

BARDELL SMITH PUBLISHING LIMITED

ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 1995

REGISTERED NUMBER 1182469



BARDELL SMITH PUBLISHING LIMITED

Directors: Mr M N Bandier
Mr P H C Reichardt
Mr T J Foster-Key
Ms D J Harris
Ms K M O'Dwyer

Secretary: Ms D J Harris

Registered Office: 127 Charing Cross Road, London WC2H 0EA

REPORT OF THE DIRECTORS

The directors submit the audited accounts for the year ended 31st March 1995. The loss for the year amounted to £134 (1994 profit £72). The directors recommend no dividend be paid (1994 nil) and therefore the loss of £134 (1994 profit £72) is to be retained.

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS DEVELOPMENTS

The principal activity of the company continued to be that of music publishing. Business decreased during the year which resulted in a loss for the year. No material change in the activities of the business is contemplated.

DIRECTORS

The directors of the company during the year ended 31st March 1995 were those listed above.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

The parent undertaking, THORN EMI plc, has maintained insurance to cover Directors' and Officers' liability as defined by section 310(3)(a) of the Companies Act 1985 (as amended).

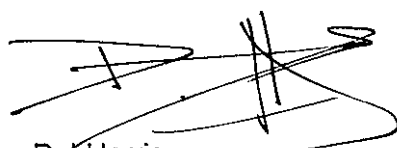
DIRECTORS' INTERESTS

All the directors are also directors of EMI Music Publishing Limited and their interests in the share and loan capital of THORN EMI plc, the ultimate parent undertaking, are disclosed in the directors' report of that company.

AUDITORS

An elective resolution to dispense with the annual appointment of auditors was passed in 1994. The existing auditors, Messrs Ernst & Young will be deemed re-appointed in accordance with section 386 of the Act, unless their appointment is brought to an end by a resolution at a meeting of shareholders pursuant to a notice of such resolution duly deposited in accordance with section 393 of the Act.

By Order Of The Board.



D J Harris
Secretary

Dated: 14 SEP 1995

BARDELL SMITH PUBLISHING LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Company law requires the directors to prepare accounts 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 accounts, 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 accounts 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 accounts 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.

BARDELL SMITH PUBLISHING LIMITED

REPORT OF THE AUDITORS TO THE MEMBERS

We have audited the accounts on pages 4 to 8, which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

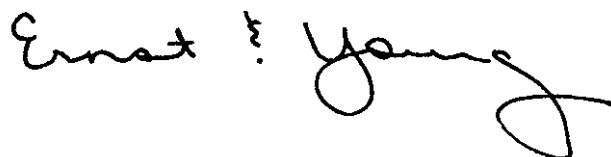
Basis of opinion

We conducted our audit in accordance with 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the company as at 31st March 1995 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

A handwritten signature in black ink, appearing to read 'Ernst & Young', with a stylized flourish at the end.

ERNST & YOUNG
Chartered Accountants
Registered Auditor
LONDON

14 SEP 1995

BARDELL SMITH PUBLISHING LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST MARCH 1995

	<u>NOTES</u>	<u>1995</u>	<u>1994</u>
		£	£
TURNOVER	2	1,544	2,680
Cost Of Sales		1,048	1,908
		<hr/>	<hr/>
GROSS PROFIT		496	772
Distribution Costs		42	100
Administration Expenses		588	600
		<hr/>	<hr/>
Profit/(loss) on ordinary activities before taxation	3	(134)	72
Tax on profit/(loss) on ordinary activities	6	-	-
		<hr/>	<hr/>
RETAINED PROFIT/(LOSS) FOR THE YEAR		<u>(134)</u>	<u>72</u>

STATEMENT OF RETAINED LOSSES

As at 1st April 1994	(2,829)	(2,901)
Retained profit/(loss) for the year	(134)	72
	<hr/>	<hr/>
At 31st March 1995	<u>(2,963)</u>	<u>(2,829)</u>

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

There are no recognised gains or losses other than the profit/(loss) for the year.

The notes on pages 6 to 8 form part of these financial statements.

BARDELL SMITH PUBLISHING LIMITED

BALANCE SHEET AT 31ST MARCH 1995

	<u>NOTES</u>	<u>1995</u>	<u>1994</u>
		£	£
CREDITORS: amounts falling due within one year	7	2,863	2,729
		<hr/>	<hr/>
NET CURRENT LIABILITIES		<u>(2,863)</u>	<u>(2,729)</u>
CAPITAL AND RESERVES			
Called up share capital	8	100	100
Capital reserve		(2,963)	(2,829)
		<hr/>	<hr/>
		<u>(2,863)</u>	<u>(2,729)</u>

Kay D. Hughes DIRECTOR

14 SEP 1995 DATE

The notes on pages 6 to 8 form part of these financial statements.

