

Registration No: 1227150

GRICIND LIMITED
FINANCIAL STATEMENTS
31 DECEMBER 1994

NEWMAN & COMPANY
Chartered Accountants



GRICIND LIMITED
FINANCIAL STATEMENTS
31 DECEMBER 1994

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GRICIND LIMITED

COMPANY INFORMATION

DIRECTORS:

ROD MACSWEEN
BARRY DICKINS

SECRETARY:

ROD MACSWEEN

REGISTERED OFFICE:

TWYMAN HOUSE
31-39 CAMDEN ROAD
LONDON NW1 9LF

AUDITORS:

NEWMAN & COMPANY
CHARTERED ACCOUNTANTS
TWYMAN HOUSE
31-39 CAMDEN ROAD
LONDON NW1 9LF

REPORT OF THE DIRECTORS

The directors present their report and financial statements for the year ended 31 December 1994.

PRINCIPAL ACTIVITIES

The principal activities of the company are in the field of theatrical agents and concert promoters.

REVIEW OF THE BUSINESS

The directors are pleased with the performance of the company during the year and are looking forward to another successful year in 1995.

DIVIDENDS AND TRANSFER TO RESERVES

The directors do not recommend the payment of a dividend. The retained profit is transferred to reserves.

FIXED ASSETS

Details of changes in the fixed assets are shown in the attached financial statements.

POST BALANCE SHEET EVENTS

With effect from 1 January 1995, the concert promotion activity has been carried out by International Talent Booking Limited, a wholly owned UK subsidiary company.

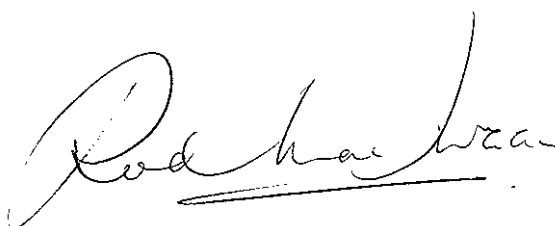
DIRECTORS AND DIRECTORS INTERESTS

The directors who served during the year and their interests in the shares of the company at the beginning and end of the year were as follows:

	Number
ROD MACSWEEN	500
BARRY DICKINS	500

AUDITORS

A resolution will be submitted at the annual general meeting proposing that Newman & Company be reappointed auditors and that their audit fee for the ensuing year be agreed with the directors.



BY ORDER OF THE BOARD

ROD MACSWEEN

SECRETARY

24 October 1995

REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF

GRICIND LIMITED

We have audited the financial statements on pages 4 to 13 which have been prepared under the historical cost convention and the accounting policies set out in note 2.

Respective Responsibilities of Directors and Auditors

As described in note 1 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements 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 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 of the state of affairs of the company as at 31 December 1994, and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



NEWMAN & COMPANY

**CHARTERED ACCOUNTANTS AND
REGISTERED AUDITORS**

Twyman House
31-39 Camden Road
London NW1 9LF

24 October 1995

GRICIND LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 1994

	Note	1994 £	1993 £
TURNOVER - CONTINUING OPERATIONS	3	2,375,694	2,423,472
OPERATING EXPENSES	4	2,215,621	1,947,047
OPERATING PROFIT		<u>160,073</u>	<u>476,425</u>
OTHER INCOME	5	107,580	132,909
		<u>267,653</u>	<u>609,334</u>
INTEREST PAYABLE & SIMILAR CHARGES	6	1,329	902
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	7	<u>266,324</u>	<u>608,432</u>
TAX ON PROFIT ON ORDINARY ACTIVITIES	8	83,755	214,068
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		<u>182,569</u>	<u>394,364</u>
RETAINED PROFIT BROUGHT FORWARD		1,914,036	1,519,672
RETAINED PROFIT CARRIED FORWARD		<u>2,096,605</u>	<u>1,914,036</u>

GRICIND LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 1994

	Note	1994 £	1993 £
FIXED ASSETS			
Tangible assets	9	213,269	206,239
Investment	10	67	65
		<u>213,336</u>	<u>206,304</u>
CURRENT ASSETS			
Debtors & prepayments	11	46,264	42,113
Cash at bank & in hand		3,744,642	3,239,621
		<u>3,790,906</u>	<u>3,281,734</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	12	1,906,637	1,573,002
NET CURRENT ASSETS		<u>1,884,269</u>	<u>1,708,732</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,097,605</u>	<u>1,915,036</u>
CAPITAL AND RESERVES			
Called up share capital	13	1,000	1,000
Profit and loss account		2,096,605	1,914,036
SHAREHOLDERS FUNDS		<u>2,097,605</u>	<u>1,915,036</u>

