

**REGISTERED NUMBER: 1819018 (England and Wales)**

**Abbreviated Financial Statements  
for the Year Ended 31 March 1999  
for  
The Copyrights Group Limited**



# **The Copyrights Group Limited**

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**The Copyrights Group Limited**

**Company Information**  
**for the Year Ended 31 March 1999**

**DIRECTORS:**

N F Durbridge  
L J Durbridge  
T M Bond

**SECRETARY:**

M T Robinson

**REGISTERED OFFICE:**

Cecil House  
St Andrew Street  
Hertford  
Hertfordshire  
SG14 1JA

**REGISTERED NUMBER:**

1819018 (England and Wales)

**AUDITORS:**

Fiddaman & Co.  
Chartered Accountants and  
Registered Auditors  
Cecil House  
St. Andrew Street  
Hertford  
Herts SG14 1JA

## **The Copyrights Group Limited**

### **Report of the Directors for the Year Ended 31 March 1999**

The directors present their report with the financial statements of the company for the year ended 31 March 1999.

#### **PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of merchandise agents for writers and artists.

#### **REVIEW OF BUSINESS**

The results for the year and financial position of the company are as shown in the annexed financial statements.

1998 saw some growth in most markets around the world. The group has benefitted from the successful conclusion of its litigation against the former directors of Kenrick Copyrights Japan Limited and this has now freed management to complete the re-organisation of the Japanese business. The Japanese business is also well placed for future growth having been appointed to handle the local licensing of the Beatrix Potter characters in place of the local publisher who has handled the rights for many years.

UK business has continued to be challenging but the Wombles performed particularly well for Christmas 1998 and Maisy is continuing to show promise with new television scheduled for broadcasting in 1999 in the USA and Europe.

The acquisition of a majority stake in Lakefield Marketing has proved to be a sound investment with that company turning from a loss into profit in its first years trading as part of the group. It has benefitted from a number of synergies with the group and was instrumental in helping resolve an overstock position on one licence which would have had a detrimental affect on one property otherwise.

Overall the directors remain satisfied with the continued progress of the company.

#### **DIVIDENDS**

No dividends will be distributed for the year ended 31 March 1999.

#### **EVENTS SINCE THE END OF THE YEAR**

Information relating to events since the end of the year is given in the notes to the financial statements.

#### **DIRECTORS**

The directors during the year under review were:

N F Durbridge  
L J Durbridge  
T M Bond

The beneficial interests of the directors holding office on 31 March 1999 in the issued share capital of the company were as follows:

	31.3.99	1.4.98
<b>Ordinary £1 shares</b>		
N F Durbridge	600	600
L J Durbridge	400	400
T M Bond	-	-

#### **YEAR 2000**

The directors have embarked on a programme to review all the systems and controls of the company for Year 2000 compliance. They do not expect the costs of Year 2000 compliance to be material and any costs will be expensed as incurred.

## **The Copyrights Group Limited**

### **Report of the Directors for the Year Ended 31 March 1999**

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

Company law requires the directors to prepare financial statements 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 financial statements, the directors are required to


- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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 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 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.

#### **AUDITORS**

The auditors, Fiddaman & Co., will be proposed for re-appointment in accordance with Section 385A of the Companies Act 1985.

#### **ON BEHALF OF THE BOARD:**

  
.....  
N F Durbridge - DIRECTOR

Dated: 26 November 1999

**The Copyrights Group Limited**

**Report of the Auditors to  
The Copyrights Group Limited  
Under Section 247B of the Companies Act 1985**

We have examined the abbreviated financial statements on pages five to twenty one, together with the full financial statements of the company for the year ended 31 March 1999 prepared under Section 226 of the Companies Act 1985.

**Respective responsibilities of directors and auditors**

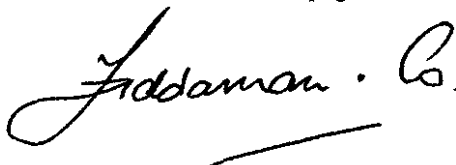
The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

**Basis of opinion**

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did 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 to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated financial statements on pages five to twenty one are properly prepared in accordance with that provision.



