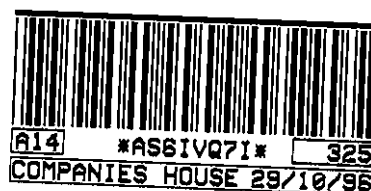


Elvis Costello Limited  
Abbreviated Accounts  
for the year ended 31 December 1995

Company No. 01517662 (England & Wales)



# **Elvis Costello Limited**

## **Contents**

	<b>Page</b>
Auditors' Report	1 - 2
Balance Sheet	3
Notes to the Abbreviated Accounts	4 - 6

## **Elvis Costello Limited**

### **Auditors' Report to Elvis Costello Limited Pursuant to Paragraph 24 of Schedule 8 to the Companies Act 1985**

We have examined the abbreviated accounts on pages 3 to 6 together with the financial statements of Elvis Costello Limited prepared under section 226 of the Companies Act 1985 for the year ended 31 December 1995.

#### **Respective responsibilities of the director and auditors**

The director is responsible for preparing the abbreviated accounts in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the director's statement on page 3 and whether the abbreviated accounts have been properly prepared in accordance with that Schedule.

#### **Basis of opinion**

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

#### **Opinion**

In our opinion the company is entitled under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act, in respect of the year ended 31 December 1995, and the abbreviated accounts on pages 3 to 6 have been properly prepared in accordance with that Schedule.

#### **Other information**

On 24.10.96..... we reported, as auditors of Elvis Costello Limited, to the members on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 31 December 1995, and our audit report was as follows:

'We have audited the financial statements on pages 3 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

#### **Respective responsibilities of the director and auditors**

As described on page 1 the company's director is 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.

**Elvis Costello Limited**

**Auditors' Report to Elvis Costello Limited  
Pursuant to Paragraph 24 of Schedule 8 to the Companies Act 1985 (continued)**

**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 director 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 the company's affairs as at 31 December 1995 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.'



.....  
Carton Garrigan  
Chartered Accountants  
Registered Auditor

Dated: 24/10/96 .....

2 Lower Teddington Road  
Kingston Upon Thames  
Surrey  
KT1 4ER

Elvis Costello Limited

Abbreviated Balance Sheet as at 31 December 1995

	Notes	1995 £	1994 £
<b>Fixed Assets</b>			
Tangible assets	2	41,479	26,325
<b>Current Assets</b>			
Stocks		31,084	4,932
Debtors		176,376	114,652
Investments		5,006	5,006
Cash at bank and in hand		708,831	774,105
		<u>921,297</u>	<u>898,695</u>
<b>Creditors: amounts due within one year</b>		<u>(439,705)</u>	<u>(426,283)</u>
<b>Net Current Assets</b>		481,592	472,412
<b>Total Assets Less Current Liabilities</b>		<u>£ 523,071</u>	<u>£ 498,737</u>
<b>Capital and Reserves</b>			
Called up share capital	3	100	100
Profit and loss account		522,971	498,637
		<u>£ 523,071</u>	<u>£ 498,737</u>

In preparing these abbreviated accounts:

- Advantage has been taken of the special exemptions applicable to small companies conferred by Part I of Schedule 8 to the Companies Act 1985, and
- In the director's opinion the company is entitled to these exemptions as a small company.
- Advantage has also been taken of the exemption for small companies conferred by Section A of Part III of Schedule 8 to the Companies Act 1985 in delivering abbreviated accounts.

The abbreviated financial statements on pages 3 to 6 were approved by the Board of Directors and signed on its behalf by:

D P A MacManus

Director

Dated: .....  .....

24/10/96.

## **Elvis Costello Limited**

### **Notes to the Abbreviated Accounts for the year ended 31 December 1995**

#### **1. Accounting Policies**

##### **1.1 Accounting convention**

The financial statements are prepared under the historical cost convention and include the results of the company's operations as indicated in the director's report, all of which are continuing.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cashflow statement on the grounds that it is a small company.

##### **1.2 Turnover**

Turnover represents amounts receivable for goods and services provided in the UK net of VAT and trade discounts.

Royalty income is accounted for on the date it is received rather than on the accruals basis. This represents a departure from the requirement of Standard Accounting Practice; such departure has been consistently applied in the accounts and at the year end it is impractical to calculate the financial effect thereof.

##### **1.3 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Equipment	-	33 1/3% Reducing balance
Fixtures and fittings	-	15% Reducing balance
Motor vehicles	-	25% Reducing balance

##### **1.4 Investments**

Current asset investments are stated at the lower of cost and net realisable value.

##### **1.5 Stock**

Stock is valued at the lower of cost and net realisable value.

##### **1.6 Long term contracts**

Amounts recoverable on long term contracts, which are included in debtors, are stated at the net fees receivable to date, less any progress payments received. They include attributable profits to date, after deducting provisions for contingencies and any anticipated future losses on contracts.

##### **1.7 Pensions**

The company operates a defined contribution pension scheme for the director. The assets of that scheme are held separately from those of the company in an independently administered fund.

# Elvis Costello Limited

## Notes to the Abbreviated Accounts for the year ended 31 December 1995

### 1.8 Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the director considers that a liability to taxation is unlikely to crystallise.

### 1.9 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the accounting date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

### 2. Tangible Assets

	Equipment	Fixtures, & fittings	Motor vehicles	Total
	£	£	£	£
<b>Cost</b>				
At 1 January 1995	71,040	11,927	24,295	107,262
Additions	14,116	2,884	20,995	37,995
Disposals	(275)	(270)	(8,745)	(9,290)
At 31 December 1995	84,881	14,541	36,545	135,967
<b>Depreciation</b>				
At 1 January 1995	63,301	2,667	14,969	80,937
On disposals	(194)	(41)	(2,186)	(2,421)
Charge for year	7,258	2,773	5,941	15,972
At 31 December 1995	70,365	5,399	18,724	94,488
<b>Net book values</b>				
At 31 December 1995	£ 14,516	£ 9,142	£ 17,821	£ 41,479
At 31 December 1994	£ 7,739	£ 9,260	£ 9,326	£ 26,325

### 3. Share Capital

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

## **Elvis Costello Limited**

### **Notes to the Abbreviated Accounts for the year ended 31 December 1995**

#### **4. Transactions With Director and Related Parties**

By virtue of his shareholding in this company the director has an interest in the transactions of the company as follows:

D P A MacManus is a director of both Demon Records Limited and its holding company, F-Beat Records Limited. He also holds shares in F-Beat Records Limited.

During the year Elvis Costello Limited charged Demon Records Limited £49,590, and F-Beat Records Limited £5,510, for the services of D P A MacManus as a director.

Demon Records Limited made charges of £10,000 to the company for administrative services provided.

The company also receives royalties from Demon Records Limited, as the director has recordings licenced to them.

The company also employs the director's mother and his son. Lillian MacManus is paid £12,000 per annum and Matthew MacManus is paid £14,000 per annum. £14,400 per year is paid to the director's father, Ross MacManus, for consultancy work.