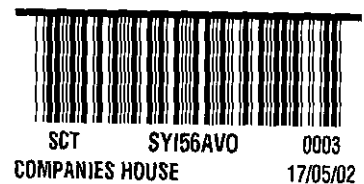


Registration number 04034449

Hot Wax Records Limited

Abbreviated accounts

for the period ended 30 September 2001



Hot Wax Records Limited

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Hot Wax Records Limited

**Abbreviated balance sheet
as at 30 September 2001**

	Notes	2001 £	£
Fixed assets			
Tangible assets	2		27,995
Current assets			
Stocks		146,500	
Debtors		2,331	
		<u>148,831</u>	
Creditors: amounts falling due within one year		<u>(210,169)</u>	
Net current liabilities			<u>(61,338)</u>
Total assets less current liabilities			(33,343)
Creditors: amounts falling due after more than one year			<u>(2,467)</u>
Deficiency of assets			<u><u>(35,810)</u></u>
Capital and reserves			
Called up share capital	3		800
Profit and loss account			<u>(36,610)</u>
Shareholders' funds			<u><u>(35,810)</u></u>

In preparing these abbreviated accounts we have relied on the exemptions for individual financial statements conferred by section Section A of Part 1 of the Companies Act 1985 on the grounds that the company is entitled to the benefit of those exemptions as a small sized company.

The directors' statements required by Section 249B(4) are shown on the following page which forms part of this Balance Sheet.

The notes on pages 3 to 4 form an integral part of these financial statements.

Hot Wax Records Limited

Abbreviated balance sheet (continued)

**Directors' statements required by Section 249B(4)
for the period ended 30 September 2001**

In approving these abbreviated accounts as directors of the company we hereby confirm:

(a) that for the period stated above the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985 ;

(b) that no notice has been deposited at the registered office of the company pursuant to Section 249B(2) requesting that an audit be conducted for the period ended 30 September 2001 and

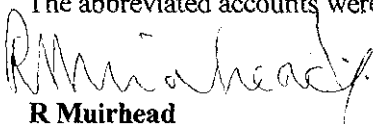
(c) that we acknowledge our responsibilities for:

(1) ensuring that the company keeps accounting records which comply with Section 221, and

(2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss for the period then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

These abbreviated accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies .

The abbreviated accounts were approved by the Board on 15 May 2002 and signed on its behalf by



R Muirhead
Director

The notes on pages 3 to 4 form an integral part of these financial statements.

Hot Wax Records Limited

Notes to the abbreviated financial statements for the period ended 30 September 2001

1. Accounting policies

1.1. Accounting convention

The accounts are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

1.3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Computer equipment	-	25% straight line
Fixtures, fittings and equipment	-	25% straight line
Website	-	20% straight line

1.4. Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.5. Stock

Stock is valued at the lower of cost and net realisable value.

1.6. Going concern

The company had a deficiency of assets amounting to £35,810 at the balance sheet date. The company's operations are being financed through support from the company's bankers and the directors. The directors believe that the company will trade profitably once the set up phase is over. The set up costs were largely incurred by 30 September 2001.

Hot Wax Records Limited

Notes to the abbreviated financial statements for the period ended 30 September 2001

..... continued

2. Fixed assets	Tangible fixed assets £
Cost	
Additions	35,511
At 30 September 2001	<u>35,511</u>
Depreciation	
Charge for period	7,516
At 30 September 2001	<u>7,516</u>
Net book value	
At 30 September 2001	<u><u>27,995</u></u>
3. Share capital	2001 £
Authorised	
1,000 Ordinary shares of 1 each	<u>1,000</u>
Allotted, called up and fully paid	
800 Ordinary shares of 1 each	<u>800</u>
£800 was issued at par for cash.	

4. Transactions with directors

Stock valued at £100,000 and £50,000 has been purchased from R Muirhead and J Devlin respectively. J Devlin has made a loan of £3,600 to the company and R Muirhead has advanced and disbursed a total of £39,448 to and on behalf of the company.