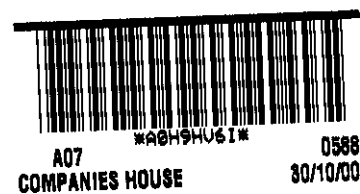


GLASTONBURY FESTIVALS LIMITED
REPORT AND FINANCIAL STATEMENTS
31st December 1999

Registered number: 2737866



BERKELEY JACKSON
CHARTERED ACCOUNTANTS

GLASTONBURY FESTIVALS LIMITED

FINANCIAL STATEMENTS

for the year ended 31st December 1999

CONTENTS

	Page
Company information	1
Director's report	2
Statement of director's responsibilities	3
Auditors' report	4
Profit and loss account	5
Balance sheet	6
Cash flow statement	7
Notes to the financial statements	8 - 16

The following pages do not form part of the statutory accounts

Detailed trading and profit and loss account	Appendix 1
Schedule to the detailed trading and profit and loss account	Appendix 2

GLASTONBURY FESTIVALS LIMITED

1

COMPANY INFORMATION

31st December 1999

INCORPORATED	England and Wales
NUMBER	2737866
DIRECTORS	Mr AJM Eavis Mrs J Eavis (resigned 11/05/99)
SECRETARY	Miss E R Eavis (appointed 11/05/99) Mrs J Eavis (resigned 11/05/99)
REGISTERED OFFICE	Worthy Farm Pilton SHEPTON MALLET Somerset
BANKERS	National Westminster Bank High Street SHEPTON MALLET Somerset
AUDITORS	Berkeley Jackson Chartered Accountants The Old Mill Park Road SHEPTON MALLET Somerset

GLASTONBURY FESTIVALS LIMITED

DIRECTOR'S REPORT

31st December 1999

The director presents his report and the audited financial statements for the year ended 31st December 1999.

Principal activity

The principal activity of the company is the organisation of musical and contemporary arts festivals.

Business review

The company's balance sheet as detailed on page 6 shows a satisfactory position, shareholders' funds amounting to £936,314.

Results and dividends

The results for the year are shown in the profit and loss account on page 5. The director does not propose payment of an ordinary dividend.

Fixed assets

In the opinion of the director, there is no significant difference between the present market value of the company's properties and the amounts at which they are stated in the accounts. Details are set out in note 8.

Director

The director of the company and his interest in the shares of the company as recorded in the register of directors' interests were as follows:

	31st December 1999 Ordinary shares	1st January 1999 Ordinary shares
Mr AJM Eavis	50	50
Mrs J Eavis (resigned 11/05/99)	50	50

Mrs J Eavis died on 16 May 1999.

continued

DIRECTOR'S REPORT
(continued)

31st December 1999

Charitable and political donations

Payments of a charitable nature made during the year amounted to £68,406 (1998 - £33,200).

Auditors

Berkeley Jackson have agreed to offer themselves for re-appointment as auditors of the company.

On behalf of the board

Mr A J M Bavis
Director

Worthy Farm
Pilton
SHEPTON MALLET
Somerset

Dated: 20/10/2000

GLASTONBURY FESTIVALS LIMITED

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

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 those financial statements, the director is required to:

- select suitable accounting policies and 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 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 them to ensure that the financial statements comply with the Companies Act 1985. He 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.

On behalf of the board

Mr AJM Davis
Director

Dated: 20/10/2003

AUDITORS' REPORT TO THE MEMBERS OF
GLASTONBURY FESTIVALS LIMITED

We have audited the financial statements on pages 5 to 16 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

Respective responsibilities of directors and auditors

As described on page 3, 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 that the financial statements are free from material misstatement, whether caused by fraud or error or other irregularity. 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 31st December 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

SHEPTON MALLET

Dated: 30th October, 2000



Berkeley Jackson
Registered Auditors
Chartered Accountants

GLASTONBURY FESTIVALS LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended 31st December 1999

	Note	1999 £	1998 £
Turnover	2	7,769,497	7,471,273
Cost of sales		(2,690,874)	(2,634,791)
Gross profit		5,078,623	4,836,482
Net operating expenses			
Administrative expenses		(4,766,215)	(4,528,678)
Other operating income		520	520
Operating profit	3	312,928	308,324
Interest receivable and similar income	5	94,793	128,936
Interest payable and similar charges	6	(1,448)	(8,323)
Profit on ordinary activities before taxation		406,273	428,937
Taxation	7	(117,605)	(154,138)
Profit on ordinary activities after taxation		288,668	274,799
retained for the year	16		

Movements in reserves are shown in note 16.