Fiddaman & Co.  
Chartered Accountants and  
Registered Auditors  
Cecil House  
St. Andrew Street  
Hertford  
Herts SG14 1JA

Dated: *26th November 1999*

**The Copyrights Group Limited**

**Abbreviated Profit and Loss Account  
for the Year Ended 31 March 1999**

		<b>31.3.99</b>		<b>31.3.98</b>	
	Notes	£	£	£	£
<b>GROSS PROFIT</b>			<b>2,468,605</b>		<b>2,139,429</b>
Administrative expenses			<b>1,904,071</b>		<b>1,723,628</b>
<b>OPERATING PROFIT</b>	4		<b>564,534</b>		<b>415,801</b>
Loan to The Classic Character Company Limited written off	5		<b>(18,000)</b>		<b>(140,330)</b>
			<b>546,534</b>		<b>275,471</b>
Income from investments		<b>3,000</b>		-	
Interest receivable and similar income		<b>101,681</b>		<b>66,727</b>	
			<b>104,681</b>		<b>66,727</b>
			<b>651,215</b>		<b>342,198</b>
Amounts written off investments	6		-		<b>3,333</b>
			<b>651,215</b>		<b>338,865</b>
Interest payable and similar charges	7		<b>3,562</b>		<b>15,746</b>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>			<b>647,653</b>		<b>323,119</b>
Tax on profit on ordinary activities	8		<b>251,765</b>		<b>80,592</b>
<b>PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION</b>			<b>395,888</b>		<b>242,527</b>
Retained profit brought forward			<b>2,367,155</b>		<b>2,124,628</b>
<b>RETAINED PROFIT CARRIED FORWARD</b>			<b>£2,763,043</b>		<b>£2,367,155</b>

**CONTINUING OPERATIONS**

None of the company's activities were acquired or discontinued during the current and previous years.

**TOTAL RECOGNISED GAINS AND LOSSES**

The company has no recognised gains or losses other than the profits for the current and previous years.

The notes form part of these financial statements

**The Copyrights Group Limited**

**Abbreviated Balance Sheet  
31 March 1999**

		31.3.99		31.3.98	
	Notes	£	£	£	£
<b>FIXED ASSETS:</b>					
Tangible assets	10		348,780		515,352
Investments	11		253,127		252,968
			<u>601,907</u>		<u>768,320</u>
<b>CURRENT ASSETS:</b>					
Stocks	12		-		30,345
Debtors	13		1,355,624		1,654,076
Cash at bank and in hand			4,637,723		3,153,111
			<u>5,993,347</u>		<u>4,837,532</u>
<b>CREDITORS: Amounts falling due within one year</b>	14		3,822,211		3,113,697
<b>NET CURRENT ASSETS:</b>			<u>2,171,136</u>		<u>1,723,835</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>			<u>2,773,043</u>		<u>2,492,155</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	15		-		(115,000)
<b>PROVISIONS FOR LIABILITIES AND CHARGES:</b>	18		(9,000)		(9,000)
			<u>£2,764,043</u>		<u>£2,368,155</u>
<b>CAPITAL AND RESERVES:</b>					
Called up share capital	19		1,000		1,000
Profit and loss account			2,763,043		2,367,155
Shareholders' funds	24		<u>£2,764,043</u>		<u>£2,368,155</u>

These abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

**ON BEHALF OF THE BOARD:**

  
N F Durbridge - DIRECTOR

Approved by the Board on .....

The notes form part of these financial statements



**The Copyrights Group Limited**

**Cash Flow Statement  
for the Year Ended 31 March 1999**

	Notes	31.3.99		31.3.98	
		£	£	£	£
<b>Net cash inflow/(outflow) from operating activities</b>	1		<b>1,671,581</b>		<b>(621,789)</b>
<b>Returns on investments and servicing of finance</b>	2		<b>101,119</b>		<b>50,981</b>
<b>Taxation</b>			<b>(283,403)</b>		<b>(107,975)</b>
<b>Capital expenditure and financial investment</b>	2		<b>115,435</b>		<b>(133,152)</b>
			<b>1,604,732</b>		<b>(811,935)</b>
<b>Management of liquid resources</b>	2		<b>(82,223)</b>		<b>224,061</b>
<b>Financing</b>	2		<b>(80,919)</b>		<b>35,529</b>
<b>Increase/(Decrease) in cash in the period</b>			<b>£1,441,590</b>		<b>£(552,345)</b>
<hr/>					
<b>Reconciliation of net cash flow to movement in net funds</b>	3				
<b>Increase/(Decrease) in cash in the period</b>		1,441,590		(552,345)	
<b>Cash outflow/(inflow) from increase/(decrease) in liquid resources</b>		<b>82,223</b>		<b>(224,061)</b>	
<b>Change in net funds resulting from cash flows</b>			<b>1,523,813</b>		<b>(776,406)</b>
<b>Movement in net funds in the period</b>			<b>1,523,813</b>		<b>(776,406)</b>
<b>Net funds at 1 April 1998</b>			<b>3,113,910</b>		<b>3,890,316</b>
<b>Net funds at 31 March 1999</b>			<b>£4,637,723</b>		<b>£3,113,910</b>