R MACSWEEN)
) DIRECTORS
 B DICKINS)

Approved by the board on
 24 October 1995

GRICIND LIMITED**OTHER STATEMENTS****FOR THE YEAR ENDED 31 DECEMBER 1994****STATEMENT OF TOTAL RECOGNISED GAINS
AND LOSSES**

	1994 £	1993 £
Profit for the financial year	182,569	394,364

**RECONCILIATION OF MOVEMENTS IN
SHAREHOLDERS FUNDS**

Profit for the financial year	182,569	394,364
Opening shareholders funds - surplus	1,915,036	1,520,672
Closing shareholders funds - surplus	2,097,605	1,915,036

GRICIND LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 1994

	1994		1993	
	£	£	£	£
NET CASH INFLOW FROM OPERATING ACTIVITIES		701,539		949,268
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE				
Interest received	107,580		132,623	
Interest paid	(1,329)		(902)	
	<hr/>		<hr/>	
Net cash inflow from returns on investments and servicing of finance		106,251		131,721
TAXATION				
UK corporation tax repaid	-		205	
UK corporation tax paid	(214,582)		(160,325)	
	<hr/>	(214,582)	<hr/>	(160,120)
INVESTING ACTIVITIES				
Purchase of fixed assets	(89,769)		(55,786)	
Sale of fixed assets	28,850		10,000	
	<hr/>		<hr/>	
Net cash outflow from investing activities		(60,919)		(45,786)
		<hr/>		<hr/>
Increase in cash and cash equivalents		532,289		875,083
		<hr/>		<hr/>

NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 1994

1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	1994 £	1993 £
Operating profit	160,073	476,425
Other operating income	-	266
Depreciation charges	58,352	55,665
(Profit) on sale of tangible fixed assets	(4,463)	(9,999)
(Increase) in debtors	(4,152)	(36,018)
Increase in creditors	491,729	462,909
	<u>701,539</u>	<u>949,268</u>

2. ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS DURING THE YEAR

	£	£
Balance at 1 January	3,200,467	2,325,384
Net cash inflow	532,289	875,083
Balance at 31 December	<u>3,732,756</u>	<u>3,200,467</u>

3. ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS AS SHOWN IN THE BALANCE SHEET

	1994 £	1993 £	Change in Year £
Cash at bank and in hand	3,744,642	3,239,621	505,021
Bank overdraft	(11,886)	(39,154)	27,268
	<u>3,732,756</u>	<u>3,200,467</u>	<u>532,289</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 1994

1. STATEMENT OF DIRECTORS RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which gives 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:

- (i) select suitable accounting policies and then apply them consistently;
- (ii) make judgements and estimates that are reasonable and prudent;
- (iii) 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 maintaining 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.

2. ACCOUNTING POLICIES**(a) Accounting Convention**

The financial statements are prepared in accordance with the historical cost convention and in accordance with applicable accounting standards.

(b) Depreciation

Depreciation of fixed assets is provided to write off each asset over its estimated useful life at the following annual rates:

Leasehold	-	over the duration of the lease
Motor vehicles	-	25% pa on reducing balance
Furniture, fittings & equipment	-	20% pa on reducing balance

(c) Turnover

Turnover is the net amount of commission and fees invoiced.

(d) Foreign Currencies

Assets and liabilities in foreign currencies are translated to sterling at rates of exchange ruling at the balance sheet date. All exchange differences are dealt with in the profit and loss account.

(e) Consolidated Financial Statements

Consolidated financial statements are not prepared because the subsidiary companies were dormant during the year.

(f) Deferred Taxation

Provision is made for deferred taxation to the extent that there is a reasonable probability that a liability will arise in the foreseeable future.

