

HELLOWEEN LIMITED

**REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 MARCH 1999**

REGISTERED NUMBER: 2448011



HELLOWEEN LIMITED

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1999**

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HELLOWEEN LIMITED

**COMPANY INFORMATION
AT 31 MARCH 1999**

DIRECTORS

A J Taylor
A Najeeb

SECRETARY

M Howe

REGISTERED OFFICE

Sanctuary House
45-53 Sinclair Road
London W14 0NS

AUDITORS

Blinkhorns
14/16 Great Portland Street
London
W1N 6BL

HELLOWEEN LIMITED

DIRECTORS' REPORT

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

PRINCIPAL ACTIVITIES

The principal activity of the company in the year under review was the promotion of the musical group "Halloween".

INTRODUCTION OF THE SINGLE EUROPEAN CURRENCY

In the view of the directors the introduction of the single European currency will have a beneficial impact on the company's activities in Europe. In the company's other areas of operation the impact of the single European currency will be minimal.

DIRECTORS AND THEIR INTERESTS

The directors in office in the year and their beneficial interests in the company at the balance sheet date and the beginning of the year (or on appointment if later) were as follows:

	Number of Shares	
	1999	1998
A J Taylor	-	-
A Najeeb	-	-

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 as at the end of the financial year 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 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.

YEAR 2000 ISSUES

The directors made an assessment of the Year 2000 problem and its impact on the activities of the company. Plans were developed to ensure that the Year 2000 problem would not adversely impact on the operations of the company. The problem continues to be monitored. The cost of continued assessment is not significant.

CLOSE COMPANY

The company is a close company, as defined by the Income and Corporation Taxes Act 1988.

HELLOWEEN LIMITED

DIRECTORS' REPORT

AUDITORS

The auditors, Blinkhorns, will be proposed for re-appointment in accordance with section 385 of the Companies Act 1985.

The above report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

On behalf of the board:



A Najeeb
Director

Date: 18 April 2000

HELLOWEEN LIMITED

AUDITORS' REPORT TO THE MEMBERS

We have audited the financial statements on pages 6 to 11 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities, under the historical cost convention and on the basis of accounting policies set out on page 8.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND AUDITORS

As described in the directors' report, 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

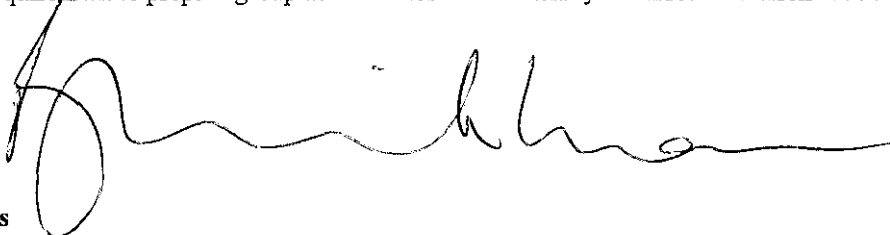
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements 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 as to whether 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 March 1999 and of its loss for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.

In our opinion the company is entitled to the exemption conferred by section 248 of the Companies Act 1985 from the requirement to prepare group accounts for the financial year ended 31 March 1999.



Blinkhorns

**Registered Auditors
14/16 Great Portland Street
London
W1N 6BL**

Date signed: 19 April 2000

HELLOWEEN LIMITED

AUDITORS' REPORT TO THE DIRECTORS

AUDITORS' REPORT TO THE DIRECTORS OF HELLOWEEN LIMITED PURSUANT TO SECTION 248(3) OF THE COMPANIES ACT 1985

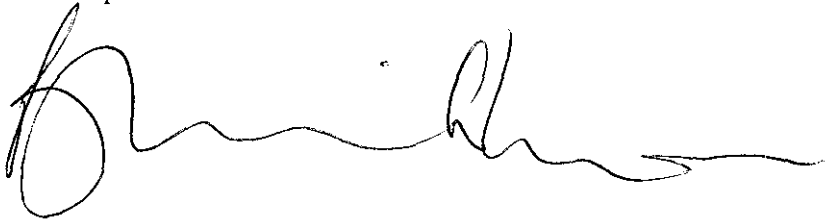
We have examined the financial statements of the company and its subsidiary for the year ended 31 March 1999.

Basis of opinion

The scope of our work for the purpose of this report was limited to confirming that the company is entitled to exemption from preparing group financial statements.

Opinion

In our opinion the company is entitled to the exemption from preparing group financial statements conferred by section 248 of the Companies Act 1985.

A handwritten signature in black ink, appearing to be 'Blinkhorns', written in a cursive style.

Blinkhorns

**Registered Auditors
14/16 Great Portland Street
London
W1N 6BL**

Date signed: 19 April 2000

HELLOWEEN LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 1999**

	Notes	1999 £	1998 £
TURNOVER	2	391,860	739,947
Direct costs		(113,883)	(246,878)
Administration expenses		(265,389)	(333,108)
Other operating costs		(63,978)	(85,051)
OPERATING (LOSS) / PROFIT	3	(51,390)	74,910
Investment income and interest receivable		2,002	19,728
Interest payable and similar charges		(1,634)	(1,894)
(LOSS) / PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(51,022)	92,744
Tax on (loss) / profit on ordinary activities	4	(2,008)	(10,538)
(LOSS) / PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		(53,030)	82,206

Total recognised gains and losses

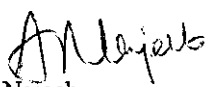
The company has no recognised gains or losses other than the profit or loss for the above two financial years.

