

GREENSLEEVES RECORDS LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 30TH SEPTEMBER 1997

REGISTERED NUMBER : 871107 England and Wales



REPORT OF THE AUDITORS TO GREENSLEEVES RECORDS LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts set out on pages 2 to 5, together with the full statutory accounts of the company for the year ended 30th September 1997, prepared under section 226 of the Companies Act 1985.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

BASIS OF OPINION

We have carried out the procedures we consider necessary to confirm, by reference to the full statutory accounts that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full statutory accounts.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.

Davey House
Castle Meadow
NORWICH
NR1 3DE

9th February 1998



ROSTRON & PARTNERS

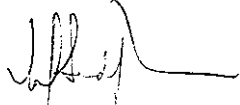

Chartered Accountants and
Registered Auditors

ABBREVIATED BALANCE SHEET
AT 30TH SEPTEMBER 1997

	Note	£	1997	£	1996	£
<u>FIXED ASSETS</u>						
Tangible assets	2			36,024		50,153
<u>CURRENT ASSETS</u>						
Stocks	3	508,153			440,846	
Debtors		719,941			617,724	
Cash at bank and in hand		195,204			532,496	
				1,423,298		1,591,066
<u>CREDITORS</u>						
Amounts falling due within one year	4	918,799			1,046,172	
<u>NET CURRENT ASSETS</u>				504,499		544,894
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>						
				540,523		595,047
<u>CAPITAL AND RESERVES</u>						
Called up share capital	5		17,250			17,250
Profit and loss account			523,273			577,797
<u>SHAREHOLDERS' FUNDS</u>				540,523		595,047

The abbreviated accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Signed on behalf of the board of directors


 C J SEDGWICK)
)
) Directors

 B M SEDGWICK)

The accounts were approved by the board on 9th February 1998

NOTES TO THE ACCOUNTS
YEAR ENDED 30TH SEPTEMBER 1997**1. ACCOUNTING POLICIES**

The accounts have been prepared under the historical cost convention. There have been no changes during the year in the accounting policies, which are disclosed under the appropriate headings in the following notes.

2. TANGIBLE FIXED ASSETS

	£
Cost:	
1st October 1996	137,679
Additions	4,795
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30th September 1997	142,474
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Depreciation:	
1st October 1996	87,526
Charge for year	18,924
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30th September 1997	106,450
	<hr/>
Net book value:	
30th September 1997	36,024
	<hr/>
30th September 1996	50,153
	<hr/>

Tangible fixed assets are depreciated over their anticipated useful lives at the following annual rates:

Leasehold land and buildings	Over period of lease
Fixtures and fittings	10%, 15% and 33.33% straight line

3. STOCKS

Stocks, which consist of finished goods and goods for resale, are stated at the lower of cost or net realisable value. Cost represents materials plus direct production expenses.

NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 30TH SEPTEMBER 1997**4. CREDITORS**

Creditors include amounts due to the directors in respect of unsecured interest free loans repayable as follows:

	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
Within one year	47,867	43,697

5. SHARE CAPITAL

	<u>£</u>	<u>£</u>
Ordinary shares of £1 each: Authorised	20,000	20,000
Issued and fully paid	17,250	17,250

6. TRANSACTIONS WITH DIRECTORS

The company leases premises from C J Sedgwick and during the year made payments of £80,000 to him in respect of rent. The company paid a £15,000 rent deposit at the start of the lease and this continues to be carried forward in the accounts as a prepayment.

7. TURNOVER

Turnover represents the invoiced value of sales to third parties, together with royalties and publishing income received, excluding Value Added Tax.

8. PENSION COSTS

The company operates defined contribution pension schemes for its executive directors, which are held in separate trustee-administered funds. Contributions to these funds, which are charged against profit when paid, are based upon actuarial advice where necessary.

9. TAXATION**Deferred Taxation**

Deferred taxation is accounted for, at anticipated rates, in respect of all material timing differences except to the extent that in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

Corporation Tax

The company has no Corporation Tax charge for the year. The average rate of Corporation Tax used in the calculation of the charge for the year ended 30th September 1996 was 24.5%

NOTES TO THE ACCOUNTS (CONTINUED)
YEAR ENDED 30TH SEPTEMBER 1997**10. LEASES**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the profit and loss account as incurred.

11. FOREIGN CURRENCIES

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating loss.

12. SUBSIDIARY COMPANY

The company has one wholly-owned subsidiary, Greensleeves Publishing Limited. This company is dormant and has no auditors. Consolidated accounts have not been prepared for the current year since the company has taken advantage of Section 248 of the Companies Act 1985 and has chosen not to prepare group accounts. The investment in the subsidiary represents the following:

	<u>1997</u>	<u>1996</u>
	£	£
Shares at cost	100	100
Profit and loss account deficit	(30)	(30)
	—	—
	70	70
Amount owing by holding company	(70)	(70)
	—	—
	-	-
	==	==