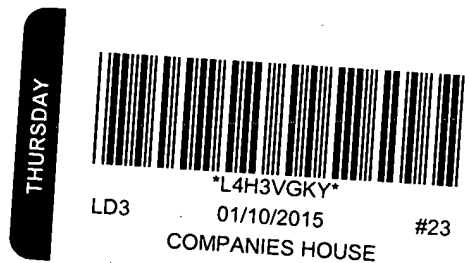


806281

COMPANY REGISTRATION NUMBER

EMI GROUP FINANCE LIMITED
DIRECTORS' REPORT AND FINANCIAL
STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014



EMI GROUP FINANCE LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

CONTENTS	PAGES
Officers and professional advisers	1
Strategic report	2
Directors' report	3 to 4
Independent auditor's report to the members	5 to 6
Profit and loss account	7
Balance sheet	8
Notes to the financial statements	9 to 13

EMI GROUP FINANCE LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

THE BOARD OF DIRECTORS

RM Constant
A Brown
BJ Muir

COMPANY SECRETARY

A Abioye

REGISTERED OFFICE

364-366 Kensington High Street
London
W14 8NS

AUDITOR

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

EMI GROUP FINANCE LIMITED

STRATEGIC REPORT

YEAR ENDED 31 DECEMBER 2014

The directors present their strategic report for the company for the period ended 31 December 2014.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the period continued to be that of a finance company. The directors do not anticipate any change to the principal activity of the Company during the next year. During the prior period the company took part in an intercompany loan rationalisation exercise. This resulted in the gross assets and liabilities increasing by approximately £3bn as loans were rerouted via the company. Interest rates also changed as a result of the new loan relationships.

The result and position of the company as at and for the period ended 31 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 company were in line with directors' expectations.

RESULTS AND DIVIDENDS

The profit on ordinary activities before taxation for the period was £182,958,000 (9 Months To 31 December 2013 - £143,047,000). The increased profit in the period is due increase in net interest income of £40,087,000 partly offsetting this increase is a net foreign exchange decrease of £5,238,000 and a bad debts provision on 3rd Party Loans relating which relate to EMI Group Norway which was sold and has been written off in March 2015. The directors do not recommend payment of a dividend (9 Months To 31 31 December 2013 - £nil).

PRINCIPAL RISKS AND UNCERTAINTIES

The company is faced with the following risks:

- impact of interest rate fluctuations from amounts receivable and payable on loans with other group undertakings;
- potential impairment of investments

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

FUTURE DEVELOPMENTS

Notwithstanding the risks and uncertainties outlined above, 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



DRJ Sharpe
Director

30 SEP 2015

EMI GROUP FINANCE LIMITED

DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2014

The directors present their report and the financial statements of the company for the year ended 31 December 2014.

DIRECTORS

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

RM Constant
A Brown
BJ Muir

AM Barker was appointed as a director on 13 February 2015.

DRJ Sharpe was appointed as a director on 13 February 2015.

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.

DONATIONS

The company made no political or charitable donations in either the current period or the prior 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 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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.

EMI GROUP FINANCE LIMITED

DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2014

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 company'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.

on behalf of the directors



30 SEP 2015

DRJ Sharpe
Director

EMI GROUP FINANCE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EMI GROUP FINANCE LIMITED

YEAR ENDED 31 DECEMBER 2014

We have audited the financial statements of EMI Group Finance Limited for the year ended 31 December 2014, which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 12. 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 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. 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 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 company's affairs as at 31 December 2014 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.

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.

EMI GROUP FINANCE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EMI GROUP FINANCE LIMITED *(continued)*

YEAR ENDED 31 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, 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.



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

30 September 2015

Company Registration Number: 806281

EMI GROUP FINANCE LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2014

	Year Ended 31 December 2014 £'000	9 Months To 31 December 2013 £'000
	-	-
Administrative expenses	(10,850)	(10,674)
OPERATING LOSS	2 (10,850)	(10,674)
Interest receivable and similar income	5 312,919	220,595
Interest payable and similar charges	6 (119,111)	(66,874)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	182,958	143,047
Tax on profit on ordinary activities	7 (40,542)	-
PROFIT FOR THE FINANCIAL YEAR	142,416	143,047

All of the activities of the company are classed as continuing operations.

The company 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 9 to 13 form part of these financial statements.

EMI GROUP FINANCE LIMITED

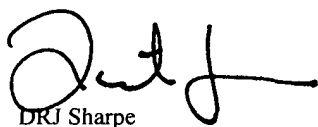
BALANCE SHEET

AS AT 31 DECEMBER 2014

	Note	2014 £'000	2013 £'000
CURRENT ASSETS			
Debtors	8	8,999,504	10,519,128
Cash at bank		57	4
		<u>8,999,561</u>	<u>10,519,132</u>
CREDITORS: Amounts falling due within one year	9	<u>8,695,731</u>	<u>10,357,718</u>
NET CURRENT ASSETS		<u>303,830</u>	<u>161,414</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>303,830</u>	<u>161,414</u>
CAPITAL AND RESERVES			
Called-up equity share capital	10	83,936	83,936
Profit and loss account	11	<u>219,894</u>	<u>77,478</u>
EQUITY SHAREHOLDERS' FUNDS	11	<u>303,830</u>	<u>161,414</u>

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

30 SEP 2015



DRJ Sharpe

30 SEP 2015

Company Registration Number: 806281

The notes on pages 9 to 13 form part of these financial statements.

EMI GROUP FINANCE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

1. ACCOUNTING POLICIES

Basis of preparation

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

The financial statements have been prepared on a going concern basis.

