



**Z MUSIC PUBLISHING LIMITED**

**Report and Financial Statements**

**8 April 1999**

**Deloitte & Touche  
Hill House  
1 Little New Street  
London EC4A 3TR**



**REPORT AND FINANCIAL STATEMENTS 1999**

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**REPORT AND FINANCIAL STATEMENTS 1999**

**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

Lord Alli (resigned 24 June 1999)  
R F Z Geldof (resigned 8 April 1999)  
C A Parsons (resigned 8 April 1999)  
M M Durkan (appointed 24 June 1999)  
A V Rajan (appointed 24 June 1999)  
W P Rollason (appointed 24 June 1999)

**SECRETARY**

G W McGuinness (resigned 8 April 1999)  
D Abdo (appointed 8 April 1999)

**REGISTERED OFFICE**

25 Knightsbridge  
London  
SW1X 7RZ

**BANKERS**

Barclays Bank PLC  
27 Soho Square  
London W1A 4WA

**SOLICITORS**

Olswang  
1 Great Cumberland Place  
London W1H 7AL

**AUDITORS**

Deloitte & Touche  
Chartered Accountants  
Hill House  
1 Little New Street  
London EC4A 3TR



## **DIRECTORS' REPORT**

The directors present their annual report and the audited financial statements of the company for the period ended 8 April 1999.

### **ACTIVITIES**

The principal activity of the company is music publishing.

### **REVIEW OF THE BUSINESS AND FUTURE PROSPECTS**

The turnover for the period was £40,321 (Year to 31 March 1998: £42,597). The company made a profit after taxation of £33,298 (Year to 31 March 1998: £33,090). The company will continue its current activities in the coming year.

The directors are satisfied with the results for the period.

On 8 April 1999 the immediate parent company, Planet 24 Limited, was sold to Carlton Communications Plc. Z Music Publishing Limited will continue to be a wholly owned subsidiary of Planet 24 Limited.

### **DIVIDENDS**

The director recommends the payment of a £nil dividend (Year to 31 March 1998 : £95,000).

### **DIRECTORS**

The directors who served during the year are shown on page 1.

None of the directors held any interests in the share capital of the company at 31 March 1998 or at 8 April 1999.

The directors' interests in the share capital of the immediate parent company, Planet 24 Limited, are disclosed in the accounts of that company. No director has any interests in the share capital of the other subsidiaries within the group.

### **YEAR 2000**

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

### **AUDITORS**

A resolution for the appointment of PricewaterhouseCoopers as auditors of the company is to be proposed at the forthcoming Annual General Meeting. The director would like to thank Deloitte & Touche for their services as auditors to the company.

Approved and signed by the Board of Directors  
and signed on behalf of the Board

Director

24 November

1999

**STATEMENT OF DIRECTORS' 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 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 director is 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 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 him 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.



## AUDITORS' REPORT TO THE MEMBERS OF

### Z MUSIC PUBLISHING LIMITED

We have audited the financial statements on pages 5 to 9 which have been prepared under the accounting policies set out on page 7.

#### Respective responsibilities of the director and auditors

As described on page 3 the company's director is 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 director 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 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 the company's affairs as at 8 April 1999 and of its profit for the period from 1 April 1998 to 8 April 1999 and have been properly prepared in accordance with the Companies Act 1985.

*Deloitte & Touche*

Chartered Accountants and  
Registered Auditors

*24 November* 1999


**PROFIT AND LOSS ACCOUNT**

Period ended 8 April 1999

	Note	Period from 1 April 1998 to 8 April 1999 £	Year to 31 March 1998 £
<b>TURNOVER</b>	2	40,321	42,597
Cost of sales		(1,308)	-
Gross profit		39,013	42,597
Administrative expenses		(1,059)	(2,564)
<b>OPERATING PROFIT AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	4	37,954	40,033
Tax on profit on ordinary activities	5	(4,656)	(6,943)
<b>PROFIT FOR THE PERIOD/YEAR</b>		33,298	33,090
Dividends		-	(95,000)
<b>RETAINED PROFIT/(LOSS) FOR THE PERIOD/YEAR</b>		33,298	(61,910)
<b>Profit and loss account brought forward</b>		4,122	66,032
<b>Profit and loss account carried forward</b>		37,420	4,122

All amounts are derived from continuing operations.

There are no recognised gains or losses or movements in shareholders' funds for the current and preceding financial periods other than as stated in the profit and loss account. Consequently no statement of total recognised gains and losses or reconciliation of movements in shareholders' funds has been prepared.