The notes form part of these financial statements

**The Copyrights Group Limited**

**Notes to the Cash Flow Statement  
for the Year Ended 31 March 1999**

**1. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES**

**Year ended 31 March 1999**

	Continuing £	Discontinued £	Total £
Operating profit	-	-	564,534
Depreciation charges	92,598	-	92,598
Loss on sale of fixed assets	31,248	-	31,248
Profit on sale of fixed assets	(72,869)	-	(72,869)
Loans written off	(18,000)	-	(18,000)
Decrease in stocks	30,345	-	30,345
Decrease in debtors	298,452	-	298,452
Increase/(Decrease) in creditors	745,273	-	745,273
Net cash inflow from continuing operating activities	1,107,047		
Net cash inflow from discontinued operating activities		-	
<b>Net cash inflow from operating activities</b>			<b>1,671,581</b>

**Year ended 31 March 1998**

	Continuing £	Discontinued £	Total £
Operating profit	(95,595)	(147,676)	415,801
Depreciation charges	88,604	1,348	89,952
Loss on sale of fixed assets	1,417	-	1,417
Profit on sale of fixed assets	(4,019)	-	(4,019)
Loans written off	(140,330)	-	(140,330)
Investments written off	(3,331)	-	(3,331)
Increase in stocks	-	(4,067)	(4,067)
Increase in debtors	(466,799)	1,500	(465,299)
Increase/(Decrease) in creditors	(513,032)	1,119	(511,913)
Net cash outflow from continuing operating activities	(1,133,085)		
Net cash outflow from discontinued operating activities		(147,776)	
<b>Net cash outflow from operating activities</b>			<b>(621,789)</b>

The notes form part of these financial statements

**The Copyrights Group Limited**

**Notes to the Cash Flow Statement  
for the Year Ended 31 March 1999**

**2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	31.3.99 £	31.3.98 £
<b>Returns on investments and servicing of finance</b>		
Interest received	101,681	66,727
Interest paid	(3,562)	(15,746)
Dividends received	3,000	-
	<u>101,119</u>	<u>50,981</u>
Net cash inflow for returns on investments and servicing of finance		
	<u>101,119</u>	<u>50,981</u>
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(95,595)	(147,676)
Cash payments - investment	(159)	(6,806)
Sale of tangible fixed assets	211,189	21,330
	<u>115,435</u>	<u>(133,152)</u>
Net cash inflow/(outflow) for capital expenditure		
	<u>115,435</u>	<u>(133,152)</u>
<b>Management of liquid resources</b>		
Cash deposited on 2 day notice	(82,223)	224,061
	<u>(82,223)</u>	<u>224,061</u>
Net cash (outflow)/inflow from management of liquid resources		
	<u>(82,223)</u>	<u>224,061</u>
<b>Financing</b>		
New loan taken out in year	-	40,000
Loan repayments in year	(140,000)	-
Amount introduced by directors	59,081	-
Amount withdrawn by directors	-	(4,471)
	<u>(80,919)</u>	<u>35,529</u>
Net cash (outflow)/inflow from financing		
	<u>(80,919)</u>	<u>35,529</u>

The notes form part of these financial statements

**The Copyrights Group Limited**

**Notes to the Cash Flow Statement  
for the Year Ended 31 March 1999**

**3. ANALYSIS OF CHANGES IN NET FUNDS**

	<b>At 1.4.98 £</b>	<b>Cash flow £</b>	<b>At 31.3.99 £</b>
Net cash:			
Cash at bank and in hand	3,153,111		4,637,723
Less: Deposits treated as liquid resources	(22,390)		(104,613)
	<u>3,130,721</u>	<u>1,402,389</u>	<u>4,533,110</u>
Bank overdraft	(39,201)	39,201	-
	<u>3,091,520</u>	<u>1,441,590</u>	<u>4,533,110</u>
Liquid resources:			
Deposits included in cash	22,390	82,223	104,613
	<u>22,390</u>	<u>82,223</u>	<u>104,613</u>
Total	<u>3,113,910</u>	<u>1,523,813</u>	<u>4,637,723</u>
<b>Analysed in Balance Sheet</b>			
Cash at bank and in hand	3,153,111		4,637,723
Bank overdraft	(39,201)		-
	<u>3,113,910</u>		<u>4,637,723</u>