As the ultimate parent undertaking prepares publicly available consolidated accounts and is incorporated within the European Union the company has taken advantage of the exemption under section 400 of the Companies Act 2006 from preparing consolidated accounts. As such, these financial statements give information about the company as an individual undertaking and not about its group.

Cash flow statement and related party disclosures

The company is a wholly owned subsidiary of Vivendi S.A. who control 90% or more of the voting rights and is included in the consolidated financial statements of the group, which are publicly available. Consequently, the company has taken advantage of the exemption in FRS 1 from preparing a cash flow statement and the exemption of FRS 8 from disclosing transactions with entities that are part of the Vivendi S.A. group of investees of that group.

Taxation

The charge/(credit) for taxation is based on the profit/(loss) for the period 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 result in an obligation to pay more tax in the future or a right to pay less tax in future. Timing differences are differences between the company's taxable profit and loss and its results as stated in the financial statements. No deferred tax is recognised on permanent differences.

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

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the contracted rate or the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

Interest bearing intercompany loans

Intercompany interest bearing loans bear interest at a rate agreed by both parties on a loan by loan basis. Accrued interest is added to the loan balance on a quarterly basis.

EMI GROUP FINANCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2014

2. OPERATING LOSS

Operating loss is stated after charging:

	Year Ended 31 December 2014 £'000	9 Months To 31 December 2013 £'000
Net loss on foreign currency translation	<u>5,238</u>	<u>10,657</u>

3. AUDITOR'S REMUNERATION

The auditor's remuneration for the year ended 31 December 2014 was £5,000 (9 Months To December 2013 - £5,000) and was borne by another group company in both periods.

4. PARTICULARS OF EMPLOYEES

The director's received no remuneration during the current period or the prior year in respect of his services to the Company. The Company had no employees during either the year or prior period.

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	Year Ended 31 December 2014 £'000	9 Months To 31 December 2013 £'000
Interest receivable from group undertakings	<u>312,919</u>	<u>220,595</u>

6. INTEREST PAYABLE AND SIMILAR CHARGES

	Year Ended 31 December 2014 £'000	9 Months To 31 December 2013 £'000
Bank interest payable	-	7
Interest payable to group undertakings	<u>119,111</u>	<u>66,867</u>
	<u>119,111</u>	<u>66,874</u>

EMI GROUP FINANCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2014

7. TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES

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

	Year Ended 31 December 2014 £'000	9 Months To 31 December 2013 £'000
Current tax:		
UK Corporation tax based on the results for the year	5,948	-
Group relief payable for losses surrendered from other group undertakings	34,594	-
Total current tax	<u>40,542</u>	<u>-</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 21.50% (2013 - 23%).

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.

	Year Ended 31 December 2014 £'000	9 Months To 31 December 2013 £'000
Profit on ordinary activities before taxation	<u>182,958</u>	<u>143,047</u>
Profit on ordinary activities at the standard rate of UK Corporation tax of 21.50% (2013: 23%)	39,336	32,901
Expenses not deductible for tax purposes	1,206	-
Impact of group relief claimed / surrendered for no compensation	-	(32,901)
Current tax charge for the financial year	<u>40,542</u>	<u>-</u>

8. DEBTORS

	2014 £'000	2013 £'000
Amounts owed by group undertakings	8,999,504	10,513,520
Other debtors	-	5,608
	<u>8,999,504</u>	<u>10,519,128</u>

All debtors are repayable within one year of the balance sheet date.

Amounts owed by group undertakings are made up of £973,016,000 owed by overseas undertakings and £8,026,488,000 owed by UK undertakings. Loans to fellow Group undertakings in the UK and overseas 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.

EMI GROUP FINANCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2014

9. CREDITORS: Amounts falling due within one year

	2014 £'000	2013 £'000
Amounts owed to group undertakings	8,689,783	10,357,654
Corporation tax	5,948	–
Other creditors	–	64
	<u>8,695,731</u>	<u>10,357,718</u>

Amounts owed to group undertakings are made up of £120,671,000 owed to overseas undertakings and £8,569,109,000 owed to UK undertakings. Loans from fellow Group undertakings in the UK and overseas 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.

10. SHARE CAPITAL

Authorised share capital:

	2014 £'000	2013 £'000
85,000,000 Ordinary shares of £1 each	<u>85,000</u>	<u>85,000</u>

Allotted, called up and fully paid:

	2014		2013	
	No	£'000	No	£'000
Ordinary shares of £1 each	<u>83,936,000</u>	<u>83,936</u>	<u>83,936,000</u>	<u>83,936</u>

There was no change to the authorised or issued share capital during the current period.

11. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENT ON RESERVES

	Share capital £'000	Profit and loss account £'000	Total share-holders' funds £'000
Balance brought forward at 1 April 2013	83,936	(65,569)	18,367
Profit for the period	–	143,047	143,047
Balance brought forward at 1 January 2014	83,936	77,478	161,414
Profit for the year	–	142,416	142,416
Balance carried forward at 31 December 2014	<u>83,936</u>	<u>219,894</u>	<u>303,830</u>

EMI GROUP FINANCE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2014

12. ULTIMATE PARENT COMPANY

The immediate parent undertakings of the Company are EMI Group Limited holding 83,935,900 shares and EMI Group Nominees Limited holding 100 shares. The ultimate parent undertaking and controlling party is Vivendi SA, a company incorporated in France.

The smallest and 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 SA
42 Avenue de Friedland
75380 Paris
Cedex 08
France