None of the company's activities were acquired or discontinued during the above two financial years.

There were no recognised gains and losses in 1999 or 1998 other than the profit for the year.

The notes on pages 8 to 16 form an integral part of these financial statements.

GLASTONBURY FESTIVALS LIMITED

BALANCE SHEET

at 31st December 1999

	Note	1999 £	1998 £
Fixed assets			
Tangible assets	8	427,461	335,336
Current assets			
Debtors	9	97,752	75,878
Cash at bank and in hand		1,277,199	1,017,523
		<u>1,374,951</u>	<u>1,093,401</u>
Creditors: amounts falling due within one year	10	<u>(638,646)</u>	<u>(467,962)</u>
Net current assets		<u>736,305</u>	<u>625,439</u>
Total assets less current liabilities		<u>1,163,766</u>	<u>960,775</u>
Creditors: amounts falling due after more than one year	11	(219,099)	(293,498)
Provision for liabilities and charges	12	<u>(8,353)</u>	<u>(19,631)</u>
		<u>936,314</u>	<u>647,646</u>
Capital and reserves			
Called up share capital	15	100	100
Profit and loss account	16	936,214	647,546
Total shareholders' funds	14	<u>936,314</u>	<u>647,646</u>

The financial statements on pages 5 to 16 were approved by the board of directors on 20/12/2000 and signed on its behalf by:

Mr A.J.M. Davis
Director

The notes on pages 8 to 16 form an integral part of these financial statements.

GLASTONBURY FESTIVALS LIMITED

CASH FLOW STATEMENT

for the year ended 31st December 1999

	Note	1999		1998	
		£	£	£	£
Net cash inflow from operating activities	18	577,481		345,881	
Returns on investments and servicing of finance					
Interest received		94,793		128,936	
Interest paid		(1,448)		(8,323)	
			93,345		120,613
Taxation					
Corporation tax (paid)/received		(145,945)		33,321	
Capital expenditure and financial investment					
Purchase of tangible fixed assets		(173,336)		(176,358)	
Sale of tangible fixed assets		5,500		22,800	
			(167,836)		(153,558)
			357,045		346,257
Financing					
Debt due within a year:					
Other loan repayments		(12,000)		-	
Debt due beyond a year:					
Other loan (repayments)/advances		(74,399)		126,596	
			(86,399)		126,596
Increase in cash		270,646		472,853	

GLASTONBURY FESTIVALS LIMITED

NOTES ON FINANCIAL STATEMENTS

31st December 1999

1 Accounting policies**Basis of accounting**

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention.

Turnover

Turnover represents the amount derived from the provision of goods and services falling within the company's activities after deduction of trade discounts and value added tax.

Tangible fixed assets

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Freehold land	Nil
Leasehold property improvements	15% reducing balance
Plant and machinery	15% reducing balance
Motor vehicles	25% reducing balance

Leases and hire purchase contracts

Rentals paid under operating leases are charged to income as incurred.

Deferred taxation

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

Foreign currencies

Transactions expressed in foreign currencies are translated into sterling and recorded at rates of exchange approximating to those ruling at the date of the transaction. Monetary assets and liabilities are translated at rates ruling at the balance sheet date.

All differences are taken to the profit and loss account.

Pensions**Defined contribution scheme**

Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

2 Turnover

The turnover for the year was derived from the company's principal activity. The whole of the turnover is attributable to the UK market.

GLASTONBURY FESTIVALS LIMITED

NOTES ON FINANCIAL STATEMENTS

31st December 1999

3 Operating profit

	1999 £	1998 £
Operating profit is stated after crediting:		
Rent receivable	520	520
and after charging:		
Staff costs (note 4)	467,594	331,337
Auditors' remuneration	4,900	4,900
Operating leases:		
Hire of assets other than plant & machinery	431,164	317,770
Rent	361,732	360,417
Loss on sale of assets	122	4,559
Loss on foreign exchange	609	-
Depreciation of tangible fixed assets (note 8):		
Owned assets	75,589	60,044

GLASTONBURY FESTIVALS LIMITED

NOTES ON FINANCIAL STATEMENTS

31st December 1999

4 Directors and employees

	1999	1998
Staff costs including directors' emoluments	£	£
Wages and salaries	322,900	299,236
Social security costs	20,694	22,101
Pension costs	124,000	10,000
	<u>467,594</u>	<u>331,337</u>

Average monthly number employed including executive directors:	Number	Number
Office and management	7	8
Festival site staff	63	55
	<u>70</u>	<u>63</u>

Directors	£	£
Emoluments	65,632	87,517
Company contributions to money purchase pension schemes	124,000	10,000
	<u>189,632</u>	<u>97,517</u>

During the year the following number of directors:	Number	Number
Accrued retirement benefits under:		
Money purchase pension schemes	1	2

Defined contribution pension scheme

The company operates a defined contribution scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £124,000 (1998 £10,000).

