764797

Apple Corps Limited

Report and Financial Statements

31 January 2006

Registered No: 764797

Directors
Mrs Y O Lennon
Mrs O T Harrison
H L Gerrard
J L Eastman

Secretary
Standby Films Limited

Auditors
Ernst & Young LLP
1 More London Place
London
SE1 2AF

Registered office
27 Ovington Square
London
SW3 1LJ

Directors' report

The directors present their report and financial statements for the year ended 31 January 2006.

Results and dividends

The loss for the year, after taxation, amounted to £1,323,261 (2005 - £544,819). The directors do not recommend the payment of any dividends.

Principal activities and review of the business

The principal activity of the company is the exploitation of audio, visual and ancillary activities relating to "The Beatles".

The company performed as expected during the year and the directors do not envisage any change in its activities.

Directors and their interests

The directors at 31 January 2006 and their interests in the share capital of the company were as follows:

	At 31 January 2006 Ordinary shares	*At 1 February 2005 Ordinary shares*
Mrs Y O Lennon	25	25
Mrs O T Harrison	25	25
H L Gerrard	–	–
J L Eastman	–	–

Auditors

In accordance with section 386 of the Companies Act 1985, a resolution to dispense with the obligation to appoint auditors annually was passed on 16 December 1997. Accordingly, Ernst & Young LLP will be deemed to be reappointed as auditors.

By order of the board

N S Aspinall
For and on behalf of
Standby Films Limited

Secretary

27 SEP 2006

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 United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; 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 keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

ERNST & YOUNG

Independent auditors' report
to the members of Apple Corps Limited

We have audited the company's financial statements for the year ended 31 January 2006 which comprise the Profit and Loss Account, Statement of Total Recognised Gains and Losses, Balance Sheet, Statement of Cash Flows and the related notes 1 to 21. These financial statements have been prepared on the basis of the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 auditors' 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 auditors
The directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) as set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion
In our opinion the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 January 2006 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young LLP

Ernst & Young LLP
Registered Auditor
London
29 September 2006

Profit and loss account
for the year ended 31 January 2006

	Notes	*2006* £	*2005* £
Turnover	2	5,957,541	9,233,110
Administrative expenses		(8,451,806)	(11,583,150)
		(2,494,265)	(2,350,040)
Other operating income		767,800	1,224,640
Operating loss	3	(1,726,465)	(1,125,400)
Income from investments		450,000	240,000
Interest receivable	6	314,771	155,687
Interest payable and similar charges	7	(362,508)	(44,228)
		402,263	351,459
Loss on ordinary activities before taxation		(1,324,202)	(773,941)
Tax on loss on ordinary activities	8	941	229,122
Loss for the year	16	(1,323,261)	(544,819)

Statement of total recognised gains and losses

There were no recognised gains or losses other than the loss for the year of £1,323,261 (2005 - loss of £544,819).

Balance sheet
at 31 January 2006

	Notes	*2006* £	*2005* £
Fixed assets			
Intangible assets	9	–	143,907
Tangible assets	10	2,224,300	2,307,155
Investments	11	1,781,743	176,482
		4,006,043	2,627,544
Current assets			
Debtors	12	6,484,613	7,986,673
Cash at bank		7,155,567	4,244,265
		13,640,180	12,230,938
Creditors: amounts falling due within one year	13	(4,907,810)	(7,778,710)
Net current assets		8,732,370	4,452,228
Total assets less current liabilities		12,738,413	7,079,772
Creditors: amounts falling due after more than one year			
Loans	14	(7,715,736)	(733,834)
		5,022,677	6,345,938
Capital and reserves			
Called up share capital	15	100	100
Profit and loss account	16	5,022,577	6,345,838
Equity shareholders' funds	16	5,022,677	6,345,938

Mrs Y O Lennon
Director

Mrs O T Harrison
Director

H L Gerrard
Director

J L Eastman
Director

27 SEP 2006

Statement of cash flows
for the year ended 31 January 2006

	Notes	2006 £	2005 £
Net cash (outflow)/inflow from operating activities	19(a)	(3,246,549)	2,144,364
Returns on investments and servicing of finance	19(b)	720,366	351,459
Taxation	19(c)	387,789	(172,240)
Capital expenditure	19(d)	(1,615,026)	(35,296)
Financing	19(e)	6,664,722	(86,333)
Increase in cash		2,911,302	2,201,954

Reconciliation of net cash flow to movement in net (debt)/funds

		2006 £	2005 £
Increase in cash		2,911,302	2,201,954
Cash outflow from decrease in bank loans		86,333	86,333
Cash inflow from shareholder loans		(6,751,055)	–
Movement in net (debt)/funds	19(f)	(3,753,420)	2,288,287
Net funds at 1 February	19(f)	3,424,098	1,135,811
Net (debt)/funds at 31 January	19(f)	(329,322)	3,424,098

Notes to the financial statements
at 31 January 2006

1. Accounting policies
Basis of preparation
The financial statements are prepared under the historical cost convention.

Consolidated financial statements
The company is exempt from the requirement to prepare group financial statements by virtue of section 248 of the Companies Act 1985. The financial statements therefore present information about the company as an individual undertaking and not about its group.

