

Report of the Directors and  
Consolidated Financial Statements  
for the year ended 30 June 2004

for

The Ian Anderson Group of Companies Limited  
and Subsidiary Companies

Ref: 0901264.



The Ian Anderson Group of Companies Limited

Company Information  
for the year ended 30 June 2004

**DIRECTORS:** I S Anderson  
J S Anderson

**SECRETARY:** J S Anderson

**REGISTERED OFFICE:** Clarks Mill  
Stallard Street  
Trowbridge  
Wiltshire  
BA14 8HH

**REGISTERED NUMBER:** 0981264 (England and Wales)

**AUDITORS:** Monahans  
Chartered Accountants  
Registered Auditor  
Clarks Mill  
Stallard Street  
Trowbridge  
Wiltshire  
BA14 8HH

**The Ian Anderson Group of Companies Limited**

**Report of the Directors**  
**for the year ended 30 June 2004**

The directors present their annual report and the audited financial statements of the company and the group for the year ended 30 June 2004.

**ACTIVITIES**

The group's principal activities are the management and production of the music activities of Ian Anderson of Jethro Tull and the farming and processing of salmon.

**RESULTS AND DIVIDEND**

The group profit for the year after taxation was £86,506 (2003: loss £132,197).

A final dividend of £nil (2003: £500,000) is proposed.

**REVIEW OF BUSINESS AND FUTURE PROSPECTS**

The music activities of the group remain buoyant. There has been extensive touring during the year and this has continued since the year-end.

**DIRECTORS**

The directors during the year under review were:

I S Anderson

J S Anderson

**DIRECTORS AND THEIR INTERESTS**

The beneficial interests of the directors holding office on 30 June 2004 in the issued share capital of the company were as follows:

	30.6.04	30.6.03
I S Anderson	527,000	527,000
J S Anderson	323,000	323,000

**CHARITABLE DONATIONS**

During the year the group made charitable donations totalling £4,918.

The Ian Anderson Group of Companies Limited

Report of the Directors  
for the year ended 30 June 2004

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and group as at the end of the financial year and of the profit or loss of the company and group for that period. In preparing those financial statements, the directors are required to:

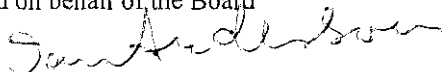
- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company and group 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 group 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**AUDITORS**

In accordance with Section 385 of the Companies Act 1985 a resolution for the re-appointment of Monahans as auditors to the company is to be proposed at the forthcoming Annual General Meeting.

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



I S Anderson  
Director

2 April 2005

The Ian Anderson Group of Companies Limited

Report of the Independent Auditors to the Shareholders of  
The Ian Anderson Group of Companies Ltd

We have audited the financial statements of The Ian Anderson Group of Companies Limited for the year ended 30 June 2004 on pages 5 to 20. These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain intangible fixed assets and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

As described on page 3 the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Report of the Directors is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.


We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

**Basis of audit opinion**

We conducted our audit in accordance with United Kingdom 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 other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

In our opinion the financial statements give a true and fair view of the state of affairs of the company and of the group as at 30 June 2004 and of the group's profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

  
Monahans  
Chartered Accountants  
Registered Auditor  
Clarks Mill  
Stallard Street  
Trowbridge  
Wiltshire  
BA14 8HH

11 Aug 2005

**The Ian Anderson Group of Companies Limited**

**and Subsidiary Companies**  
**Consolidated Profit and Loss Account**  
**for the year ended 30 June 2004**

	Note	Year Ended 30 June 2004 £	Year Ended 30 June 2003 £
<b>TURNOVER</b>	2	2,258,227	1,995,365
Cost of sales		(2,837)	(114,448)
Gross Profit		2,255,390	1,880,917
Administrative expenses		(1,606,252)	(1,907,192)
Other operating income		649,138 17,543	(26,275) -
<b>OPERATING PROFIT/(LOSS)</b>	4	666,681	(26,275)
Exceptional income	6	36,796	209,517
Amounts written off investments	13	(426,265)	(250,000)
Income from investments		498	-
Interest receivable		58,241	67,264
Interest payable and similar charges	8	(3,018)	(6,312)
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		332,933	(5,806)
Taxation	9	(246,427)	(126,391)
<b>PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION</b>		86,506	(132,197)
Dividends	10	(1,300,000)	(500,000)
<b>LOSS TRANSFERRED FROM RESERVES</b>	19	(1,213,494)	(632,197)

There were no recognised gains or losses other than those recognised in the profit and loss account for the current and preceding years.

