

REGISTRAR

Company Number
2717005

LOWSPEAK MUSIC LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31st MARCH 1996



SIMSON JONES
Chartered Accountants, Registered Auditors
LONDON

LOWSPEAK MUSIC LIMITED

1

FINANCIAL STATEMENTS FOR THE

YEAR ENDED 31 MARCH 1996

COMPANY INFORMATION

DIRECTOR : S. C. Thiselton

SECRETARY : C. Cooke

REGISTERED OFFICE : 54/56 Compton Street
London EC1V 0UE

REGISTERED NUMBER : 2717005

FINANCIAL STATEMENTS FOR THE

YEAR ENDED 31 MARCH 1996

DIRECTOR'S REPORT

The company has pleasure in presenting its report, together with the financial statements for the year ended 31 March 1996.

DIRECTOR'S RESPONSIBILITY

Company law requires the director 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 the financial statements the director is required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and estimates that are reasonable and proven.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in the business.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time, the financial position of the company and to enable her to insure that the financial statements comply with the Companies Act 1985. She is 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.

The director has taken advantage of special exemptions applicable to small and medium companies conferred by Part II of Schedule 8 to the Companies Act 1985.

PRINCIPAL ACTIVITY

The principal activity of the company during the year was that of an independent record company.

SHARE CAPITAL

On 25th November 1995 a further 49 shares were issued at par for cash.

On 4th January 1996 there was a further issue of four hundred shares at a premium of £4.25 per share. The issued share capital is now 500 ordinary shares of £1 each.

FINANCIAL STATEMENTS FOR THE

YEAR ENDED 31 MARCH 1996

DIRECTOR'S REPORT (Continued)

RESULTS FOR THE YEAR

The results for the year are set out on Page 6 of the financial statements.

CHANGE OF NAME

On 25th August 1995 the company changed its name from Lowspeak Records Limited to Lowspeak Music Limited.

BUSINESS REVIEW AND FUTURE DEVELOPMENTS

Trading activity is starting to develop to a more acceptable level. The director is committed to controlling all expenses and only incur expenditure when necessary to deal with the sales activity.

DIVIDENDS

The director does not recommend the payment of a dividend.

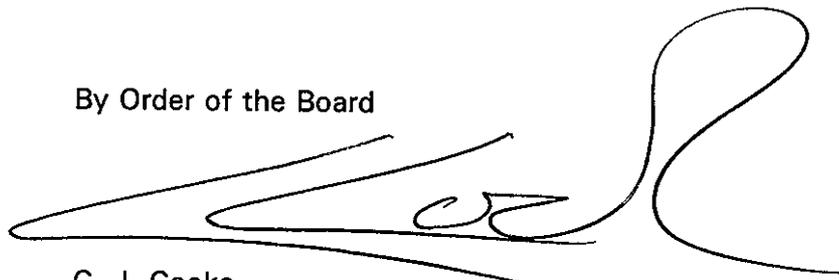
DIRECTORS AND THEIR INTERESTS

The directors who served during the year and their interest in the ordinary share capital of the company are set out below:

	Ordinary Shares of £1 each	
	1996	1995
S. C. Thiselton (appointed 23 October 1995)	Nil	Nil
C. J. Cooke (appointed 23 October 1995 and resigned 25 March 1996)		

During the year A. I. Bremner and D Strittmatter resigned as directors.

By Order of the Board



C. J. Cooke
Secretary

Date: 15 July 1997

LOWSPEAK MUSIC LIMITED

4

**FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 MARCH 1996**

**ACCOUNTANTS REPORT TO THE
DIRECTOR OF LOWSPEAK LIMITED**

As described on page 1 you are responsible for the preparation of the accounts and you consider that the company is exempt from an audit.

In accordance with your instructions and in order to assist you to fulfil your responsibilities, we have prepared the accounts on pages 4 to 8 from the accounting records of Lowspeak Music Limited and from the information and explanations supplied to us. We have not carried out an audit.



SIMSON JONES
Chartered Accountants
Registered Auditors
LONDON

Date: 15 July 1997

LOWSPEAK MUSIC LIMITED

5

FINANCIAL STATEMENTS FOR THE

YEAR ENDED 31 MARCH 1996

BALANCE SHEET

	Notes	1996		1995	
		£	£	£	£
FIXED ASSETS					
Tangible fixed assets	1	-	-	700	
CURRENT ASSETS					
Stock		-		600	
Debtors	2	51		3,268	
Cash at bank and in hand		455		339	
		<u>506</u>		<u>4,207</u>	
CREDITORS					
Amounts falling due within one year	3	(38,856)		(49,098)	
Net Current Liabilities			(38,350)		(44,891)
			<u>(38,350)</u>		<u>(44,191)</u>
CAPITAL AND RESERVES					
Called up share capital	4		500		51
Share premium account			2,100		-
Profit and loss account			(40,950)		(44,242)
			<u>(38,350)</u>		<u>(44,191)</u>

The director is satisfied that the company is entitled to exemption under Section 249(A)(1) of the Companies Act 1985, and that no member has requested an audit pursuant to Section 249 (B)(2) of the Act.