Intangible assets
Intangible assets acquired separately from a business are capitalised at cost. They are amortised on a straight line basis over their estimated useful lives up to a maximum of 20 years.

The carrying value of intangible assets is reviewed for impairment at the end of the first full year following acquisition and in other periods if events or changes in circumstances indicate the carrying value may not be recoverable.

Fixed assets
All fixed assets are initially recorded at cost.

Depreciation
Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition of each asset evenly over its expected useful life, as follows:

Freehold buildings	-	over 50 years
Fixtures, fittings and equipment	-	over 4 years
Motor vehicles	-	over 4 years
Website costs	-	over 3 years

The carrying values of tangible fixed assets are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

Investments
Investments are stated at cost less provision for any impairment in value.

The carrying values of investments are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

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

- provision is made for deferred tax that would arise on remittance of the retained earnings of subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable;

- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Notes to the financial statements
at 31 January 2006

1. Accounting policies (continued)
Foreign currencies
Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date.

All differences are taken to the profit and loss account.

Operating lease agreements
Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Affiliated undertakings
In these financial statements companies are described as affiliated to Apple Corps Limited if:

(i) they have the same shareholders or ultimate shareholders as Apple Corps Limited; or
(ii) the company is owned by one or more of the shareholders of Apple Corps Limited.

Royalty income
Royalty income is accounted for on an accruals basis. Royalty audit claims are not booked as income until amounts arising from such claims are received by the company.

Returns
No provision is made for any reduction in royalties receivable in subsequent periods as a result of the return of records sold in respect of which royalties would normally have been accounted for during the year. Any reductions are accounted for as a deduction from turnover in subsequent periods.

2. Turnover
Turnover represents income derived from the company's continuing ordinary activities, stated net of value added tax, and is accounted for on an accruals basis.

It is the opinion of the directors that, in view of the nature of the company's business, the markets in which it operates do not differ substantially from each other and are, therefore, treated as one market for the purposes of disclosing the particulars of turnover in these financial statements.

3. Operating loss
This is stated after charging:

		2006	*2005*
		£	*£*
Auditors' remuneration	- audit services	30,000	30,000
	- non-audit services	233,739	554,067
Depreciation of owned fixed assets		92,620	94,114
Amortisation		143,907	172,690
		236,527	266,804
Operating lease rentals	- plant and machinery	5,269	5,346

Notes to the financial statements
at 31 January 2006

4. Staff costs

	2006	*2005*
	£	*£*
Wages and salaries	340,128	278,957
Social security costs	35,832	31,892
	375,960	310,849

	2006	*2005*
	No.	*No.*
The average monthly number of employees, excluding directors, all employed in an administrative capacity was	12	10

5. Directors' emoluments

		Restated
	2006	*2005*
	£	*£*
Fees	600,000	600,000
Other emoluments	107,670	239,457
	707,670	839,457

The aggregate emoluments of the highest paid director amounted to £190,743 (2005 - £223,809). The 2005 comparative in respect of other emoluments has been restated to include employers National Insurance contributions.

6. Interest receivable

	2006	*2005*
	£	*£*
Bank interest receivable	290,291	141,124
Other interest	24,480	14,563
	314,771	155,687

7. Interest payable and similar charges

	2006	*2005*
	£	*£*
Loan interest	318,103	–
Bank loans	44,398	44,137
Other interest	7	91
	362,508	44,228

Notes to the financial statements
at 31 January 2006

8. Taxation

(a) Tax on loss on ordinary activities

The tax credit is made up as follows:

	2006	*2005*
	£	*£*
Current tax:		
UK corporation tax	–	–
Tax over provided in previous years	941	8,711
Losses carried back to prior year	–	220,411
Total current tax credit (note 8(b))	941	229,122

(b) Factors affecting current tax credit

The tax assessed on the loss on ordinary activities for the year differs from the standard rate of corporation tax in the UK of 30% (2005 - 30%). The differences are reconciled below:

	2006	*2005*
	£	*£*
Loss on ordinary activities before taxation	(1,324,202)	(773,941)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2005 - 30%)	(397,261)	(232,182)
Expenses not deductible for tax purposes	2,483	3,484
Dividends receivable, not taxable	(135,000)	(72,000)
Capital allowances in arrears of depreciation	15,700	13,395
Adjustments to tax charge in respect of previous years	(941)	(8,711)
Losses carried forward to future years	514,078	66,892
Total current tax (note 8(a))	(941)	(229,122)

(c) Deferred tax

The company has a deferred tax asset of approximately £34,000 (2005 - £29,000) in respect of decelerated capital allowances and £580,000 (2005 - £66,000) in respect of trading losses, subject to agreement with HM Revenue & Customs, which are available for carry forward and offset against future profits arising from the same trade. The asset has not been recognised in the financial statements on the grounds that there is insufficient evidence available that the asset will be recovered in future years.

(d) Factors that may affect future tax charges

HM Revenue & Customs have raised enquiries into the company's tax return for 2004. It is not possible to predict with any certainty the outcome of these enquiries and consequently no provision has been included in the financial statements for any additional liabilities which may arise.

Notes to the financial statements
at 31 January 2006

9. Intangible fixed assets

	Trademarks £
Cost:	
At 1 February 2005 and 31 January 2006	518,067
Amortisation:	
At 1 February 2005	374,160
Provided during the year	143,907
At 31 January 2006	518,067
Net book value:	
At 31 January 2006	–
At 1 February 2005	143,907

10. Tangible fixed assets

	Freehold land and buildings £	*Fixtures, fittings and equipment* £	*Motor vehicles* £	*Website costs* £	*Total* £
Cost:					
At 1 February 2005	2,385,367	399,521	95,329	30,518	2,910,735
Additions	–	9,765	–	–	9,765
At 31 January 2006	2,385,367	409,286	95,329	30,518	2,920,500
Depreciation:					
At 1 February 2005	204,987	316,439	51,636	30,518	603,580
Provided during the year	37,604	31,249	23,767	–	92,620
At 31 January 2006	242,591	347,688	75,403	30,518	696,200
Net book value:					
At 31 January 2006	2,142,776	61,598	19,926	–	2,224,300
At 1 February 2005	2,180,380	83,082	43,693	–	2,307,155

Notes to the financial statements
at 31 January 2006

11. Investments

	Subsidiary undertakings £	*Associated undertakings* £	*Joint venture* £	*Total* £
Cost:				
At 1 February 2005	12,827	171,700	–	184,527
Additions	1,005,398	–	599,863	1,605,261
At 31 January 2006	1,018,225	171,700	599,863	1,789,788
Amounts provided:				
At 1 February 2005 and 31 January 2006	(8,045)	–	–	(8,045)
Net book value:				
At 31 January 2006	1,010,180	171,700	599,863	1,781,743
At 1 February 2005	4,782	171,700	–	176,482

The additions to subsidiary undertakings represent capital subscribed in Apple Show Inc., which was incorporated during the year.

During the year, the company entered into a joint venture, The Cirque Apple Creation Partnership, with Cirque du Soleil Inspiration Inc.

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Name of company	*Country of incorporation (or registration) if not Great Britain*	*Proportion of voting rights and shares held*	*Nature of business*
Subsidiary undertakings			
Apple Corps S.A.	Switzerland	100%	Intermediate holding company
Apple Corps Inc.	USA	100%*	Intermediate holding company
Apple Records Inc. (California)	USA	100%*	Exploitation of musical copyrights
Apple Records Inc. (New York)	USA	100%*	Exploitation of musical copyrights
Apple Music Publishing Inc.	USA	100%*	Exploitation of musical copyrights
Apple Films Inc.	USA	100%*	Exploitation of film copyrights
Apple Washington	USA	100%	Charity
Apple Publicity Limited		100%	Dormant
Apple Management Limited		100%	Dormant
Apple Electronics Limited		100%	Dormant
Apple Charity (UK) Limited		100%*	Charity
Python Music Limited		100%	Production and commercial exploitation of films
Apple Show Inc.	USA	100%	Intermediate holding company

* Held by a subsidiary undertaking.

All shareholdings are ordinary shares or common stock.

Notes to the financial statements
at 31 January 2006

11. Investments (continued)

Name of company		*Proportion of voting rights and shares held*	*Nature of business*
Associated undertakings			
Maclen (Music) Limited	'C' ordinary shares	20%	Holding company
Maclen Joint Limited+	Ordinary shares	20%	Exploitation of musical copyrights
Subafilms Limited	Ordinary shares	23.9%	Marketing, production and distribution of films and videos

+ Held by an associated undertaking.