The Ian Anderson Group of Companies Limited

and Subsidiary Companies  
Consolidated Profit and Loss Account  
for the year ended 30 June 2004

	Year Ended 30 June 2004 £	Year Ended 30 June 2003 £
<b>STATEMENT OF MOVEMENTS IN SHAREHOLDERS' FUNDS</b>		
Profit/(Loss) for the financial period	86,506	(132,197)
Dividends paid	(1,300,000)	(500,000)
<b>Net reduction in shareholders' funds</b>	<b>(1,213,494)</b>	<b>(632,197)</b>
<b>Opening shareholders' funds</b>	<b>3,232,898</b>	<b>3,865,095</b>
<b>Closing shareholders' funds</b>	<b>2,019,404</b>	<b>3,232,898</b>

The Ian Anderson Group of Companies Limited

and Subsidiary Companies  
Consolidated Balance Sheet  
30 June 2004

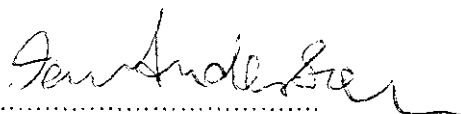
	Note	30 June 2004 £	30 June 2003 £
<b>FIXED ASSETS</b>			
Intangible assets	11	37,858	75,715
Tangible assets	12	215,767	257,325
Investments	13	45,506	795,506
		<hr/> 299,131	<hr/> 1,128,546
<b>CURRENT ASSETS</b>			
Debtors	14	1,145,709	1,372,274
Cash at bank and in hand		1,381,400	2,059,993
		<hr/> 2,527,109	<hr/> 3,432,267
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	15	(806,836)	(1,327,915)
		<hr/>	<hr/>
<b>NET CURRENT ASSETS</b>		1,720,273	2,104,352
		<hr/>	<hr/>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		2,019,404	3,232,898
		<hr/>	<hr/>
<b>NET ASSETS</b>		2,019,404	3,232,898
		<hr/>	<hr/>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	18	850,000	850,000
Share premium	19	322,984	322,984
Profit and loss account	19	846,420	2,059,914
		<hr/>	<hr/>
<b>SHAREHOLDERS' FUNDS</b>		2,019,404	3,232,898
		<hr/>	<hr/>

The financial statements were approved by the Board of Directors on 3 April 2004

and signed on its behalf by:

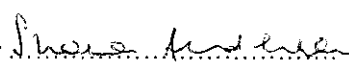
I S Anderson

Director



J S Anderson

Director



The Ian Anderson Group of Companies Limited

Company Balance Sheet  
30 June 2004

	Note	30 June 2004 £	30 June 2003 £
<b>FIXED ASSETS</b>			
Intangible assets	11	37,858	75,715
Tangible assets	12	38,689	57,406
Investments	13	46,010	796,010
		<u>122,557</u>	<u>929,131</u>
<b>CURRENT ASSETS</b>			
Debtors	14	1,442,460	1,243,978
Cash at bank and in hand		673,746	1,757,721
		<u>2,116,206</u>	<u>3,001,699</u>
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	15	(806,115)	(1,274,227)
<b>NET CURRENT ASSETS</b>		<u>1,310,091</u>	<u>1,727,472</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,432,648</u>	<u>2,656,603</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	18	850,000	850,000
Revaluation reserve	19	37,858	75,715
Share premium	19	322,984	322,984
Profit and loss account	19	221,806	1,407,904
<b>SHAREHOLDERS' FUNDS:</b>		<u>1,432,648</u>	<u>2,656,603</u>

The financial statements were approved by the Board of Directors on 3 April 2005

and signed on its behalf by:

I S Anderson

Director

*[Signature]*

J S Anderson

Director

*[Signature]*

**The Ian Anderson Group of Companies Limited**

**and Subsidiary Companies**  
**Consolidated Cash Flow Statement**  
**for the year ended 30 June 2004**

	Note	Year ended 30 June 2004 £	Year ended 30 June 2003 £
<b>Cash inflow from operating activities</b>			
Net cash inflow before exceptional items	1	777,527	313,258
Inflow related to exceptional items		36,796	209,517
<b>Net cash inflow from operating activities</b>		<u>814,323</u>	<u>522,775</u>
<b>Returns on investments and servicing of finance</b>			
Interest received		58,241	67,264
Interest paid		(3,018)	(6,312)
Dividends received		498	-
<b>Net cash inflow from returns on investments and servicing of finance</b>		<u>55,721</u>	<u>60,952</u>
<b>Taxation</b>		<u>(49,292)</u>	<u>(95,015)</u>
<b>Capital expenditure and financial investment</b>			
Payments to acquire tangible fixed assets		(71,457)	(11,126)
Disposal of tangible fixed assets		82,091	(23,154)
Sale of trade investment		323,735	-
<b>Net cash inflow/(outflow) from capital expenditure and financial investment</b>		<u>334,369</u>	<u>(34,280)</u>
<b>Equity dividends paid</b>		<u>(1,800,000)</u>	<u>-</u>
<b>Net cash outflow from financing</b>			
Capital element of finance lease rentals		-	(30,000)
<b>(Decrease)/increase in cash in the period</b>	2,3	<u>(644,879)</u>	<u>424,432</u>

**The Ian Anderson Group of Companies Limited**

**and Subsidiary Companies**  
**Notes to the Consolidated Cashflow Statement**  
**for the year ended 30 June 2004**

**1. RECONCILIATION OF OPERATING PROFIT/(LOSS) TO OPERATING CASH FLOWS**

	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
Operating profit/(loss)	666,681	(26,275)
(Profit)/loss on sale of tangible fixed assets	(6,225)	23,155
Depreciation charges	37,150	46,086
Decrease in debtors	226,565	420,301
(Decrease) in creditors	(184,501)	(187,866)
Amortisation of intangible assets	37,857	37,857
	<hr/> 777,527	<hr/> 313,258
	<hr/>	<hr/>

**2. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS**

	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
(Decrease)/increase in cash in the period	(644,879)	424,432
Cash used to repay hire purchase finance	-	30,000
	<hr/> (644,879)	<hr/> 454,432
Movement in net funds in the period		
Net funds at 1 July 2003	2,020,232	1,565,800
	<hr/>	<hr/>
Net funds at 30 June 2004	1,375,353	2,020,232
	<hr/>	<hr/>

**3. ANALYSIS OF NET FUNDS/(DEBT)**

	<b>At 1 July</b>	<b>Cashflow</b>	<b>At 30 June</b>
	<b>2003</b>		<b>2004</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank	2,059,993	(678,593)	1,381,400
Bank overdraft	(39,761)	33,714	(6,047)
	<hr/> 2,020,232	<hr/> (644,879)	<hr/> 1,375,353
	<hr/>	<hr/>	<hr/>

**The Ian Anderson Group of Companies Limited**

**and Subsidiary Companies**

**Notes to the Consolidated Financial Statements**  
**for the year ended 30 June 2004**

**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 as modified by the revaluation of certain intangible fixed assets.

**Basis of consolidation**

In accordance with FRS 2 the group financial statements consolidate the financial statements of the parent company and all subsidiaries for the year ended 30 June 2004. Unless otherwise stated the acquisition method has been applied.

**Acquisitions and disposals**

The results and cash flows relating to the businesses are included in the consolidated profit and loss account and the consolidated cashflow statement from the date of acquisition or up to the date of disposal.

**Intangible fixed assets**

The value of future royalty streams acquired has been included in the balance sheet on the basis of an independent valuation with an estimated useful life of seven years with a full year's charge for amortisation in their period of acquisition.