5 Interest receivable and similar income

	1999	1998
	£	£
Interest receivable	<u>94,793</u>	<u>128,936</u>

6 Interest payable and similar charges

	1999	1998
	£	£
Loan interest	<u>1,448</u>	<u>8,323</u>
	<u>1,448</u>	<u>8,323</u>

GLASTONBURY FESTIVALS LIMITED

NOTES ON FINANCIAL STATEMENTS

31st December 1999

7 Taxation

	1999 £	1998 £
Corporation tax on profit on ordinary activities at 30% (1998 29%)	128,883	134,460
Deferred taxation	(11,278)	8,193
	<u>117,605</u>	<u>142,653</u>
Under provision in earlier years	-	11,485
	<u>117,605</u>	<u>154,138</u>

8 Tangible fixed assets

Cost	Motor Vehicles £	Plant and Machinery £	Freehold Land and Leasehold Improvements £	Total £
1st January 1999	74,405	222,145	213,787	510,337
Additions	12,797	12,482	148,057	173,336
Disposals	(9,995)	-	-	(9,995)
	<u>77,207</u>	<u>234,627</u>	<u>361,844</u>	<u>673,678</u>
31st December 1999				
Depreciation				
1st January 1999	37,524	72,630	64,847	175,001
Charge for the year	11,010	24,211	40,368	75,589
Disposals	(4,373)	-	-	(4,373)
	<u>44,161</u>	<u>96,841</u>	<u>105,215</u>	<u>246,217</u>
31st December 1999				
Net book amount				
31st December 1999	<u>33,046</u>	<u>137,786</u>	<u>256,629</u>	<u>427,461</u>
1st January 1999	<u>36,881</u>	<u>149,515</u>	<u>148,940</u>	<u>335,336</u>

Freehold land and leasehold improvements includes freehold land of £27,875 (1998 £27,875) that is not being depreciated and leasehold property improvements of £228,754.

GLASTONBURY FESTIVALS LIMITED

NOTES ON FINANCIAL STATEMENTS

31st December 1999

9 Debtors

	1999	1998
	£	£
Amounts falling due within one year		
Trade debtors	14,955	5,440
Other debtors	74,589	65,378
Prepayments and accrued income	8,208	5,060
	<u>97,752</u>	<u>75,878</u>

10 Creditors: amounts falling due within one year

	1999	1998
	£	£
Bank overdrafts	3,951	14,921
Trade creditors	99,841	70,424
Other loans	-	12,000
Corporation tax	128,883	145,945
Other taxation and social security	107,464	198,243
Other creditors	276,699	3,500
Accruals and deferred income	21,808	22,929
	<u>638,646</u>	<u>467,962</u>

The bank overdraft is unsecured.

11 Creditors: amounts falling due after more than one year

	1999	1998
	£	£
Other loans	219,099	293,498
	<u>219,099</u>	<u>293,498</u>
Maturity of debt		
In one year or less, or on demand		
- see note 10	-	12,000
In more than one year but not more than two years	219,099	293,498
	<u>219,099</u>	<u>293,498</u>

Included within loans shown above is a loan from Manorborder Limited of £219,099 (1998 £257,498) on which no interest is being charged (See note 17). The remaining element of loans relates to an amount due to AJM Pension Fund of £Nil (1998 £48,000) on which interest was being charged at 3% above the bank base rate. This loan was repaid during the year.

GLASTONBURY FESTIVALS LIMITED

NOTES ON FINANCIAL STATEMENTS

31st December 1999

12 Provision for liabilities and charges

	Deferred tax £
1st January 1999	19,631
Profit and loss account	(11,278)
	<hr/>
31st December 1999	8,353
	<hr/> <hr/>

13 Deferred taxation

	1999		1998	
	Amount unprovided £	Amount provided £	Amount unprovided £	Amount provided £
Corporation tax deferred by				
Capital allowances in excess of depreciation	-	8,353	-	19,631
	<hr/>	<hr/>	<hr/>	<hr/>
	-	8,353	-	19,631
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Deferred taxation is based on a corporation tax rate of 30% (1998 29%).

