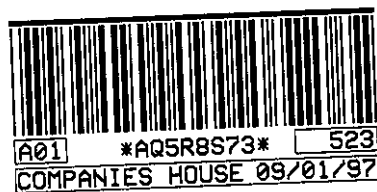


GLOUCESTER PLACE MUSIC LIMITED

ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 1996

REGISTERED NUMBER 1492259



GLOUCESTER PLACE MUSIC LIMITED

Directors: Mr P H C Reichardt
Mr T J Foster-Key
Mr T F Bradley (appointed 1st August 1995)
Ms S D Perryman
Ms D J Harris
Ms K M O'Dwyer
Mr P J Cox (appointed 30th August 1995)
Mr J C Channon (appointed 1st April 1996)

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 1996. The profit for the year amounted to £58,198 (1995 - £20,127). The directors recommend a final dividend of £58,198 (1995 - £20,127) 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 increased during the year with a resultant increase 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 1996 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).

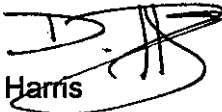
DIRECTORS' INTERESTS

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, 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:

09 DEC 1996

GLOUCESTER PLACE MUSIC 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.

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 1996 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young
09 DEC 1996

ERNST & YOUNG
Chartered Accountants
Registered Auditor
LONDON

GLOUCESTER PLACE MUSIC LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31ST MARCH 1996**

	<u>NOTES</u>	<u>1996</u>	<u>1995</u>
		£	£
TURNOVER	2	485,019	426,961
Cost of Sales		406,741	398,916
		<hr/>	<hr/>
GROSS PROFIT		78,278	28,045
Distribution Costs		6,606	2,373
Administration Expenses		13,474	5,545
		<hr/>	<hr/>
Profit on ordinary activities before taxation	3	58,198	20,127
Tax on profit on ordinary activities	6	-	-
		<hr/>	<hr/>
Profit on ordinary activities after taxation		58,198	20,127
Dividends	7	58,198	20,127
		<hr/>	<hr/>
RETAINED RESULT FOR THE YEAR		-	-

STATEMENT OF RETAINED RESULTS

As at 1st April 1995	-	-
Retained result for the year	-	-
	<hr/>	<hr/>
At 31st March 1996	-	-

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

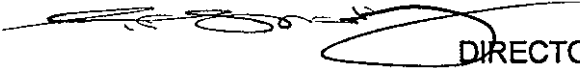
There are no recognised gains or losses other than the profit for the year.

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

GLOUCESTER PLACE MUSIC LIMITED

BALANCE SHEET AT 31ST MARCH 1996

	<u>NOTES</u>	<u>1996</u>	<u>1995</u>
		£	£
CURRENT ASSETS			
Debtors	8	164,735	111,168
CREDITORS: amounts falling due within one year	9	164,635	111,068
NET CURRENT ASSETS		<u>100</u>	<u>100</u>
CAPITAL AND RESERVES			
Called up share capital	10	100	100
		<u>100</u>	<u>100</u>



DIRECTOR

09 DEC 1996

DATE

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

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 subsidiary 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 THORN EMI group.

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

	1996	1995
	£	£
United Kingdom	162,849	114,989
Europe	103,494	101,991
USA	173,127	157,986
Other	45,549	51,995
	<u>485,019</u>	<u>426,961</u>

3 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

This is stated after charging:

	1996	1995
	£	£
Management charges	19,530	7,368
Auditors' remuneration	<u>550</u>	<u>550</u>

GLOUCESTER PLACE MUSIC LIMITED

NOTES TO THE ACCOUNTS (continued)

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, THORN EMI plc, that the latter will assume all liability for any such taxation for accounting periods ending up to 31st March 1996 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

	1996 £	1995 £
Ordinary - Proposed Final	<u>58,198</u>	<u>20,127</u>

8 DEBTORS

	1996 £	1995 £
Amounts owed by group undertakings	<u>164,735</u>	<u>111,168</u>

9 CREDITORS: amounts falling due within one year

	1996 £	1995 £
Trade creditors	102,601	87,105
Amounts owed to group undertakings	3,836	3,836
Proposed dividends	58,198	20,127
	<u>164,635</u>	<u>111,068</u>

GLOUCESTER PLACE MUSIC LIMITED**NOTES TO THE ACCOUNTS (continued)****10 SHARE CAPITAL**

	1996 £	1995 £
Authorised, allotted, called up and fully paid Ordinary shares of £1 each	<u>100</u>	<u>100</u>

11 RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENTS ON RESERVES

	SHARE CAPITAL £	PROFIT & LOSS A/C £	TOTAL £
At 1st April 1994	100	-	100
Profit for the year	-	20,127	20,127
Dividend	-	(20,127)	(20,127)
At 1st April 1995	100	-	100
Profit for the year	-	58,198	58,198
Dividend	-	(58,198)	(58,198)
At 31st March 1996	<u>100</u>	<u>-</u>	<u>100</u>

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 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.