

COMPANY NUMBER: 02816864

RADIOHEAD LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31ST MAY 1995



RADIOHEAD LIMITED
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FOR THE YEAR ENDED 31ST MAY 1995

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RADIOHEAD LIMITED
DIRECTOR'S REPORT
FOR THE YEAR ENDED 31ST MAY 1995

The directors present herewith their annual report together with the unaudited financial statements of the company for the year ended 31st May 1995.

RESULTS AND DIVIDENDS

The loss for the year after taxation was £170,599.

DIRECTOR AND THEIR INTERESTS

The directors of the company during the year and their interest in the share capital of the company at the beginning and end of the year are as follows:-

	<u>Ordinary Shares of £1 each</u>	
	<u>1st June 1994</u>	<u>31st May 1995</u>
Mr C Greenwood	1	1
Mr P Selway	1	1
Mr E O'Brien	1	1
Mr T Yorke	1	1
Mr J Greenwood	1	1

FIXED ASSETS

The movement in fixed assts during the year are set out in note 5 to the accounts.

DIRECTOR'S RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial period 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:

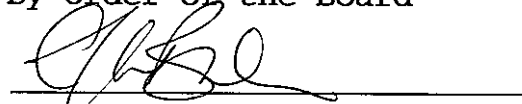
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in 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.

BASIS OF PREPARATION

In preparing the above report, the directors have taken advantage of special exemptions provided by Part II of Schedule 8 applicable to small companies under section 246(1B), Companies Act 1985.

By Order of the Board



Mr E O'Brien
Director

Date: 11th Aug 1997

ACCOUNTANTS' REPORT TO THE SHAREHOLDERS
ON THE UNAUDITED ACCOUNTS OF
RADIOHEAD LIMITED

We report on the accounts for the year ended 31st May 1995, set out on pages 3 to 7.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND REPORTING ACCOUNTANTS

As described on page 1, the company's directors are responsible for the preparation of the accounts, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

BASIS OF OPINION

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

OPINION

In our opinion:

- (a) the accounts are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985;
- (b) having regard to and on the basis of, the information contained in those accounting records:
 - (i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act; and
 - (ii) the company satisfied the conditions for exemption from an audit of the accounts for the year specified in section 249A(4) of the Act and did not, at any time within that period, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).


O J Kilkeny & Co. Ltd.
Reporting Accountants

6 Lansdowne Mews
London W11 3BH

Date: 15 April 1997

RADIOHEAD LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MAY 1995

	<u>Notes</u>	<u>1995</u> <u>£</u>	<u>1994</u> <u>£</u>
TURNOVER	2	296,616	181,051
Administrative expenses		(467,215)	(181,071)
(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		(170,599)	(20)
Tax on ordinary activities	4	-	-
RETAINED (LOSS) FOR THE YEAR		(170,599)	(20)
Retained (deficit)/profit brought forward		(20)	-
RETAINED (DEFICIT) CARRIED FORWARD		(170,619)	(20)

The company's results arise entirely from its continuing operations.
The results include the total of all recognised gains and losses.

The notes on pages 5 to 7 form part of these financial statements.

RADIOHEAD LIMITED

BALANCE SHEET AS AT 31ST MAY 1995

	<u>Notes</u>	£	<u>1995</u> £	£	<u>1994</u> £
FIXED ASSETS					
Tangible assets	5		2,792		2,830
CURRENT ASSETS					
Debtors	6	59,614		37,175	
Cash at bank and in hand		39,725		15,797	
		<u>99,339</u>		<u>52,972</u>	
CREDITORS - amounts falling due within one year	7	<u>(272,745)</u>		<u>(55,817)</u>	
NET CURRENT (LIABILITIES)			(173,406)		(2,845)
NET (LIABILITIES)			<u>(170,614)</u>		<u>(15)</u>
Financed by:					
CAPITAL AND RESERVES					
Called up share capital	8		5		5
Profit and loss account			(170,619)		(20)
			<u>(170,614)</u>		<u>(15)</u>

EXEMPTION FROM AUDIT


The directors confirm:


- (a) the company is entitled to exemption under section 249A(2) of Companies Act 1985 from the requirement to have its accounts audited
- (b) no notice has been deposited under section 249B(2) by holders of 10% or more of the company's shares
- (c) and acknowledge their responsibilities for:
 - (i) ensuring that the company keeps accounting records which comply with section 221 of the Act
 - (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the year end date above and of its profit or loss for the year in accordance with the requirements of section 226 of the Act and which otherwise comply with the requirements of the Act, so far as applicable to the company.

