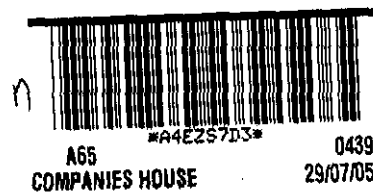


855026

Apple Management Limited

Report and Financial Statements

31 January 2005



Apple Management Limited

Registered No: 929898

Directors

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

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 2005.

Results and dividends

The company did not trade during the year and has made neither a profit nor a loss. No profit and loss account has therefore been prepared.

The directors do not recommend the payment of a dividend.

Directors

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

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

Mrs Y O Lennon and Mrs O T Harrison have an interest in the share capital of the parent undertaking, Apple Corps Limited and their interests are disclosed in the financial statements of that company.

There are no other directors' interests requiring disclosure under the Companies Act 1985.

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 18 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

- 7 APR 2005

Statement of directors' responsibilities in respect of the financial statements

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 year. 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.

Independent auditors' report

to the members of Apple Management Limited

We have audited the company's financial statements for the year ended 31 January 2005 which comprise the Balance Sheet and the related notes 1 to 5. 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

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 transactions with the company 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 United Kingdom Auditing Standards 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.

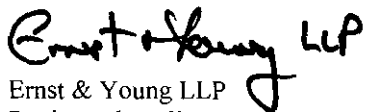
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity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

Independent auditors' report

to the members of Apple Management Limited (continued)

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 31 January 2005 and have been properly prepared in accordance with the Companies Act 1985.

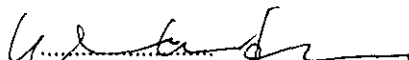


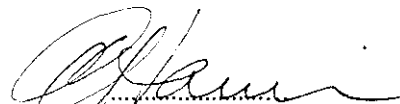
Ernst & Young LLP
Registered Auditor
London

11 APR 2005

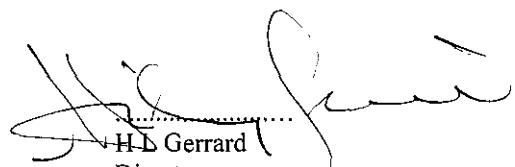
Balance sheet
at 31 January 2005

	Notes	2005 £	2004 £
Current assets			
Debtors	3	2	2
Net current assets		<u>2</u>	<u>2</u>
Capital and reserves			
Called up share capital	4	2	2
Equity shareholders' funds		<u>2</u>	<u>2</u>


.....
Mrs Y O Lennon
Director


.....
Mrs O T Harrison
Director


.....
J L Eastman
Director


.....
H L Gerrard
Director

- 7 APR 2005

Notes to the financial statements

at 31 January 2005

1. Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention.

2. Profit and loss account

The company did not trade during the year and has made neither a profit nor a loss. No Profit and Loss Account has therefore been prepared.

3. Debtors

	2005 £	2004 £
Amounts owed by parent undertaking	<u>2</u>	<u>2</u>

4. Share capital

	2005 £	Authorised 2004 £
Ordinary shares of £1 each	<u>100</u>	<u>100</u>

	Allotted, called up and fully paid	
	2005	2004
	No. £	No. £
Ordinary shares of £1 each	2 <u>2</u>	2 <u>2</u>

5. Ultimate parent undertaking

The ultimate parent undertaking is Apple Corps Limited. Copies of Apple Corps Limited's financial statements can be obtained from the Registrar of Companies in Cardiff.