The notes form part of these financial statements

## **The Copyrights Group Limited**

### **Notes to the Abbreviated Financial Statements for the Year Ended 31 March 1999**

#### **1. ACCOUNTING POLICIES**

##### **Accounting convention**

The financial statements have been prepared under the historical cost convention.

##### **Turnover**

Turnover represents net invoiced sales of services, excluding value added tax.

##### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Leasehold property	- 12.5% on cost
Fixtures and fittings	- 10% on cost
Motor vehicles	- 25% on reducing balance
Computer equipment	- 20% on cost

##### **Deferred taxation**

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

##### **Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

##### **Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the profit and loss account as incurred.

##### **Pensions**

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

##### **Exemption from Consolidation**

The financial statements contain information about The Copyrights Group Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under section 248 of the Companies Act 1985 from the requirement to prepare consolidated financial statements as the group it heads qualifies as a medium group.

##### **Fixed asset investments**

Fixed asset investments in subsidiary undertakings are stated at cost less any provision for permanent diminution in value.

**The Copyrights Group Limited**

**Notes to the Abbreviated Financial Statements  
for the Year Ended 31 March 1999**

**2. ANALYSIS OF OPERATIONS**

	Continuing £	31.3.99 Discontinued £	Total £
Gross profit	<u>1,685,128</u>	<u>-</u>	<u>1,685,128</u>
Net operating expenses:			
Administrative expenses	1,904,071	-	1,904,071
Other operating income	<u>(783,477)</u>	<u>-</u>	<u>(783,477)</u>
	<u>1,120,594</u>	<u>-</u>	<u>1,120,594</u>

	Continuing £	31.3.98 Discontinued £	Total £
Cost of sales	<u>-</u>	<u>121,804</u>	<u>121,804</u>
Gross profit	<u>1,369,440</u>	<u>128,031</u>	<u>1,497,471</u>
Net operating expenses:			
Administrative expenses	1,624,414	99,214	1,723,628
Other operating income	<u>(641,958)</u>	<u>-</u>	<u>(641,958)</u>
	<u>982,456</u>	<u>99,214</u>	<u>1,081,670</u>

**3. STAFF COSTS**

	31.3.99 £	31.3.98 £
Wages and salaries	1,310,254	885,192
Social security costs	138,471	89,303
Other pension costs	23,584	20,161
	<u>1,472,309</u>	<u>994,656</u>

The average monthly number of employees during the year was as follows:

	31.3.99	31.3.98
Sales	31	30
Administration	13	13
Directors	3	3
	<u>47</u>	<u>46</u>

# The Copyrights Group Limited

## Notes to the Abbreviated Financial Statements for the Year Ended 31 March 1999

### 4. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	31.3.99	31.3.98
	£	£
Operating lease income	(81,740)	(50,141)
Depreciation - owned assets	92,600	89,952
Profit on disposal of fixed assets	(41,621)	(2,602)
Auditors' remuneration	15,000	14,200
Foreign exchange differences	(66,483)	72,656

Directors' emoluments	595,021	225,659
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Information regarding the highest paid director is as follows:

	31.3.99	31.3.98
	£	£
Emoluments etc	324,108	119,077

### 5. EXCEPTIONAL ITEMS

Following an arrangement between the creditors of The Classic Character Company Limited, £140,331 of the outstanding loan was deemed to be irrecoverable and this amount was assigned for a consideration of £1 on the 9th March 1998. The balance of the loan, £18,000, was written off in the year ended 31 March 1999.