	Proportion of voting rights or shares held	*Nature of business*
Joint ventures		
The Cirque Apple Creation Partnership	50%	Creation of musical performance
Cirque Apple Las Vegas, L.L.C.* (incorporated in the USA)	50%	Producing and presenting a live show

* Held by a subsidiary undertaking.

The registered office address of The Cirque Apple Creation Partnership is 27 Ovington Square, London SW3 1LJ. The exemptions conferred by regulation 7 of the Partnerships and Unlimited Companies (Accounts) Regulations 1993 have been taken.

Information relevant to the subsidiary and associated undertakings is as follows:

	Aggregate capital and reserves SFr	*Profit/(loss) for the year SFr*
Subsidiary undertakings		
Apple Corps S.A+	463,401	29,426
	US$	*US$*
Apple Corps Inc*	(389,852)	(10,998)
Apple Records Inc. (California)*	(2,419,268)	(1,163)
Apple Records Inc. (New York)*	(101,124)	(869)
Apple Music Publishing Inc.*	785,058	25,216
Apple Films Inc.*	542,937	15,030
	£	*£*
Apple Publicity Limited	2	–
Apple Management Limited	2	–
Apple Electronics Limited	(48,413)	–
Apple Charity (UK) Limited	274	(18)
Apple Washington	13,567	758
Python Music Limited	(1,006,833)	(12,660)

The first financial period of Apple Show Inc. ends on 31 May 2006.

Notes to the financial statements
at 31 January 2006

11. Investments (continued)

	Aggregate capital and reserves £	*Profit/(loss) for the year* £
Associated undertakings		
Maclen (Music) Limited+	242,712	2,690,843
Maclen Joint Limited+	2,255,307	1,779,561
Subafilms Limited+	364,396	65,138

	Aggregate capital and reserves US$	*Profit/(loss) for the period* US$
Joint ventures		
The Cirque Apple Creation Partnership|	2,099,017	(6,683)
Cirque Apple Las Vegas, L.L.C.|	8,953,950	–

* Year ended 30 June 2005
\+ Year ended 31 December 2005
| Period ended 25 December 2005

12. Debtors

	2006 £	*2005* £
Amounts owed by subsidiary undertakings	1,948,034	661,928
Amounts owed by associated undertakings	1,972,542	1,639,682
Amounts owed by affiliated undertakings	107,052	99,009
Corporation tax repayable	588,152	975,000
Other debtors	62,194	–
Prepayments and accrued income	1,806,639	4,611,054
	6,484,613	7,986,673

13. Creditors: amounts falling due within one year

	2006 £	*2005* £
Current instalment due on bank loan (note 14)	86,333	86,333
Other taxation	–	54,443
Accruals and deferred income	4,821,477	6,842,556
Other creditors	–	795,378
	4,907,810	7,778,710

Notes to the financial statements
at 31 January 2006

14. Loans

	2006 £	2005 £
Not wholly repayable within five years:		
Variable rate bank loan at 1% over bank base rate, repayable in annual instalments of £86,333	733,833	820,167
Variable rate loans at 2% over J P Morgan Chase, Prime Rate, from shareholders, repayable in quarterly instalments of US$600,000	6,751,055	–
Interest accrued on variable rate loans	317,181	–
	7,802,069	820,167
Less: included in creditors: amounts falling due within one year (note 13)	(86,333)	(86,333)
	7,715,736	733,834

	2006 £	2005 £
Amounts repayable:		
In one year or less	86,333	86,333
In more than one year but not more than two years	1,753,727	86,333
In more than two years but not more than five years	4,309,631	258,999
	6,149,691	431,665
In more than five years	1,652,378	388,502
	7,802,069	820,167

The variable rate bank loan is secured by a fixed legal charge over the freehold land and buildings.

15. Share capital

		Authorised
	2006 £	2005 £
Ordinary shares of £1 each	100	100

	Allotted, called up and fully paid			
	2006			2005
	No.	£	No.	£
Ordinary shares of £1 each	100	100	100	100

16. Reconciliation of shareholders' funds and movement on reserves

	Share capital £	Profit and loss account £	Total shareholders' funds £
At 31 January 2004	100	6,890,657	6,890,757
Loss for the year	–	(544,819)	(544,819)
At 31 January 2005	100	6,345,838	6,345,938
Loss for the year	–	(1,323,261)	(1,323,261)
At 31 January 2006	100	5,022,577	5,022,677

Notes to the financial statements
at 31 January 2006

17. Commitments under operating leases
At 31 January 2006 the company had annual commitments under non-cancellable operating leases as set out below:

		Other
	2006	*2005*
	£	*£*
Operating leases which expire:		
In two to five years	5,400	5,400

18. Contingent liabilities
The company is involved in various legal disputes in the ordinary course of business and, as at 31 January 2006, the directors are of the opinion that none of the claims or disputes of which they are aware will result in a material loss to the company.

