

Registration number: 03602378

Sony Entertainment Holdings Europe Limited

Annual Report and Financial Statements

for the Period from 1 October 2020 to 31 March 2021



Sony Entertainment Holdings Europe Limited

Contents

Company Information	1
Strategic Report	2 to 3
Directors' Report	4
Statement of Directors' responsibilities in respect of the Financial Statements	5
Independent Auditors' Report	6 to 9
Profit and Loss Account	10
Balance Sheet	11
Statement of Changes in Equity	12
Notes to the Financial Statements	13 to 20

Sony Entertainment Holdings Europe Limited

Company Information

Directors	A France K Halby T Scarpaci
Company secretary	Abogado Nominces Limited
Registered office	100 New Bridge Street London EC4V 6JA
Independent auditors	PricewaterhouseCoopers LLP 40 Clarendon Road Watford Hertfordshire WD17 1JJ
Registered number	03602378 (England and Wales)
Senior statutory auditor	David Beer

Sony Entertainment Holdings Europe Limited

Strategic Report for the Period from 1 October 2020 to 31 March 2021

The Directors, in preparing this Strategic Report for Sony Entertainment Holdings Europe Limited ("the Company"), have complied with section 414C of the Companies Act 2006:

Fair review of the business

The Company has not traded during the period. The Company received no income and incurred no expenditure and therefore made neither profit nor loss (2020: profit of £103,161,000).

The Company received no dividends during the year (2020: £1,288,162,000).

The total assets for the financial year amounted to £105,900,000 (2020: £105,900,000), and the net assets are £104,844,000 (2020: £104,844,000).

Principal activities

The Company's principal activity in the year was to hold investments.

Principal risks and uncertainties

The key business risks and uncertainties affecting the Company are considered to relate to the carrying value of the investments in its subsidiary undertakings.

These are mitigated by reviewing rolling forecasts of the subsidiaries and group undertakings to understand the ongoing position.

S172 Statement

Section 172 requires a Director to have regard to the following matters, among others, when discharging their duty: the likely consequences of any decision in the long term; the interests of the Company's employees; the duty need to foster the Company's business relationships with suppliers, customers and others; the impact of the Company's operations on the community and the environment; the desirability of the Company maintaining a reputation of high standards of business conduct; and the need to act fairly with members of the Company.

The Company is wholly owned subsidiary of Sony Corporation of America and has no employees, customers or suppliers, however, as a subsidiary holding company within the Sony Group, the Directors consider the impact of the Company's activities on its shareholder, its subsidiaries, the Sony businesses that have an interest in the Company's investments and other stakeholders.

The Directors provide the highest standards of governance to ensure that they comply with the Group policies and maintain high standards of business conduct. Any decisions taken will be aligned to the strategy and standards of the Sony Group and be made in the best interest of all stakeholders.

The Sony Group Corporation Corporate Report 2021 contains detailed information on stakeholder activities and considerations undertaken within the Group.

Future developments

There are no major future developments that will have impact on the Company. The Directors do not plan to dissolve the Company in the foreseeable future.

Key performance indicators

Given the straightforward nature of the business, the Company's Directors are of the opinion that using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

Sony Entertainment Holdings Europe Limited

Strategic Report for the Period from 1 October 2020 to 31 March 2021 (continued)

Research and development

The Company does not engage in any research and development activities.

Approved by the Board on 23 November 2021 and signed on its behalf by:

Antony Guy France

A France
Director

Sony Entertainment Holdings Europe Limited

Directors' Report for the Period from 1 October 2020 to 31 March 2021

The Directors present their report and the Financial Statements for the period from 1 October 2020 to 31 March 2021.

Directors of the Company

The Directors of the Company who were in office during the year and up to the date of signing the Financial Statements were as follows:

A France
K Halby
T Scarpaci

The Directors holding office at 31 March 2021 did not hold any beneficial interest in the issued share capital of the Company for the period from 1 October 2020 to 31 March 2021.

Dividends

The Company do not recommend the payment of a dividend (2020: £1,008,024,000).

Political and charitable donations

During the year the Company made no political or charitable donations (2020: £nil).

Disclosure of information to the auditors

In accordance with section 418 of the Companies Act 2006, each Director in office at the date of the Directors' Report is approved confirms that:

- so far as he or she is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- he or she has taken all the steps that they 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.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

A qualifying third party indemnity provision (made by the Group or otherwise) was not in force for the benefit of one or more directors at any time during the financial year, or at the time when the report is approved.

Reappointment of auditors

PricewaterhouseCoopers LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

Approved by the Board on 23 November 2021 and signed on its behalf by:

Antony Guy France

.....
A France
Director

Sony Entertainment Holdings Europe Limited

Statement of Directors' responsibilities in respect of the Financial Statements

The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 the Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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 safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also 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.

