capital reduction	(170,657)	170,657	-
Dividend	-	(103,737)	(103,737)
Total contributions by and distributions to owners	(170,657)	66,920	(103,737)
Balance at 31 March 2017	-	90,058	90,058
Total comprehensive expense for the year			
Loss for the financial year	-	(90,088)	(90,088)
Total comprehensive expense for the year	-	(90,088)	(90,088)
Balance at 31 March 2018	-	(30)	(30)

The notes on pages 13 to 19 form part of these financial statements.

MP Granite Limited**Notes to the Financial Statements****Year ended 31 March 2018****1. Accounting policies**

MP Granite Limited (the "Company") is a private Company limited by shares, incorporated, domiciled and registered in England and Wales in the United Kingdom. The registered number is 08090852 and the registered address is 30 Golden Square, London W1F 9LD.

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

These financial statements were prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102"). The presentation currency of these financial statements is euro. All amounts in the financial statements have been rounded to the nearest €1,000.

The Company's ultimate parent undertaking, DH Publishing L.P. includes the Company in its consolidated financial statements. The consolidated financial statements of DH Publishing L.P. are available to the public and may be requested from DH Publishing L.P., 190 Elgin Avenue, Grand Cayman, KY1-9005, Cayman Islands.

In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

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

As the consolidated financial statements of DH Publishing L.P. include the equivalent disclosures, the Company has also taken exemptions under FRS 102 available in respect of the following disclosures:

- The disclosures required by FRS 102.11 Basic Financial Instruments.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgements made by the Directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next period are discussed in note 2.

Basis of preparation

The Directors have decided to liquidate the Company as it is a superfluous holding company that is no longer required in the Group. The Directors no longer consider the Company to be a going concern and therefore these financial statements have been prepared on a basis other than that of going concern. No material adjustments have been made to the financial statements as a result of preparing them on a basis other than that of a going concern. The financial statements have been prepared on a basis other than that of going concern, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom.

Going concern

MP Granite Limited has made a loss for the financial period of €90,088,000 (2017: €2,520,000) and has net current liabilities of €30,000 (2017: €90,058,000 net assets) and net liabilities of €30,000 (2017: €90,058,000 net assets) at the reporting date.

The Directors no longer consider the Company to be a going concern and therefore these financial statements have been prepared on a basis of other than that of going concern. The Directors intend to liquidate the Company as it is a superfluous holding company that is no longer required in the Group.

The Directors do not believe in preparing the financial statements on a basis other than going concern had a significant impact on the financial statements.

MP Granite Limited**Notes to the Financial Statements (continued)****Year ended 31 March 2018****1. Accounting policies (continued)****Related party transactions**

The Company is exempt under the terms of FRS 102.33 Related Party Disclosures from disclosing related party transactions with entities that are part of the DH Publishing L.P. group or investees of the DH Publishing L.P. group provided that any subsidiary which is party to the transaction is wholly owned by the group.

Classification of financial instruments issued by the Company

In accordance with FRS 102.22, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and
- where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Basic financial instruments*Trade and other debtors/creditors*

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Investments

Investments in subsidiaries are carried at cost less impairment.

Impairment*Financial assets (including trade and other debtors)*

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

MP Granite Limited**Notes to the Financial Statements (continued)****Year ended 31 March 2018****1. Accounting policies (continued)****Impairment (continued)***Non-financial assets*

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognised in the Income Statement.

Taxation

Tax on the profit or loss for the period comprises current and deferred tax. Tax is recognised in the Income Statement 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 period, using tax rates enacted or substantively enacted at the Balance Sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for:

- differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and
- differences relating to investments in subsidiaries, to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference.

Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the Balance Sheet date.

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.

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 Income Statement.

MP Granite Limited**Notes to the Financial Statements (continued)****Year ended 31 March 2018****1. Accounting policies (continued)****Expenses***Interest receivable and Interest payable*

Interest payable and similar expenses include interest payable and net foreign exchange losses that are recognised in the Income Statement (see foreign currency accounting policy).

Interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method. Foreign currency gains and losses are reported on a net basis.

2. Accounting estimates and judgements

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

Impairment of investments

The Company conducts impairment reviews of investments in subsidiaries whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable or tests for impairment annually in accordance with the relevant accounting standards. Determining whether an asset is impaired requires an estimation of the recoverable amount, which requires the Company to estimate the value in use which is based on future cash flows, and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, an impairment loss may arise. Management believe that any reasonable possible changes in the assumptions used in the impairment reviews would not affect management's view on impairment at current period end.