14 Reconciliation of movements in shareholders' funds

	1999 £	1998 £
Profit for the financial year representing a Net addition to shareholders' funds	288,668	274,799
Opening shareholders' funds	647,646	372,847
	<hr/>	<hr/>
Closing shareholders' funds	936,314	647,646
	<hr/> <hr/>	<hr/> <hr/>

GLASTONBURY FESTIVALS LIMITED

NOTES ON FINANCIAL STATEMENTS

31st December 1999

15 Called up share capital

	1999		1998	
	Number of	£	Number of	£
	shares		shares	
Authorised				
Equity shares				
Ordinary shares of £1 each	100	100	100	100
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Allotted, called up and fully paid				
Equity shares				
Ordinary shares of £1 each	100	100	100	100
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

16 Profit and loss account

	1999
	£
1st January 1999	647,546
Retained profit for the year	288,668
	<u> </u>
31st December 1999	936,214
	<u> </u>

GLASTONBURY FESTIVALS LIMITED

NOTES ON FINANCIAL STATEMENTS

31st December 1999

17 Directors' interests and loans

Mr AJM Eavis is the sole director of the company. AJM Eavis together with his family, being the beneficiaries of Mr Eavis' late wife's estate, control the company.

Mr and Mrs Eavis were also controlling shareholders of Manorborder Limited. The company has a loan from Manorborder Limited and the balance outstanding at the year end amounted to £219,099 (1998 £257,498). No interest is being charged on this loan and no fixed repayment terms have been agreed. The repayment is unlikely to be made within one year.

The company was charged £150,000 (1998 £150,000) by Manorborder Limited during the year for use of its land. The amount due to Manorborder Limited in respect of rent at the year end was £150,000 (1998 £nil).

The company had a loan from AJM Pension Fund which was repaid during the year (1998 £48,000). The director of the company is the sole beneficiary of the fund. Interest is payable on the loan at 3% above the bank base rate. Interest accrued at the year end and included within Creditors amounted to £Nil (1998 £4,862).

The company made donations amounting to £16,000 (1998 £11,688) to the Pilton Barn Restoration Trust during the year. Mr AJM Eavis is a trustee of the Pilton Barn Restoration Trust although he does not hold a beneficial interest.

Mr AJM Eavis owns an unincorporated farming business. The company was charged £200,000 (1998 £122,500) by this business during the year as compensation for loss of earnings as a result of the farm land being used for the 1999 festival. The amount due to Mr Eavis at the year end was £126,699 (1998 £nil).

The Director owed an amount of £ Nil (1998 £51,430) to the company at the year end in respect of his loan account with the company. No interest was being charged on these loans and the loan was repaid during the year. The maximum amount owed to the company by the director amounted to £51,430 (1998 £192,713).

18 Notes to the cash flow statement

Reconciliation of operating profit
to operating cash flows

	1999 £	1998 £
Operating profit	312,928	308,324
Depreciation charges	75,589	60,044
Loss on sale of fixed assets	122	4,559
Increase in debtors	(21,874)	(42,724)
Increase in creditors	210,716	15,678
Net cash inflow from operating activities	577,481	345,881

GLASTONBURY FESTIVALS LIMITED

NOTES ON FINANCIAL STATEMENTS

31st December 1999

19 Notes to the cash flow statement (continued)

Analysis of changes in net debt

	At start of year £	Cash flows £	At end of year £
Cash at bank and in hand	1,017,523	259,676	1,277,199
Bank overdrafts	(14,921)	10,970	(3,951)
		<u>270,646</u>	
Debt due within 1 year	(12,000)	12,000	-
Debt due after 1 year	(293,498)	74,399	(219,099)
		<u>86,399</u>	
Total	<u>697,104</u>	<u>357,045</u>	<u>1,054,149</u>

Reconciliation of net cash flow to movement in net debt

	1999 £	1998 £
Increase in cash in the year	270,646	472,853
Cash outflow/(inflow) from decrease/(increase) in debt and lease financing	86,399	(126,596)
Change in net debt resulting from cash flows	<u>357,045</u>	<u>346,257</u>
Net debt at 1st January 1999	697,104	350,847
Net debt at 31st December 1999	<u>1,054,149</u>	<u>697,104</u>