**BALANCE SHEET**
**8 April 1999**

	Note	8 April 1999 £	31 March 1998 £
<b>CURRENT ASSETS</b>			
Debtors	6	43,430	76,802
Cash at bank and in hand		424	38,303
		<u>43,854</u>	<u>115,105</u>
<b>CREDITORS: amounts falling due within one year</b>			
Other creditors including taxation and social security	7	(5,432)	(109,981)
Accruals and deferred income		(1,000)	(1,000)
		<u>(6,432)</u>	<u>4,124</u>
<b>NET CURRENT ASSET</b>			
		<u>(6,432)</u>	<u>4,124</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		<u>37,422</u>	<u>4,124</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	8	2	2
Profit and loss account		37,420	4,122
		<u>37,422</u>	<u>4,124</u>
<b>EQUITY SHAREHOLDERS' FUNDS</b>			
		<u>37,422</u>	<u>4,124</u>

These financial statements were approved and signed by the Board of Directors on 24 November 1999.

Signed on behalf of the Board Directors

Director



**NOTES TO THE ACCOUNTS**

**Period from 1 April 1998 to 8 April 1999**

**1. ACCOUNTING POLICIES**

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

**Accounting convention**

The financial statements are prepared under the historical cost convention.

**Royalties receivable**

Royalties receivable are recognised in respect of returns received for each of the royalty accounting periods ending within the company's financial year.

**Deferred taxation**

Deferred taxation is provided on timing differences, arising from the different treatment of items for accounting and taxation purposes, which are expected to reverse in the future, calculated at the rates at which it is expected that tax will arise.

**2. TURNOVER**

The turnover and profit before taxation are attributable to the one principal activity of the company. The directors are of the opinion that no part of the company's worldwide market is substantially different from any other and therefore a geographical analysis of turnover and profit or loss is not disclosed. Turnover represents the invoiced value of goods and services to customers exclusive of value added tax.

**3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES**

The directors are employed and paid by Planet 24 Productions Limited, and their emoluments are disclosed in the accounts of Planet 24 Productions Limited (1998: £nil).

No directors' emoluments have been paid by Z Music Publishing Limited (1998: £nil) in relation to their services to this company.

Z Music Publishing Limited had no employees during the period, hence employee costs are nil (1998: £nil).

**4. OPERATING PROFIT AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION**

	Period from 1 April 1998 to 8 April 1999 £	Year to 31 March 1998 £
Operating profit and profit on ordinary activities before taxation is		
after charging:		
Auditors' remuneration - as auditors	500	500
- other services	500	500
	<u>500</u>	<u>500</u>


**NOTES TO THE ACCOUNTS**
**Period from 1 April 1998 to 8 April 1999**
**5. TAX ON PROFIT ON ORDINARY ACTIVITIES**

	Period from 1 April 1998 to 8 April 1999 £	Year to 31 March 1998 £
United Kingdom corporation tax at 21% (1998 - 21%)	5,432	6,943
Prior year adjustment	(776)	-
	<u>4,656</u>	<u>6,943</u>

The tax charge is low due to the use of group relief surrendered by other group companies.

**6. DEBTORS**

	8 April 1999 £	31 March 1998 £
Amounts owed by group undertaking	23,328	56,628
Other debtors	5	77
Called up share capital not paid	2	2
Accrued income	20,095	20,095
	<u>43,430</u>	<u>76,802</u>

**7. OTHER CREDITORS INCLUDING TAXATION AND SOCIAL SECURITY**

	8 April 1999 £	31 March 1998 £
Corporation tax	5,432	6,943
Taxation and social security	-	8,038
Provision for dividend	-	95,000
	<u>5,432</u>	<u>109,981</u>

**8. CALLED UP SHARE CAPITAL**

	8 April 1999 £	31 March 1998 £
Authorised:		
1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Called up, allotted and unpaid:		
2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

**NOTES TO THE ACCOUNTS****Period from 1 April 1998 to 8 April 1999****9. ULTIMATE PARENT COMPANY**

Z Music Publishing Limited was a wholly owned subsidiary of Planet 24 Limited, its immediate parent company and controlling entity, a company incorporated in Great Britain. The shares in this company were sold to Carlton Communications Plc on 8 April 1999. Copies of the group accounts of Planet 24 Limited may be obtained from Companies House, Crown Way, Maindy, Cardiff, CF4 3UZ.

The ultimate parent company and controlling party is Carlton Communications Plc. Copies of the group accounts of Carlton Communications Plc are available from 25 Knightsbridge, London SW1X 7RX.

**10. RELATED PARTY TRANSACTIONS**

The company is taking advantage of the exemption granted by paragraph 3(c) of Financial Reporting Standard No 8 "Related Party Disclosures" not to disclose transactions with group companies which are related parties.