GLOUCESTER PLACE MUSIC LIMITED

ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 1997

REGISTERED NUMBER 1492259

GLOUCESTER PLACE MUSIC LIMITED

Directors: Mr P H C Reichardt
Mr T J Foster-Key
Mr T F Bradley
Ms S D Perryman
Mrs D J Miller
Mr P J Cox
Mr J C Channon (appointed 1st April 1996)

Secretary: Mrs D J Miller

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 1997. The profit for the year amounted to £54,329 (1996 - £58,198). The directors recommend a final dividend of £54,329 (1996 - £58,198) and therefore no profits are 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 with a resultant decrease in profits. No material change in the activities of the business is contemplated.

DIRECTORS

The directors of the company during the year ended 31st March 1997 were those listed above, together with Ms K O'Dwyer who resigned on 30th September 1997.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

The parent undertaking, EMI GROUP 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 EMI GROUP 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, 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 Miller
Secretary
Dated: 09 JAN 1998

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.

GLOUCESTER PLACE MUSIC 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 1997 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young

ERNST & YOUNG
Chartered Accountants
Registered Auditor
LONDON

09 JAN 1998

GLOUCESTER PLACE MUSIC LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST MARCH 1997

	NOTES	1997	1996
		£	£
TURNOVER	2	365,446	485,019
Cost of Sales		292,191	406,741
GROSS PROFIT		73,255	78,278
Distribution Costs		6,387	6,606
Administration Expenses		12,539	13,474
Profit on ordinary activities before taxation	3	54,329	58,198
Tax on profit on ordinary activities	6	-	-
Profit on ordinary activities after taxation		54,329	58,198
Dividends	7	54,329	58,198
RETAINED RESULT FOR THE YEAR		-	-

STATEMENT OF RETAINED RESULTS

As at 1st April	-	-
Retained result for the year	-	-
At 31st March	-	-

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

There are no recognised gains or losses other than the profit for the year.

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

GLOUCESTER PLACE MUSIC LIMITED

BALANCE SHEET AT 31ST MARCH 1997

	NOTES	1997	1996
		£	£
CURRENT ASSETS			
Debtors	8	149,594	164,735
CREDITORS: amounts falling due within one year	9	149,494	164,635
NET CURRENT ASSETS		100	100
CAPITAL AND RESERVES			
Called up share capital	10	100	100
		100	100

______________________ DIRECTOR

09 JAN 1998

______________________ DATE

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

GLOUCESTER PLACE MUSIC 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.

(b) Cashflow

A cashflow statement has not been prepared due to exemption under FRS1, as the company is a wholly owned subsidary undertaking of an EC parent.

(c) 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 of the EMI group.

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

	1997	1996
	£	£
United Kingdom	79,337	162,849
Europe	119,402	103,494
USA	125,154	173,127
Other	41,553	45,549
	365,446	485,019

3 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

This is stated after charging:	1997	1996
	£	£
Management charges	18,453	19,530
Auditors' remuneration	473	550

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

The company is primarily liable for UK corporation tax on its profits. However, no provision has been made in these accounts for either current or deferred taxation, as an undertaking has been received from its ultimate parent undertaking, EMI GROUP plc, that the latter will assume all liability for any such taxation for accounting periods ending up to 31st March 1997 so long as the company remains a subsidiary. In view of the undertaking received, no disclosure is made in these accounts of any potential liability to taxation.

7 DIVIDENDS

	1997	1996
	£	£
Ordinary - Proposed Final	54,329	58,198

8 DEBTORS

	1997	1996
	£	£
Amounts owed by group undertakings	149,594	164,735

9 CREDITORS: amounts falling due within one year

	1997	1996
	£	£
Trade creditors	91,330	102,601
Amounts owed to group undertakings	3,835	3,836
Proposed dividends	54,329	58,198
	149,494	164,635

10 SHARE CAPITAL

	1997 £	1996 £
Authorised, allotted, called up and fully paid Ordinary shares of £1 each	100	100

11 RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENTS ON RESERVES

	SHARE CAPITAL £	PROFIT & LOSS A/C £	TOTAL £
At 1st April 1995	100	-	100
Profit for the year	-	58,198	58,198
Dividend	-	(58,198)	(58,198)
At 1st April 1996	100	-	100
Profit for the year	-	54,329	54,329
Dividend	-	(54,329)	(54,329)
At 31st March 1997	100	-	100

12 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 EMI GROUP plc, which is the ultimate parent undertaking registered in England and Wales. Copies of EMI GROUP plc's accounts can be obtained from EMI GROUP plc, 4 Tenterden Street, Hanover Square, London W1A 2AY, England.

The company has taken advantage of the exemption contained in FRS8, Related party disclosures, from disclosure of related party transactions with group companies on the basis that such transactions are included in the consolidated group accounts of EMI GROUP plc.