Sony Entertainment Holdings Europe Limited

Independent Auditor's Report to the Members of Sony Entertainment Holdings Europe Limited

Report on the audit of the Financial Statements

Opinion

In our opinion, Sony Entertainment Holdings Europe Limited's financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2021 and of its result for the period from 1 October 2020 to 31 March 2021;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the Financial Statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 March 2021; the Profit and Loss Account, the Statement of Changes in Equity for the period then ended; and the notes to the Financial Statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the Financial Statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the Financial Statements are authorised for issue.

In auditing the Financial Statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the Financial Statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Sony Entertainment Holdings Europe Limited

Independent Auditor's Report to the Members of Sony Entertainment Holdings Europe Limited (continued)

Reporting on other information

The other information comprises all of the information in the Annual Report other than the Financial Statements and our auditors' report thereon. The Directors are responsible for the other information. Our opinion on the Financial Statements does not cover the other information and, accordingly, we do not express an audit opinion on, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' Report

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 period ended 31 March 2021 is consistent with the Financial Statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

Responsibilities for the Financial Statements and the audit

Responsibilities of the Directors for the Financial Statements

As explained more fully in the Statement of Directors' responsibilities in respect of the Financial Statements, the Directors are responsible for the preparation of the Financial Statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the Financial Statements

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

Sony Entertainment Holdings Europe Limited

Independent Auditor's Report to the Members of Sony Entertainment Holdings Europe Limited (continued)

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

Based on our understanding of the Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to compliance with tax legislation, and we considered the extent to which non-compliance might have a material effect on the Financial Statements. We also considered those laws and regulations that have a direct impact on the Financial Statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the Financial Statements (including the risk of override of controls), and determined that the principal risks were related to management bias in accounting estimates. Audit procedures performed by the engagement team included:

- discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- auditing the risk of management override of controls particularly testing accounting estimates (because of the risk of management bias), and evaluating the business rationale of significant transactions outside the normal course of business;
- reviewing minutes of meetings;
- designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the Financial Statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the Financial Statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Sony Entertainment Holdings Europe Limited

**Independent Auditor's Report to the Members of Sony Entertainment Holdings
Europe Limited (continued)**

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



David Beer (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Watford

24 November 2021

Sony Entertainment Holdings Europe Limited

Profit and Loss Account for the Period from 1 October 2020 to 31 March 2021

		6 months ended 31 March 2021 £ 000	18 months ended 30 September 2020 £ 000
	Note		
Impairment of investments		-	(1,185,046)
Other operating income		-	56
Operating loss	4	-	(1,184,990)
Income from shares in group undertakings	5	-	1,288,162
		-	1,288,162
Profit before tax		-	103,172
Tax on profit	9	-	(11)
Profit for the financial period		-	103,161

The above results were derived from continuing operations.

The Company has no other comprehensive income for the year other than the results above and therefore no Statement of Comprehensive Income is presented.

Sony Entertainment Holdings Europe Limited

**(Registration number: 03602378)
Balance Sheet as at 31 March 2021**

	Note	31 March 2021 £ 000	30 September 2020 £ 000
Fixed assets			
Investments	10	105.900	105.900
Creditors: amounts falling due within one year	11	(1.056)	(1.056)
Total assets less current liabilities		<u>104.844</u>	<u>104.844</u>
Net assets		<u>104.844</u>	<u>104.844</u>
Capital and reserves			
Called up share capital	12	100.000	100.000
Profit and loss account		<u>4.844</u>	<u>4.844</u>
Total equity		<u>104.844</u>	<u>104.844</u>

The Financial Statements of Sony Entertainment Holdings Europe Limited (registration number: 03602378) on pages 10 to 20 were approved and authorised by the Board of on 23 November 2021 and signed on its behalf by:

Antony Guy France

A France
Director

Sony Entertainment Holdings Europe Limited

Statement of Changes in Equity for the Period from 1 October 2020 to 31 March 2021

	Called up share capital £ 000	Share premium £ 000	Profit and loss account £ 000	Total £ 000
At 1 October 2020	100.000	-	4.844	104.844
Total comprehensive income	-	-	-	-
At 31 March 2021	100.000	-	4.844	104.844
	Called up share capital £ 000	Share premium £ 000	Profit and loss account £ 000	Total £ 000
At 1 April 2019	100.000	617.220	292.487	1.009.707
Profit for the period	-	-	103.161	103.161
Total comprehensive income	-	-	103.161	103.161
Dividends	-	-	(1.008.024)	(1.008.024)
Other movements on reserves	-	(617.220)	617.220	-
At 30 September 2020	100.000	-	4.844	104.844

Sony Entertainment Holdings Europe Limited

Notes to the Financial Statements for the Period from 1 October 2020 to 31 March 2021

1 General information

Sony Entertainment Holdings Europe Limited ("the Company") is a private company limited by share capital and is incorporated in the United Kingdom and registered in England and Wales.