### 6. AMOUNTS WRITTEN OFF INVESTMENTS

	31.3.99	31.3.98
	£	£
Loss on sale of investment	-	3,333

### 7. INTEREST PAYABLE AND SIMILAR CHARGES

	31.3.99	31.3.98
	£	£
Loan interest	3,562	15,746

### 8. TAXATION

The tax charge on the profit on ordinary activities for the year was as follows:

	31.3.99	31.3.98
	£	£
UK corporation tax	53,590	100,382
Under and over provisions in prior periods	43,502	(15)
Interest on late paid tax	310	-
Group relief surrendered	154,363	-
Deferred taxation	-	(19,775)
	251,765	80,592

UK corporation tax has been charged at 31% (1998 - 31%).

**The Copyrights Group Limited**

**Notes to the Abbreviated Financial Statements  
for the Year Ended 31 March 1999**

**9. INTANGIBLE FIXED ASSETS**

	<b>Patents and licences</b>
	<u>£</u>
<b>COST:</b>	
At 1 April 1998	
and 31 March 1999	<u>10,000</u>
<b>AMORTISATION:</b>	
At 1 April 1998	
and 31 March 1999	<u>10,000</u>
<b>NET BOOK VALUE:</b>	
At 31 March 1999	<u>-</u>

**10. TANGIBLE FIXED ASSETS**

	<b>Freehold property</b>	<b>Leasehold property</b>	<b>Fixtures and fittings</b>
	<u>£</u>	<u>£</u>	<u>£</u>
<b>COST:</b>			
At 1 April 1998	133,346	21,311	337,801
Additions	-	-	22,308
Disposals	(133,346)	-	(91,309)
	<u>-</u>	<u>21,311</u>	<u>268,800</u>
At 31 March 1999	-	21,311	268,800
<b>DEPRECIATION:</b>			
At 1 April 1998	9,470	3,217	154,992
Charge for year	2,367	622	30,401
Eliminated on disposals	(11,837)	-	(50,537)
	<u>-</u>	<u>3,839</u>	<u>134,856</u>
At 31 March 1999	-	3,839	134,856
<b>NET BOOK VALUE:</b>			
At 31 March 1999	<u>-</u>	<u>17,472</u>	<u>133,944</u>
At 31 March 1998	<u>123,877</u>	<u>18,094</u>	<u>182,810</u>



**The Copyrights Group Limited**

**Notes to the Abbreviated Financial Statements  
for the Year Ended 31 March 1999**

**10. TANGIBLE FIXED ASSETS - continued**

	<b>Motor vehicles</b>	<b>Computer equipment</b>	<b>Totals</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>COST:</b>			
At 1 April 1998	192,365	166,509	851,332
Additions	30,250	43,037	95,595
Disposals	(12,450)	(16,636)	(253,741)
At 31 March 1999	210,165	192,910	693,186
<b>DEPRECIATION:</b>			
At 1 April 1998	72,536	95,764	335,979
Charge for year	31,656	27,554	92,600
Eliminated on disposals	(10,680)	(11,119)	(84,173)
At 31 March 1999	93,512	112,199	344,406
<b>NET BOOK VALUE:</b>			
At 31 March 1999	116,653	80,711	348,780
At 31 March 1998	119,827	70,744	515,352

Included in land and buildings is freehold land valued at £15,000 (1998 - £15,000) which is not depreciated.

**11. FIXED ASSET INVESTMENTS**

	<b>£</b>
<b>COST:</b>	
At 1 April 1998	252,968
Additions	159
At 31 March 1999	253,127
<b>NET BOOK VALUE:</b>	
At 31 March 1999	253,127
At 31 March 1998	252,968
	31.3.99
	£
Investments listed on recognised stock exchange	475
Unlisted investments	252,652
	253,127
	31.3.98
	£
	318
	252,650
	252,968

Market value of listed investments at 31 March 1999 - £339 (1998 - £318).

**The Copyrights Group Limited**

**Notes to the Abbreviated Financial Statements  
for the Year Ended 31 March 1999**

**11. FIXED ASSET INVESTMENTS - continued**

The company's investments at the balance sheet date in the share capital of unlisted companies include the following:

**The Copyrights Company (UK) Limited.**

Nature of business: Merchandise agents

	% holding		
Class of shares:			
Ordinary	100.00		
		<b>31.3.99</b>	<b>31.3.98</b>
		£	£
Aggregate capital and reserves		<b>317,148</b>	<b>473,755</b>
(Loss)/Profit for the year		<b>(224,432)</b>	<b>13,758</b>

