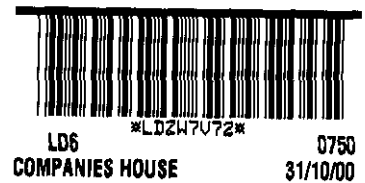


RAM RECORDS LIMITED
ABBREVIATED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 1999



Company number 3270798

RAM RECORDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 1999

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable accounting standards and the following accounting policies:

a) Basis of accounting

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

b) Depreciation

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, as follows:

Computer equipment	- 25%	per annum reducing balance
Music Equipment	- 25%	per annum reducing balance

c) Cash flow statement

The company has taken advantage of the exemption permitted by Financial Reporting Standard No. 1, whereby a cashflow statement need not be prepared by a small company, as defined in Companies Act 1985.

d) Stocks

Stocks are stated at the lower of cost and net realisable value as follows :

Cost incurred in bringing each item to its present location and position.

Records and CD's	purchase cost on an average basis
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Net realisable value is based on estimated selling price less further costs expected to be incurred to completion and disposal.

e) Turnover

Turnover represents invoiced sales less allowances, trade discounts and value added tax.

RAM RECORDS LIMITED

2. TANGIBLE ASSETS

	Computer equipment £	Music equipment £	Total £
Cost			
At 1 st January 1999	1,334	7,339	8,673
Additions	<u>3,448</u>	<u>3,146</u>	<u>6,594</u>
At 31 st December 1999	<u>4,782</u>	<u>10,485</u>	<u>15,267</u>
Depreciation			
At 1 st January 1999	528	2,087	2,615
Charge for the year	<u>1,063</u>	<u>2,099</u>	<u>3,162</u>
At 31 st December 1999	<u>1,591</u>	<u>4,186</u>	<u>5,777</u>
Net book value			
At 31 st December 1999	<u>3,191</u>	<u>6,299</u>	<u>9,490</u>
At 31 st December 1998	<u>806</u>	<u>5,252</u>	<u>6,058</u>

3. SHARE CAPITAL

	1999 £	1998 £
Equity interests:		
Authorised: 4 ordinary shares of £1 each.		
Equity interests	<u>4</u>	<u>4</u>
Allotted, issued and fully paid: 4 ordinary shares of £1 each.	<u>4</u>	<u>4</u>

4. RELATED PARTY TRANSACTIONS

Included within creditors is a debt of £16,017 from Origin Unknown, a partnership that A Clarke and A Miles are joint partners. Included within debtors is a balance of £253 from Liftin' Spirit Records Limited, a company that A Miles own 100% of the issued share capital.

Related party	Director with material interest	Value £	Details of Transaction
Ant Miles Music	A Miles	12,801	Royalties paid
Liftin' Spirit Records Ltd	A Miles	5,886	Royalties paid
Liftin' Spirit Records Ltd	A Miles	9,200	Office costs paid

5. CONTROL

The company was under the control of A Clarke.

RAM RECORDS LIMITED

BALANCE SHEET AS AT 31st DECEMBER 1999

	NOTE	£	1999 £	1998 £
FIXED ASSETS				
Tangible assets	2		9,490	<u>6,058</u>
CURRENT ASSETS				
Stocks		6,355		4,401
Debtors		132,105		67,121
Cash at bank and in hand		<u>1,474</u>		<u>21,898</u>
		139,934		93,420
CREDITORS				
Amounts falling due within one year		<u>61,294</u>		<u>31,075</u>
NET CURRENT ASSETS			<u>78,640</u>	<u>62,345</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>88,130</u>	<u>68,403</u>
CAPITAL AND RESERVES				
Called up share capital	3		4	4
Profit and loss account			<u>88,126</u>	<u>68,399</u>
TOTAL SHAREHOLDERS' FUNDS ATTRIBUTABLE TO EQUITY INTERESTS			<u>88,130</u>	<u>68,403</u>

The abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

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RAM RECORDS LIMITED

Cont'd

Approved by the Directors on 25 October 2000. The Directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of Section 249 A (1) of the Companies Act 1985. Shareholders holding 10% or more of the company's share capital have not issued a notice requiring an audit. The directors acknowledge their responsibility for ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and for preparing accounts 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 its profit for the year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of the Act relating to the accounts so far as applicable to the company.

DIRECTOR: 

25 October 2000