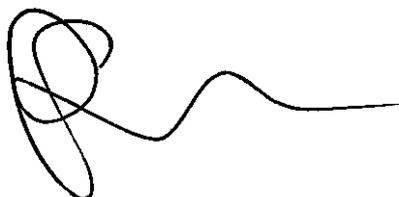
The director acknowledges responsibility for:

1. Ensuring that the company keeps proper accounting records which comply with Section 221 of the Companies Act 1985; and
2. Preparing accounts which give a true and fair view of the state of the company as at the end of the financial year, and of its profit or loss for the financial year, in accordance with the requirements of Section 226 of the Companies Act 1985, and which otherwise comply with the requirements of the Act relating to accounts, so far as applicable to the company.

Approved by the Board

S. C. Thiselton
Director

DATE: 15 July 1997



The notes on pages 7 to 9 form part of these financial statements.

LOWSPEAK MUSIC LIMITED

6

FINANCIAL STATEMENTS FOR THE**YEAR ENDED 31 MARCH 1996****PROFIT AND LOSS ACCOUNT**

	Notes	£	1996 £
TURNOVER (Continuing activities)		22,469	4,274
Cost of Sales		8,837	(6,648)
		—	—
GROSS PROFIT		13,632	(2,374)
Administrative expenses		10,340	(7,388)
		—	—
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	5	3,292	(9,762)
Taxation	6	-	-
PROFIT/(LOSS) FOR THE PERIOD		<u>3,292</u>	<u>(9,762)</u>
Retained losses brought forward		(44,242)	(34,480)
		<u>(40,950)</u>	<u>(44,242)</u>

There are no gains or losses other than those recognised in the profit and loss account set out above.

The notes on pages 7 to 9 form part of these financial statements.

FINANCIAL STATEMENTS FOR THE

YEAR ENDED 31 MARCH 1996

STATEMENT OF ACCOUNTING POLICIES

The principle accounting policies relating to the continuing activities which are adopted in the preparation of the financial statements are set out below.

a) Basis of Accounting

The financial statements are prepared under the historical cost convention, in accordance with generally accepted accounting standards.

b) Turnover

Turnover represents net invoiced sales exclusive of Value Added Tax.

c) Tangible Fixed Assets

Depreciation is provided on all Tangible Fixed Assets at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life over the following periods and using the following methods:

Motor Vehicles	25%	on cost.
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d) Deferred Taxation

Deferred taxation is provided in respect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

FINANCIAL STATEMENTS FOR THE

YEAR ENDED 31 MARCH 1996

NOTES TO THE FINANCIAL STATEMENTS

		Motor Vehicles £		
1.	TANGIBLE FIXED ASSETS			
	COST			
	At 1 April 1995	1,400		
	Additions at cost	-		
	Disposals	(1,400)		
	31 March 1996	<u>-</u>		
	DEPRECIATION			
	At 1 April 1995	700		
	Charge for year	-		
	Disposals	(700)		
	At 31 March 1996	<u>-</u>		
	NET BOOK VALUE			
	At 31 March 1996	<u>Nil</u>		
	At 31 March 1995	<u>700</u>		
		1996	1995	
		£	£	
2.	DEBTORS			
	Trade debtors	-	3,217	
	Prepayments	51	51	
		<u>51</u>	<u>3,268</u>	
3.	CREDITORS: Amounts falling due within one year.			
	Other creditors	40,385	49,027	
	Accruals	571	71	
		<u>40,956</u>	<u>49,098</u>	

FINANCIAL STATEMENTS FOR THE

YEAR ENDED 31 MARCH 1996

NOTES TO THE FINANCIAL STATEMENTS (Continued)

4.	CALLED UP SHARE CAPITAL	1996 £	1995 £
	Authorised		
	1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
	Issued, allotted and fully paid		
	500 Ordinary shares of £1 each	<u>500</u>	<u>51</u>
5.	LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION This is stated after charging: Depreciation	- <u> </u>	350 <u> </u>
6.	TAXATION No liability to corporation tax arises. There are losses carried forward of approximately £ 40,000 to be set off against future trading profits.		
7.	RECONCILIATION OF SHAREHOLDERS FUNDS		
	Opening funds	(44,191)	
	Issue of shares	2,549	
	Profit for the year	3,292	
	Closing funds	<u>(38,350)</u>	

During the year a further 400 shares were issued at a premium of £ 4.25 per share.