19. Notes to the statement of cash flows
(a) Reconciliation of operating loss to net cash (outflow)/inflow from operating activities

	2006	*2005*
	£	*£*
Operating loss	(1,726,465)	(1,125,400)
Depreciation	92,620	94,114
Amortisation of goodwill	143,907	172,690
Unrealised exchange gain re interest	(923)	–
Decrease in debtors	1,115,212	1,363,577
(Decrease)/increase in creditors	(2,870,900)	1,639,383
Net cash (outflow)/inflow from operating activities	(3,246,549)	2,144,364

(b) Returns on investments and servicing of finance

	2006	*2005*
	£	*£*
Dividends received	450,000	240,000
Interest received	314,771	155,687
Interest paid	(44,405)	(44,228)
	720,366	351,459

(c) Taxation

	2006	*2005*
	£	*£*
Corporation tax recovered	(66,800)	(475,000)
Corporation tax repaid	454,589	302,760
	387,789	(172,240)

Notes to the financial statements
at 31 January 2006

19. Notes to the statement of cash flows (continued)
(d) Capital expenditure

	2006 £	2005 £
Payments to acquire tangible fixed assets	(9,765)	(35,296)
Payments to acquire fixed asset investments	(1,605,261)	–
	(1,615,026)	(35,296)

(e) Financing

	2006 £	2005 £
Repayment of bank loans	(86,333)	(86,333)
Unsecured loan	6,751,055	–
	6,664,722	(86,333)

(f) Analysis of changes in net funds

	At 1 February 2005 £	Cash flows £	At 31 January 2006 £
Cash at bank and in hand	4,244,265	2,911,302	7,155,567
Debt due within one year	(86,333)	–	(86,333)
Debt due after one year	(733,834)	(6,664,722)	(7,398,556)
	3,424,098	(3,753,420)	(329,322)

20. Related party transactions
(a) Amounts charged to the profit and loss account include fees for the promotional services of the beneficial shareholders (Sir J P McCartney, Mr R Starkey, Mrs Y O Lennon and Mrs O T Harrison) amounting to £672,475 each (2005 - £1,248,350 each) and name and likeness payments amounting to £210,625 each (2005 - £98,500 each).

(b) The company is party to an agreement with Maclen (Music) Limited and its wholly owned subsidiary undertaking, Maclen Joint Limited, in which Mrs Y O Lennon and Sir J P McCartney each has a direct interest of 40% in the share capital. Apple Corps Limited provides administration services to Maclen Joint Limited for which £767,800 was included as income in the profit and loss account in the year (2005 - £1,224,640). The amount due from Maclen Joint Limited at the year end amounted to £652,563 (2005 - £324,733).

(c) At 31 January 2006, the company was owed a net amount of £1,317,858 (2005 - £1,312,858) by Subafilms Limited, a company owned by one or more of the shareholders of Apple Corps Limited.

Notes to the financial statements
at 31 January 2006

20. Related party transactions (continued)

(d) At 31 January 2006, the company was owed the following amounts by its US subsidiaries:

	2006 £	*2005* £
Apple Records Inc.	13,208	12,018
Apple Records Inc. (California)	37,319	34,711
Apple Music Publishing Inc.	12,717	11,682
Apple Films Inc.	167,542	399,165
Apple Corps Inc.	173,870	204,356
Apple Show Inc.	1,543,382	–

(e) During the year ended 31 January 2006, the company received advances from the shareholders of the company as set out below:

	Advance received in 2006 US$	*Advance received in 2005* US$	*Balance owed at 31 January 2006* £	*Balance owed at 31 January 2005* £
G H Estate Limited	3,000,000	–	1,770,106	–
Sir J P McCartney	3,000,000	–	1,767,340	–
Mrs Y O Lennon	3,000,000	–	1,765,152	–
Widgeon Investments Limited	1,500,000	1,500,000	1,765,638	795,378

The amounts owed at 31 January 2006 are included in loans (note 14).

21. Post balance sheet events

After the balance sheet date, Apple Corps Limited lost a legal dispute and subsequently appealed against the court ruling. The outcome of the appeal is not yet known. It is not currently possible to make a reasonable estimate of the related costs, therefore no provision has been made in the financial statements at 31 January 2006.