**The Copyrights Company (Europe) Limited.**

Nature of business: Merchandise agents

	% holding		
Class of shares:			
Ordinary	100.00		
		<b>31.3.99</b>	<b>31.3.98</b>
		£	£
Aggregate capital and reserves		<b>(76,288)</b>	<b>119,792</b>
(Loss)/Profit for the year		<b>(282,618)</b>	<b>267,396</b>

**Copyrights Australasia Pty. Ltd.**

Country of incorporation: Australia

Nature of business: Merchandise agents

	% holding		
Class of shares:			
Ordinary	60.00		
		<b>31.3.99</b>	<b>30.6.98</b>
		£	£
Aggregate capital and reserves		<b>62,978</b>	<b>40,817</b>
Profit/(Loss) for the year		<b>35,517</b>	<b>(9,308)</b>

**Copyrights Asia Limited**

Country of incorporation: Japan

Nature of business: Merchandise agents

	% holding		
Class of shares:			
Ordinary	100.00		
		<b>31.3.99</b>	<b>31.12.97</b>
		£	£
Aggregate capital and reserves		<b>(128,867)</b>	<b>(275,221)</b>
Profit/(Loss) for the year		<b>146,354</b>	<b>(450,370)</b>

# **The Copyrights Group Limited**

## **Notes to the Abbreviated Financial Statements for the Year Ended 31 March 1999**

### **11. FIXED ASSET INVESTMENTS - continued**

#### **Copyrights Japan Limited**

Country of incorporation: Japan

Nature of business: Merchandise agents

Class of shares:	%
Ordinary	holding 100.00

<b>31.3.99</b>	<b>31.3.98</b>
<b>£</b>	<b>£</b>

Aggregate capital and reserves

<b>114,171</b>	<b>99,300</b>
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Profit for the year

<b>63,465</b>	<b>69,445</b>
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#### **Lakefield Marketing Limited**

Nature of business: Retailing

Class of shares:	%
Ordinary	holding 60.00

<b>31.3.99</b>	<b>31.3.98</b>
<b>£</b>	<b>£</b>

Aggregate capital and reserves

<b>190,682</b>	<b>78,990</b>
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Profit for the year

<b>169,571</b>	<b>52,790</b>
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### **12. STOCKS**

<b>31.3.99</b>	<b>31.3.98</b>
<b>£</b>	<b>£</b>

Goods for resale

<b>-</b>	<b>30,345</b>
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**The Copyrights Group Limited**

**Notes to the Abbreviated Financial Statements  
for the Year Ended 31 March 1999**

**13. DEBTORS**

	31.3.99 £	31.3.98 £
Amounts falling due within one year:		
Trade debtors	104,669	25,152
Other debtors	328,689	2,899
Prepayments & accrued income	172,979	258,637
Amount due from subsidiary companies	328,772	318,040
Amount due from associated companies	414,031	1,007,864
	<u>1,349,140</u>	<u>1,612,592</u>
Amounts falling due after more than one year:		
Loan to subsidiary company	-	17,000
Loan - Classic Characters Ltd.	-	18,000
Loan - Classic Characters Pty. Ltd.	6,484	6,484
	<u>6,484</u>	<u>41,484</u>
Aggregate amounts	<u>1,355,624</u>	<u>1,654,076</u>

**14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.99 £	31.3.98 £
Bank loans and overdrafts (see note 16)	-	64,201
Trade creditors	120,447	133,977
Amounts due to clients	2,737,774	1,878,041
Other creditors	-	81,559
Amount due to subsidiary companies	361,575	583,292
Directors' current accounts	107,105	48,025
V.A.T.	46,336	72,510
Social security & other taxes	135,420	31,325
Taxation	68,402	100,040
Accrued expenses	245,152	120,727
	<u>3,822,211</u>	<u>3,113,697</u>

**15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31.3.99 £	31.3.98 £
Bank loans (see note 16)	-	115,000

**The Copyrights Group Limited**

**Notes to the Abbreviated Financial Statements  
for the Year Ended 31 March 1999**

**16. LOANS AND OVERDRAFTS**

An analysis of the maturity of loans and overdrafts is given below:

	31.3.99 £	31.3.98 £
Amounts falling due within one year or on demand:		
Bank overdrafts	-	39,201
Bank loans	-	25,000
	<u>-</u>	<u>64,201</u>
Amounts falling due between one and two years:		
Bank loans	-	50,000
	<u>-</u>	<u>-</u>
Amounts falling due between two and five years:		
Bank loans	-	65,000
	<u>-</u>	<u>-</u>