REDUCED DISCLOSURE ALLOWED FOR SMALL COMPANIES

In preparing these accounts, the directors have taken advantage of special exemptions conferred by Part 1 of Schedule 8 to Companies Act 1985 applicable to small companies, and have done so on the grounds that, in their opinion, the company qualifies as a small company.


By Order of the Board


Mr C Greenwood
Director


Mr P Selway


Mr E O'Brien


Mr T Yorke


Mr J Greenwood

Dated: 11th April 1997

The notes on pages 5 to 7 form part of these financial statements

RADIOHEAD LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MAY 1995

1. ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the company's financial statements.

1.1 Basis of accounting

These financial statements have been prepared, in accordance with the Companies Act 1985, as amended and with applicable Accounting Standards.

1.2 Accounting conventions

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

1.3 Turnover

This represents the total amount earned by the company in respect of touring, live performances, merchandising and other related activities excluding value added tax, which are accounted for on the basis of the earlier of the due date and the date of receipt.

1.4 Cash Flow Statement

The company is exempt from the requirements of FRS 1 to publish a Cash Flow Statement on the grounds that the company qualifies as a small company under the provisions of the Companies Act 1985.

2. TURNOVER

The turnover and pre-tax Loss are wholly attributable to the company's main activity.

3. OPERATING (LOSS)

	<u>1995</u> £	<u>1994</u> £
This is stated after charging:		
Auditors' remuneration	-	500
Depreciation	930	943
	<u> </u>	<u> </u>

RADIOHEAD LIMITED

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST MAY 1995

4. TAXATION

4.1 The company is a close company within the terms of section 414 of ICTA 1988.

4.2 There is no charge to Corporation Tax in the current period because of the existence of trading losses.

5. TANGIBLE FIXED ASSETS

	<u>Equipment</u>
	£
Cost:	
At 1st June 1994	3,773
Additions	892
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At 31st May 1995	4,665
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Depreciation:	
At 1st June 1994	943
Charge for year	930
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At 31st May 1995	1,873
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Net book value at 31st May 1995	2,792
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Net book value at 31st May 1994	2,830
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6. DEBTORS

	<u>1995</u>	<u>1994</u>
	£	£
Trade debtors	26,435	6,502
Amounts owed by related company	-	2,816
Social security and other taxes	-	1,151
Accrued income	29,852	10,069
Prepayments	3,322	16,632
Director's current account	5	5
	<hr/>	<hr/>
	59,614	37,175
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RADIOHEAD LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST MAY 1995

7. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR	<u>1995</u> £	<u>1994</u> £
Trade creditors	16,020	6,399
Amounts owed to related party	219,194	-
Other taxes and social security costs	6,613	12,988
Other creditors	3,809	-
Accruals & Deferred Income	27,109	36,430
	<u>272,745</u>	<u>55,817</u>

7.1 The company incurred a loss after taxation of £170,599 during the year and at that date the current liabilities exceeded its current assets by £173,406 and it had net liabilities of £170,614. Included in current liabilities is an amount due to Radiohead partnership exceeding the net current liabilities. The financial statements have prepared on a going concern basis. This basis has been used on the grounds that the directors (who are also the partners of Radiohead) have given their assurance that they will continue to support the company and that the debt to Radiohead will not be called upon until such time as the company has adequate funds.

7.2 Radiohead Partnership is deemed to be a related party to Radiohead Limited. The directors of Radiohead Limited are all partners of Radiohead Partnership. The partnership provides artiste services to Radiohead Limited for which a charge of £166,000 was made during the year ended 31 May 1995.

8. SHARE CAPITAL

	<u>Authorised</u>	<u>Allotted, Issued and fully paid</u>	<u>1995</u> £	<u>1994</u> £
5 Ordinary shares of £1 each	100	5	5	5

9. RECONCILIATION OF SHAREHOLDERS FUNDS

	<u>1995</u> £	<u>1994</u> £
Profit/(Loss) for the financial year	(170,599)	(20)
New share capital subscribed	-	5
Opening shareholders funds	(170,599)	(15)
	(15)	-
Closing shareholders funds	<u>(170,614)</u>	<u>(15)</u>