The address of its registered office is:

100 New Bridge Street

London

EC4V 6JA

The nature of the Company's operation and its principal activity are set out in the Strategic Report on page 2.

Statement of compliance

The individual Financial Statements of the Company have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland' ("FRS 102") and the Companies Act 2006.

2 Accounting policies

Summary of significant accounting policies

The principal accounting policies applied in the preparation of these Financial Statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The Company has adopted FRS 102 in these Financial Statements.

Basis of preparation

These Financial Statements have been prepared on a going concern basis under the historical cost convention and in accordance with the Companies Act 2006.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Financial Statements are disclosed in note 3.

These Financial Statements are presented in pounds sterling and rounded to thousands. The Company's functional and presentation currency is pound sterling.

The Company is a wholly-owned subsidiary of Sony Corporation of America and is included in the consolidated financial statements of Sony Group Corporation which are publicly available, this is disclosed in note 14. Consequently, the Company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 401 of the Companies Act 2006.

Accounting period

In the previous year, the Company's Financial Statements were prepared for a financial year ended 30 September however, the Company made a decision to shorten the reporting date to 31 March.

The comparative financial statements are for the period ended 30 September 2020.

Sony Entertainment Holdings Europe Limited

Notes to the Financial Statements for the Period from 1 October 2020 to 31 March 2021 (continued)

2 Accounting policies (continued)

Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these Financial Statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- The requirements of Section 4 Statement of Financial Positions paragraph 4.12(a)(iv);
- The requirements of Section 7 Statement of Cash Flows;
- The requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- The requirements of Section 33 Related Party Disclosure paragraph 33.7; and
- The requirements of Section 11 Basic Financial Instruments paragraph 11.39-11.48A.

This information is included in the consolidated financial statements of Sony Group Corporation which is disclosed in note 14.

Going concern

The Company has net current liabilities of £1,056,000 (2020: £1,056,000) at 31 March 2021. These net current liabilities are the result of loans/intercompany creditors with related group undertakings being payable within twelve months of the balance sheet date. The Directors have confirmed that the intention of the related group undertakings is that the loans/intercompany creditors will not be repaid until the Company has the financial resources to settle these obligations. Furthermore, Sony Group Corporation, the Company's ultimate parent company incorporated in Japan, has confirmed that it will provide financial support for the Company for 12 months from the date of signing of these Financial Statements and accordingly, the Directors have prepared the Financial Statements on a going concern basis.

Taxation

Taxation expense for the year comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

(i) Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the year end.

(ii) Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the Financial Statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the Financial Statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Sony Entertainment Holdings Europe Limited

Notes to the Financial Statements for the Period from 1 October 2020 to 31 March 2021 (continued)

2 Accounting policies (continued)

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Dividends

Dividend distribution to the Company's shareholders is recognised as a liability in the Financial Statements in the reporting period in which the dividends are declared.

Financial instruments

Financial assets

Basic financial assets, including amounts owed by fellow group companies, and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Financial liabilities

Basic financial liabilities, including trade and other payables, and loans from fellow group companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Equity instruments

Equity instruments issued by the Company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs.

Sony Entertainment Holdings Europe Limited

Notes to the Financial Statements for the Period from 1 October 2020 to 31 March 2021 (continued)

3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Below are the significant estimates and judgements used in preparing these Financial Statements:

Valuation of investments

The fair value of investments involves the estimation of future cash flows to be generated over a number of years. The estimation of the fair values requires the combination of assumptions including revenue growth, and discount rates which requires judgement. The Directors consider the value of the investments to be supported by their underlying assets. Where necessary the Directors will provide for an impairment to write the investment down to its net realisable value.

4 Operating loss

	31 March 2021 £ 000	30 September 2020 £ 000
Impairment of investments	-	(1,185,046)
Other operating income	-	56
Operating loss	<u>-</u>	<u>(1,184,990)</u>

5 Income from shares in group undertakings

	31 March 2021 £ 000	30 September 2020 £ 000
Dividend income	<u>-</u>	<u>1,288,162</u>

6 Staff costs

The Company had no employees during the year (2020: none) and there were no staff costs for the year (2020: £nil).

7 Directors' remuneration

The Directors did not receive any emoluments in respect of their services to the Company (2020: none).

Sony Entertainment Holdings Europe Limited

Notes to the Financial Statements for the Period from 1 October 2020 to 31 March 2021 (continued)

8 Auditors' remuneration

Fees payable to PricewaterhouseCoopers LLP and their associates for the audit of the Company's annual Financial Statements of £6.656 (2020: £7.670) were borne by Sony Corporate Services Europe Limited and not recharged to the Company.