BARDELL SMITH PUBLISHING LIMITED

NOTES TO THE ACCOUNTS

1 ACCOUNTING POLICIES

(a) Accounting Convention

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards. The accounts have been prepared under the going concern concept on the basis that funds will continue to be made available by group undertakings to enable the company to meet its liabilities as they fall due.

(b) Debtors - Royalty Advances

Advances of less than £5,000 are provided against in full in the year in which they are made. Royalties due to an advancee are credited against the outstanding advance in the year of receipt until the amount of the advance is extinguished. If it is thought that future earnings will not amount to the written-down value of an advance, a provision for the estimated shortfall will be raised.

(c) Cashflow

A cashflow has not been prepared due to exemption under FRS1, a wholly owned subsidiary undertaking of an EC parent.

(d) Foreign Exchange

Transactions denominated in foreign currencies are translated into sterling and recorded at the rate of exchange ruling at the date of the transaction. Assets and liabilities expressed in foreign currencies are translated into sterling at the exchange rate ruling at the balance sheet date. All differences are taken to the profit and loss account.

2 TURNOVER

(a) Turnover is defined as income from copyrights on a cash basis after deducting all commissions and any sales taxes levied on turnover.

(b) In certain countries, the company has assigned its rights to royalty income to other undertakings in the THORN EMI group.

All turnover is attributable to music publishing, the analysis by market being as follows:

	1995 £	1994 £
United Kingdom	965	1,985
Europe	193	-
USA	386	695
	<u>1,544</u>	<u>2,680</u>

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NOTES TO THE ACCOUNTS (continued)

3 PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION

This is stated after charging:	1995 £	1994 £
Management charges	130	200
Auditors' remuneration	<u>500</u>	<u>500</u>

4 EMPLOYEES

The company has no employees.

5 EMOLUMENTS OF DIRECTORS

The directors are employed and remunerated as directors or executives of EMI Music Publishing Limited, the parent undertaking, for their services to the group as a whole.

6 TAXATION

There is no liability to UK corporation tax as a result of losses brought forward.

7 CREDITORS: amounts falling due within one year

	1995 £	1994 £
Trade creditors	681	517
Amounts owed to group undertakings	2,182	2,212
	<u>2,863</u>	<u>2,729</u>

8 SHARE CAPITAL

	1995 £	1994 £
Authorised, allotted, called up and fully paid Ordinary shares of £1 each	<u>100</u>	<u>100</u>

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NOTES TO THE ACCOUNTS (continued)

9 RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENTS ON RESERVES

	SHARE CAPITAL £	PROFIT & LOSS A/C £	TOTAL £
At 1st April 1993	100	(2,901)	(2,801)
Loss for the year	-	72	72
Dividend	-	-	-
At 1st April 1994	100	(2,829)	(2,729)
Profit for the year	-	(134)	(134)
Dividend	-	-	-
At 31st March 1995	100	(2,963)	(2,863)

10 PARENT UNDERTAKING

The parent undertaking of the group of undertakings for which group accounts are drawn up and of which the company is a member is THORN EMI plc, which is the ultimate parent undertaking registered in England and Wales. Copies of THORN EMI plc's accounts can be obtained from THORN EMI plc, 4 Tenterden Street, Hanover Square, London W1A 2AY, England.

THORN EMI

THORN EMI plc
4 Tenterden Street
Hanover Square
London W1A 2AY
Telephone 0171-355 4848

12 September, 1995

The Directors
Bardell Smith Publishing Limited
127 Charing Cross Road
London WC2H 0EA

Dear Sirs,

PROVISION OF FINANCE

In view of the deficiency of Shareholders' Funds of Bardell Smith Publishing Limited disclosed by the accounts of the company for the year ended 31 March 1995 and in order that the position be rectified to avoid the risk of the company being said to continue business whilst insolvent and thus at the personal risk of its Directors, THORN EMI plc intends to provide adequate funds for Bardell Smith Publishing Limited to meet its liabilities as they fall due.

Notwithstanding the above, the provisions of this letter are not to be considered as imposing any liability on the part of THORN EMI plc to the creditors of Bardell Smith Publishing Limited.

Yours faithfully
for and on behalf of
THORN EMI plc



DIRECTOR