**Royalty income**

The royalty income recognised represents the amounts receivable in respect of the year ended 30 June 2004.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Depreciation**

Depreciation is provided on tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset over its expected useful life on the straight-line basis as follows:

Land is not depreciated	
Buildings	over 20 - 50 years
Instruments, equipment and fittings	over 5 - 10 years
Plant and machinery	over 5 - 10 years
Motor vehicles	over 4 years

**The Ian Anderson Group of Companies Limited**  
**and Subsidiary Companies**  
**Notes to the Consolidated Financial Statements**  
**for the year ended 30 June 2004**

**ACCOUNTING POLICIES (continued)**

**Deferred Taxation**

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

**Leases**

Assets held under finance leases and the related lease obligations are recorded in the balance sheet at the fair value of the leased assets at the inception of the leases and are depreciated over their estimated useful lives. The amounts by which the lease payments exceed the recorded lease obligations are treated as finance charges which are amortised over the period of the lease in proportion to the capital amount outstanding.

Rental costs under operating leases are charged to the profit and loss account in equal annual amounts over the periods of the leases.

**Pensions**

The group maintains a defined contribution pension scheme and contributions are charged to the profit and loss account in the period to which they relate.

**Hire purchase receivables**

Income from hire purchase contracts, being the excess of total rentals received over the cost of the net investment in hire purchase contracts, is taken to profit in accordance with the investment period method of accounting in direct relationship to the reducing capital invested during the period covered by the contracts.

Amounts written off the net investment in such contracts are calculated to write off the cost over the period of the contracts.

**2. TURNOVER AND SEGMENTAL ANALYSIS**

Turnover represents royalties receivable, Jethro Tull tour income, income arising from performance and promotional work, together with the invoiced amount of goods sold and services provided including the rental of fish farming assets but excluding intra group sales, and is stated net of Value Added Tax.

An analysis of turnover by geographical market is given below:

	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
UK	1,770,961	1,536,026
EC	252,816	459,339
Rest of the world	234,450	-
	<u>2,258,227</u>	<u>1,995,365</u>

The analyses of profit before tax and net assets attributable to each geographic segment have not been disclosed as it is not considered practicable to identify this information.

**Segmental analysis:**

Contact fish farming and rental of fish farming assets	90,487	278,382
Music and entertainment	2,167,740	1,716,983
	<u>2,258,227</u>	<u>1,995,365</u>

The Ian Anderson Group of Companies Limited

and Subsidiary Companies  
Notes to the Consolidated Financial Statements  
for the year ended 30 June 2004

**3. TURNOVER AND SEGMENTAL ANALYSIS (continued)**

	2004 £	2003 £
Profit/(loss) before taxation attributable to each class of business:		
Contract fish farming and rental of fish farming assets	55,864	5,562
Music and entertainment	277,069	(11,368)
	<u>332,933</u>	<u>(5,806)</u>
Net assets attributable to each class of business:		
Contract fish farming and rental of fish farming assets	586,245	594,439
Music and entertainment	1,433,159	2,638,459
	<u>2,019,404</u>	<u>3,232,898</u>

**4. OPERATING PROFIT**

	2004 £	2003 £
<b>Operating profit is after charging/(crediting):</b>		
Auditors' remuneration - for audit services	15,549	18,990
- for non-audit services	8,518	9,691
Amortisation of intangible assets	37,857	37,857
(Profit)/loss on sale of tangible fixed assets	(6,225)	23,155
Hire of plant and machinery	-	1,598
Depreciation		
- owned assets	50,389	46,086

**5. DIRECTORS' EMOLUMENTS**

Total emoluments of directors of the company excluding pension contributions	247,802	850,954
	<u>2004</u>	<u>2003</u>
	No	No
Number of directors who were members of a defined contribution pension scheme	1	1
Total emoluments excluding pension contributions of the highest paid director	<u>158,401</u>	<u>461,491</u>

**The Ian Anderson Group of Companies Limited**

**and Subsidiary Companies**  
**Notes to the Consolidated Financial Statements**  
**for the year ended 30 June 2004**

**6. EXCEPTIONAL ITEMS**

- a. The exceptional item in the year ended 30 June 2004 represents the profit arising on the disposal of certain fixed assets by Skye Salmon Limited. An agreement was entered into to sell these assets for £420,000 payable in instalments over a period of five years.