9 Tax on profit

Tax charged comprises:

	31 March 2021 £ 000	30 September 2020 £ 000
Current taxation		
UK corporation tax	-	11

The tax on profit before tax for the period is the same as the standard rate of corporation tax in the UK (2020 - lower than the standard rate of corporation tax in the UK) of 19% (2020 - 19%).

The differences are reconciled below:

	31 March 2021 £ 000	30 September 2020 £ 000
Profit before tax	-	103.172
Corporation tax at standard rate of 19% (2020: 19%)	-	19.603
Effect of revenues exempt from taxation	-	(244.751)
Effect of expense not deductible in determining taxable profit	-	225.159
Total tax charge	-	11

Sony Entertainment Holdings Europe Limited

Notes to the Financial Statements for the Period from 1 October 2020 to 31 March 2021 (continued)

10 Investments

	31 March 2021 £ 000	30 September 2020 £ 000
Investments in subsidiaries	<u>105,900</u>	<u>105,900</u>

Subsidiaries	£ 000
Cost or valuation	
At 1 October 2020 and 31 March 2021	<u>105,900</u>
Carrying amount	
At 31 March 2021	<u>105,900</u>
At 30 September 2020	<u>105,900</u>

Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the Company holds 20% or more of the nominal value of any class of share capital are as follows:

Holdings	Registered office	Holding	Proportion of voting rights and shares held	
			31 March 2021	30 September 2020
Direct				
Sony Corporate Services Europe Limited	100 New Bridge Street, London, EC4V 6JA, United Kingdom	100	100%	100%
Sony DADC Europe Limited,	Level 5, 2 More London Riverside, London, SE1 2AP, United Kingdom	100	100%	100%

Sony Entertainment Holdings Europe Limited

Notes to the Financial Statements for the Period from 1 October 2020 to 31 March 2021 (continued)

10 Investments (continued)

Holdings	Registered office	Holding	Proportion of voting rights and shares held	
Indirect				
Sony DADC Iberia, S.L.	Avda. Olimpico, Fernandez. Ochoa, s/n 28,925 Alcorcon, Madrid	100	100%	100%
DBD Logistics Services Limited	Southwater Business Park, Wrothing Road, Southwater, Horsham, RH13 9YT, United Kingdom	100	100%	100%
Entertainment Network Scandinavia AB	Via redsvägen 24, Borås 504 94, Sweden	100	100%	100%
OOO Sony DADC	84 Stasovoy UJ., 119 071, Moscow, Russia	100	100%	100%
Shanghai Epic Music Entertainment Co., Ltd.	No 99, East Jiang Tian Road, Songjiang Industrial Development Zone, Shanghai, 201600, China	49	49%	49%
Sony DADC Czech Republic, s.r.o.	Podebradova 2842/1, 301 00 Pilsen, Czech Republic	100	100%	100%
Sony DADC France S.A.S	23 Rue D'Anjou 75008, Paris8, France	100	100%	100%
S.D.G.D GmbH	Feldscheidenstrasse 50 60435 Frankfurt am Main Germany	100	100%	100%

11 Creditors: amounts falling due within one year

	31 March 2021 £ 000	30 September 2020 £ 000
Amounts owed to group undertakings	1,045	1,045
Income tax liability	11	11
	<u>1,056</u>	<u>1,056</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

Sony Entertainment Holdings Europe Limited

Notes to the Financial Statements for the Period from 1 October 2020 to 31 March 2021 (continued)

12 Called up share capital and profit and loss account

Allotted, called up and fully paid shares

	31 March 2021		30 September 2020	
	No. 000	£ 000	No. 000	£ 000
Ordinary shares of £1 each	<u>100.000</u>	<u>100.000</u>	<u>100.000</u>	<u>100.000</u>

The Company has one class of ordinary shares which carry no right to fixed income.

The Company's other reserves are as follows:

Profit and loss account

The profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

13 Dividends

	31 March 2021 £ 000	30 September 2020 £ 000
Dividend of £nil (2020: £10.08) per each Ordinary shares	<u>-</u>	<u>1.008.024</u>

At the balance sheet date, no dividends have been proposed (2020: £1.008.024.000).

14 Parent and ultimate parent undertaking

Sony Group Corporation (incorporated in Japan) is regarded by the Directors as being the Company's ultimate parent and controlling company.

Sony Group Corporation is the smallest and largest group for which group financial statements are drawn up. Copies of the group financial statements can be obtained from the Company Secretary, Abogado Nominees Limited at 100 New Bridge Street, London, EC4V 6JA.

The immediate parent undertaking is Sony Corporation of America, a company incorporated in the United States of America.