**17. OBLIGATIONS UNDER LEASING AGREEMENTS**

The following payments are committed to be paid within one year:

	31.3.99 £	31.3.98 £
Operating leases		
Expiring:		
In more than five years	-	30,000
	<u>-</u>	<u>-</u>

**18. PROVISIONS FOR LIABILITIES AND CHARGES**

	31.3.99 £	31.3.98 £
Deferred taxation	9,000	9,000
	<u>9,000</u>	<u>9,000</u>
	Deferred taxation	
	£	
Balance at 1 April 1998	9,000	
	<u>9,000</u>	
Balance at 31 March 1999	9,000	
	<u>9,000</u>	

**19. CALLED UP SHARE CAPITAL**

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.3.99 £	31.3.98 £
1,000	Ordinary	£1	1,000	1,000
			<u>1,000</u>	<u>1,000</u>

## The Copyrights Group Limited

### Notes to the Abbreviated Financial Statements for the Year Ended 31 March 1999

#### 20. CONTINGENT LIABILITIES

The company has given an undertaking to provide funds as and when required sufficient to enable The Copyrights Company (Europe) Limited, a wholly owned subsidiary, to discharge its day to day obligations.

On 7th January 1997 the company gave a guarantee, in respect of the rent payable by The Copyrights Company (Europe) Limited, of DM 30,000.

#### 21. PENSION COMMITMENTS

The company operates defined contribution pension schemes. The assets of the schemes are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company to the funds and amounted to £23,584 (1998 £20,161 ). There were no outstanding contributions at the year end.

#### 22. RELATED PARTY DISCLOSURES

During the year the company had the following transactions with related parties which in the opinion of the directors were at open market value:

	31.3.99 £	31.3.98 £
Rent of premises		
The Copyrights Retirement Benefits Scheme	30,000	30,000
NF and LJ Durbridge	17,500	17,500
The Copyrights Company (UK) Ltd.	( 9,592)	(36,000)
Management fees receivable		
The Copyrights Company (UK) Ltd.	563,249	525,817
Lakefield Marketing Ltd.	12,000	-
Copyrights Asia Ltd.	-	30,000
Copyrights Japan Ltd.	100,000	-
Hire of equipment		
The Copyrights Company (UK) Ltd.	50,141	40,329

The following amounts were due from (to) subsidiary companies at the year end in respect of interest free finance made available:

	31.3.99 £	31.3.98 £
The Copyrights Company (Europe) Ltd.	52,489	(178,098)
Copyrights Japan Ltd.	125,283	107,387
Copyrights Australasia Pty Ltd.	27,938	70,653
Copyrights Asia Ltd.	(52,508)	849,795
The Copyrights Company (UK) Ltd.	(309,067)	(405,194)
Lakefield Marketing Ltd.	58,062	-

The following amount was due from an associated company at the year end in respect of interest free finance made available:

	31.3.99 £	31.3.98 £
Copyrights America Inc.	414,031	158,069

The company has provided finance bearing interest at 2% over the clearing banks base rate to a subsidiary company, Lakefield Marketing Ltd. The loan is secured by a fixed and floating charge over the assets of the subsidiary and has variable repayment terms. The balance at the year end amounted to £65,000 (1998 - £157,000).

Throughout the current and previous year, the company was under the control of Mr N F Durbridge, the company's managing director and major shareholder.

**The Copyrights Group Limited**

**Notes to the Abbreviated Financial Statements  
for the Year Ended 31 March 1999**

**23. POST BALANCE SHEET EVENTS**

In accordance with the requirements of SSAP 17 the directors confirm that they are not aware of any post balance sheet events other than those included in the accounts and notes attaching thereto which could materially affect those accounts or the results for the year.

**24. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	<b>31.3.99</b>	<b>31.3.98</b>
	<b>£</b>	<b>£</b>
Profit for the financial year	<b>395,888</b>	<b>242,527</b>
<b>NET ADDITION TO SHAREHOLDERS' FUNDS</b>	<b>395,888</b>	<b>242,527</b>
Opening shareholders' funds	<b>2,368,155</b>	<b>2,125,628</b>
<b>CLOSING SHAREHOLDERS' FUNDS</b>	<b>2,764,043</b>	<b>2,368,155</b>
Equity interests	<b>2,764,043</b>	<b>2,368,155</b>