3. Operating loss

The audit fee is borne and settled by EMI Music Publishing Limited, another company within the DH Publishing L.P., Group.

4. Interest receivable and similar income

	2018 €'000	2017 €'000
Interest receivable from group undertakings	2,566	2,613
	<u>2,566</u>	<u>2,613</u>

MP Granite Limited**Notes to the Financial Statements (continued)****Year ended 31 March 2018****5. Interest payable and similar expenses**

	2018 €'000	2017 €'000
Interest payable to group undertakings	1	-
Net exchange losses	3,384	5,133
Impairment of loans receivable from group undertakings	89,262	-
	<u>92,647</u>	<u>5,133</u>

6. Directors' remuneration

The Directors, who are also the Company key management, received no remuneration for their services to the Company during the year (2017: £nil).

The Directors were remunerated by a member of the US Group for their services to the Group as a whole.

7. Staff numbers and costs

The Company had no employees (2017: none).

8. Taxation**Total tax expense recognised in the Income Statement**

	2018 €'000	2017 €'000
<i>Current tax</i>		
Current tax on loss for the year	-	-
Total tax	<u>-</u>	<u>-</u>

Reconciliation of effective tax rate

	2018 €'000	2017 €'000
Loss before taxation	(90,088)	(2,520)
Tax using the UK corporation tax rate at 19% (2017: 20%)	(17,117)	(504)
Expenses not deductible for tax purposes	16,960	-
Effects of group relief/other reliefs	157	504
Total tax	<u>-</u>	<u>-</u>

MP Granite Limited**Notes to the Financial Statements (continued)****Year ended 31 March 2018****8. Taxation (continued)****Factors that may affect future tax charges**

Reductions in the main rate of UK corporation tax from 20% (effective 1 April 2015) to 19% and 18% (effective from 1 April 2017 and 1 April 2020 respectively) were substantively enacted at the Balance Sheet date. Further reductions to 17% (effective 1 April 2020) were substantively enacted on 6 September 2016. This will reduce the Company's future current tax charge accordingly.

9. Fixed asset investments

	Shares in group undertakings €'000
Cost	
At 31 March 2017	2,470
Disposal	(2,470)
At 31 March 2018	-
Net book value	
At 31 March 2018	-
At 31 March 2017	2,470

On 22 January 2018 the Company sold all of its investment shares in EMI Music Publishing Malaysia Sdn. Bhd. to EMI Music Publishing Group International B.V. for €2,469,937, which resulted no profit or loss recognised on disposal.

Subsidiary undertaking	Registered office	Country of incorporation	Class of shares held	Ownership 2018 %	Ownership 2017 %
EMI Music Publishing Malaysia Sdn Bhd*	Suite 21-7, The Boulevard Lingakaran Syed Putra, Mid Valley City, 59200, Kuala Lumpur	Malaysia	Ordinary	-	100

* Directly held

10. Debtors

	2018 €'000	2017 €'000
Amounts owed by group undertakings	103,737	191,348
	103,737	191,348

Amounts owed by group undertakings are unsecured and bear interest between 2.75% and 3.00%.

MP Granite Limited**Notes to the Financial Statements (continued)****Year ended 31 March 2018****11. Creditors: amounts falling due within one year**

	2018 €'000	2017 €'000
Amounts owed to group undertakings	103,747	103,746
Accruals	20	14
	<u>103,767</u>	<u>103,760</u>

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

12. Capital and reserves**Share capital****Allotted, called up and fully paid:**

	2018 €	2017 €
1 (2017: 1) ordinary share of \$1 each	<u>1</u>	<u>1</u>

Reserves*Called up share capital*

Represents the nominal value of shares issued.

Retained (deficit)/earnings

Represents the reserves for net gains and losses recognised in the Income Statement.

13. Ultimate parent company and parent company of larger group

The Company is at 31 March 2018 a subsidiary undertaking of DH Publishing L.P.. The ultimate controlling party is DH Publishing L.P., a partnership registered in Cayman Islands.

The largest and the smallest group in which the results of the Company are consolidated is that headed by DH Publishing L.P. The consolidated financial statements of this group are available to the public any may be requested from 190 Elgin Avenue, Grand Cayman, Cayman Islands, KY1-9005.

Post the financial year end the ultimate controlling party in Sony Corporation.

14. Subsequent events

The Directors have decided to liquidate the Company, as it is a superfluous holding company that is no longer required in the Group. Therefore these financial statements have been prepared on a basis other than that of a going concern. No material adjustments have been made to the financial statements as a result of preparing them on a basis other than that of going concern.