HELLOWEEN LIMITED**BALANCE SHEET
AT 31 MARCH 1999**

	Notes	£	1999 £	£	1998 £
FIXED ASSETS					
Tangible assets	5		12,619		19,448
Investments	6		100		100
			<u>12,719</u>		<u>19,548</u>
CURRENT ASSETS					
Debtors	7	216,529		178,566	
Cash at bank and in hand		<u>7,868</u>		<u>142</u>	
		224,397		178,708	
CREDITORS: amounts falling due within one year					
	8	<u>(194,433)</u>		<u>(102,542)</u>	
NET CURRENT ASSETS					
			29,964		76,166
TOTAL ASSETS LESS CURRENT LIABILITIES					
			<u>42,683</u>		<u>95,714</u>
CAPITAL AND RESERVES					
Called up share capital	9		500		500
Profit and loss account	10		<u>42,183</u>		<u>95,214</u>
TOTAL SHAREHOLDERS' FUNDS					
			<u>42,683</u>		<u>95,714</u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective March 1999).

Approved by the board of directors on 18 April 2000 and signed on its behalf by:


A Najeeb
Director

HELLOWEEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 1999

1. STATEMENT OF ACCOUNTING POLICIES

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

Consolidation

The company and its subsidiary comprise a small group. The company has therefore taken advantage of the exemption provided by section 248 of the Companies Act 1985 not to prepare group accounts.

Cash flow

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1: "Cash flow statements".

Turnover

Turnover represents income from musical recordings, excluding value added tax, during the year.

Depreciation of tangible fixed assets

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

Musical equipment	20% on cost
Office furniture and fittings	20% on cost

Investments

Investments held as fixed assets are stated at cost less provision for permanent diminution in value. Those held as current assets are stated at the lower of cost and net realisable value.

Dividends are brought to account in the profit and loss account when received.

Deferred Taxation

The company has adopted the proposals of Statement of Standard Accounting Practice No. 15 whereby no provision has been made for deferred taxation arising from the excess of accelerated capital allowances over depreciation charged in the financial statements as no liability of this nature is expected to 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 the transaction. Exchange differences are taken into the profit and loss account for the year.

Royalties

Royalties receivable are recognised in the profit and loss account when they are contractually due.

2. TURNOVER

	1999	1998
	%	%
Geographical market		
United Kingdom	40.00	60.95
Overseas	60.00	39.05
	<u>100.00</u>	<u>100.00</u>

HELLOWEEN LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1999****3. OPERATING (LOSS) / PROFIT**

Operating (loss) / profit is stated	1999 £	1998 £
After charging:		
Depreciation of fixed assets	7,622	4,708
Auditors' remuneration	12,000	13,000

4. TAX ON LOSS ON ORDINARY ACTIVITIES

	1999 £	1998 £
The taxation charge comprises:		
Relief for overseas taxation	-	10,538
Adjustment in respect of prior years	2,008	-
	2,008	10,538

The total overseas taxation for the year was £- (1998: £10,538) all of which related to withholding tax.

5. TANGIBLE FIXED ASSETS

	Musical and Office Equipment £
Cost:	
At 1 April 1998	107,925
Additions	793
At 31 March 1999	108,718
Depreciation:	
At 1 April 1998	88,477
Charge for year	7,622
At 31 March 1999	96,099
Net book value:	
At 31 March 1999	12,619
At 31 March 1998	19,448

HELLOWEEN LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1999****6. INVESTMENTS**

Cost or valuation:	Beginning and end of year £
Shares:	
Group undertaking	100
Net book value	100

The company holds 100 ordinary shares, being 100% of the issued share capital of Helloween Touring Limited, a company incorporated in England, whose nature of business is the tour promotion of the band 'Helloween' as artistes.

7. DEBTORS

	1999 £	1998 £
Trade debtors	84,352	15,645
Other debtors	132,177	162,921
	216,529	178,566

8. CREDITORS: amounts falling due within one year

	1999 £	1998 £
Bank loans and overdrafts	-	18,592
Trade creditors	15,883	10,856
Amounts owed by group undertakings and undertakings in which the company has a participating interest	54,819	48,139
Taxation and social security	43,307	-
Other creditors	80,424	24,955
	194,433	102,542

Bank overdrafts amounting to £- (1998 £18,592) are secured.

HELLOWEEN LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 1999****9. SHARE CAPITAL**

	1999 £	1998 £
Authorised:		
Equity interests:		
600 Ordinary shares of £1 each	600	600
Allotted, called up and fully paid:		
Equity interests:		
500 Ordinary shares of £1 each	500	500

10. PROFIT AND LOSS ACCOUNT

	1999 £	1998 £
Retained profit as at 1 April 1998	95,213	13,008
(Loss) / profit for the year	(53,030)	82,206
Retained profit as at 31 March 1999	42,183	95,214

11. TRANSACTIONS WITH DIRECTORS

The company undertook transactions with the following companies in which A J Taylor and A Najeeb have material interests. All transactions were carried out on an arms length basis at normal commercial rates.

	1999 £	1998 £
<u>Focus Business Management Limited</u>		
Provision of bookkeeping and accountancy services	43,303	57,113
<u>Platinum Travel International Limited</u>		
Provision of travel and accommodation	9,591	18,815
<u>Sanctuary Music Services Limited</u>		
Provision of administrative services	3,772	41,775
<u>Sanctuary Music Management Limited</u>		
Provision of management and administrative services	69,198	252,539