GRICIND LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 1994

3. TURNOVER - CONTINUING OPERATIONS

The contribution of the principal activities of the company in turnover is shown below:

	1994	1993
	£	£
Geographical analysis:		
United Kingdom	923,530	975,778
Rest of Europe	1,130,683	1,249,437
Asia	157,891	127,379
Rest of the World	163,590	70,878
	<u>2,375,694</u>	<u>2,423,472</u>

4. OPERATING EXPENSES

Administration expenses	2,215,621	1,947,047
	<u> </u>	<u> </u>

5. OTHER INCOME

Bank deposit interest	107,580	132,623
Sundry income	-	286
	<u>107,580</u>	<u>132,909</u>

6. INTEREST PAYABLE & SIMILAR CHARGES

Bank interest	1,329	902
	<u> </u>	<u> </u>

7. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

After charging:		
Auditors remuneration	15,000	15,000
Depreciation	58,352	55,665
Directors remuneration	636,000	536,000
Company pension scheme	200,000	200,000
Hire of equipment	3,691	913
Loss on exchange	68,591	15,814
	<u> </u>	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 1994

8. TAX ON PROFIT ON ORDINARY ACTIVITIES	1994	1993
	£	£
Corporation tax for the year	83,242	214,068
Underprovision in last year	513	-
	<hr/> 83,755	<hr/> 214,068

9. TANGIBLE ASSETS	Leasehold	Motor Vehicles	Furniture Fittings & Equipment	Total
	£	£	£	£
COST				
At 1 January 1994	12,347	145,613	249,573	407,533
Additions	-	55,683	34,086	89,769
Disposals	-	(90,444)	-	(90,444)
AT 31 December 1994	<hr/> 12,347	<hr/> 110,852	<hr/> 283,659	<hr/> 406,858
DEPRECIATION				
At 1 January 1994	2,470	81,537	117,287	201,294
Charge for the year	1,235	23,843	33,274	58,352
Eliminated on disposal	-	(66,057)	-	(66,057)
AT 31 December 1994	<hr/> 3,705	<hr/> 39,323	<hr/> 150,561	<hr/> 193,589
NET BOOK VALUE				
AT 31 December 1994	<hr/> 8,642	<hr/> 71,529	<hr/> 133,098	<hr/> 213,269
AT 31 December 1993	<hr/> 9,877	<hr/> 64,076	<hr/> 132,286	<hr/> 206,239

10. INVESTMENTS		1994 Number	1993 Number
Shares in subsidiary companies		67	65
Details of shares in subsidiary companies are as follows:	Principal Activity	Country of Incorporation	Percentage Held
Gricind Artist Agency Inc	Theatrical Agents	United States of America	100%
International Talent Booking Limited	Concert Promotions	United Kingdom	100%

The company has subscribed a further 9,998 ordinary shares of £1 each in International Talent Booking Limited on 2 January 1995.

GRICIND LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 1994

11. DEBTORS & PREPAYMENTS

	1994 £	1993 £
Other debtors	20,303	29,951
Prepayments	25,962	12,162
	<hr/> 46,265	<hr/> 42,113

12. CREDITORS: AMOUNTS FALLING DUE
WITHIN ONE YEAR

Bank overdraft	11,886	39,154
Trade creditors	983,119	559,767
Amounts due to subsidiary company	65	65
Other taxation & social security costs	406,929	435,830
Corporation tax	83,242	214,068
Other creditors	273,379	216,419
Accruals	148,017	107,699
	<hr/> 1,906,637	<hr/> 1,573,002

13. CALLED UP SHARE CAPITAL

Authorised, Issued and Fully Paid: 1,000 ordinary shares of £1 each	1,000	1,000
	<hr/>	<hr/>

14. DIRECTORS EMOLUMENTS

Highest paid director	325,000	275,000
	<hr/>	<hr/>
The other director fell within the band stated:	Number	Number
£260,001 - £265,000	-	1
£310,001 - £315,000	1	-
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 1994

15. EMPLOYEE INFORMATION

	1994 Number	1993 Number
The average number of people including directors employed by the company during the year was:		
Administration	20	23
	<hr/>	<hr/>
Their total remuneration was:	£	£
Wages & salaries	391,880	885,583
Social security costs	107,978	96,215
Company pensions	200,000	200,000
	<hr/>	<hr/>
	699,858	1,181,798
	<hr/>	<hr/>

16. PENSION COSTS

The company operates pension arrangements for the benefit of the directors which are in the nature of defined contribution schemes. The assets of the schemes are held separately from those of the company and are invested with an insurance company.

The charge to the profit and loss account comprises £200,000 (1993 - £200,000).

17. PROVISIONS FOR LIABILITIES & CHARGES

No provision has been made in these accounts for deferred taxation in respect of timing differences arising on the excess of tax allowances over depreciation as these timing differences are immaterial.