Subsequently the purchaser went into administration and £370,000 of the proceeds due are now considered to be irrecoverable.

- b. The exceptional item in the year ended 30 June 2003 arose as the result of a royalty audit subsequent to which the company received a payment for artist royalties earned in earlier years. The amount credited to profit and loss account in the year ended 30 June 2003 represents the company's share of this settlement, after deducting relevant legal and professional expenses incurred in reaching agreement over the amount due and after deducting amounts due to certain band members.

**7. EMPLOYEE COSTS**

	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
<b>Staff costs</b>		
Wages and salaries	387,892	1,034,577
Social security costs	47,104	118,896
Other pension costs	2,238	4,636
	<hr/> 437,234	<hr/> 1,158,109
	<hr/>	<hr/>

The average weekly number of persons (including directors) employed by the group during the year was:

	<b>No</b>	<b>No</b>
Production	-	5
Sales and administration	7	10
	<hr/> 7	<hr/> 15
	<hr/>	<hr/>

**8. INTEREST PAYABLE AND SIMILAR CHARGES**

	<b>£</b>	<b>£</b>
Hire purchase	3,018	5,829
Other interest	-	483
	<hr/> 3,018	<hr/> 6,312
	<hr/>	<hr/>

**9. TAXATION**

	<b>£</b>	<b>£</b>
Corporation tax based on the results for the period comprises:		
United Kingdom Corporation Tax payable	232,485	80,008
Overseas tax suffered	17,916	93,359
Double tax relief	(11,229)	(48,632)
Prior year under provision	7,255	1,656
	<hr/> 246,427	<hr/> 126,391
	<hr/>	<hr/>

**The Ian Anderson Group of Companies Limited**

**and Subsidiary Companies**  
**Notes to the Consolidated Financial Statements**  
**for the year ended 30 June 2004**

**9. TAXATION (continued)**

	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
Factors affecting the tax charge for the year:		
Tax due at the standard rate of 30% on the profit/(loss) before tax	99,880	(1,742)
Expenditure net of income not allowable for tax	(3,369)	12,839
Dividends from quoted investments	(150)	-
Amortisation of royalty stream not allowable for tax	11,357	11,357
Excess of capital allowances over depreciation	(2,268)	(11,594)
Provision against cost of investment	-	75,000
Disposal of investment	127,880	-
Overseas tax suffered	17,916	93,359
Double tax relief	(11,229)	(48,632)
Prior year under provision	7,255	1,656
Tax losses generated	14,822	-
Small companies' marginal relief	(15,667)	(5,852)
	<hr/>	<hr/>
	246,427	126,391
	<hr/>	<hr/>

**10. DIVIDENDS**

	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
Ordinary shares		
Interim	1,300,000	-
Final	-	500,000
	<hr/>	<hr/>
	1,300,000	500,000
	<hr/>	<hr/>

**11. INTANGIBLE FIXED ASSETS**

<b>Group and company</b>	<b>Royalty Stream</b>
	<b>£</b>
<b>Cost</b>	
At 1 July 2003 and 30 June 2004	265,000
	<hr/>
<b>Amortisation</b>	
At 1 July 2003	189,285
Charge for year	37,857
	<hr/>
At 30 June 2004	227,142
	<hr/>
<b>Net Book Value</b>	
At 30 June 2004	37,858
	<hr/>
At 30 June 2003	75,715
	<hr/>

**The Ian Anderson Group of Companies Limited**

**and Subsidiary Companies**  
**Notes to the Consolidated Financial Statements**  
**for the year ended 30 June 2004**

**12. TANGIBLE FIXED ASSETS**  
**Group**

	<b>Land &amp; Buildings £</b>	<b>Plant and Machinery £</b>	<b>Instruments Equipment &amp; Fittings £</b>	<b>Motor Vehicles £</b>	<b>Total £</b>
<b>Cost</b>					
At 1 July 2003	386,177	63,639	439,658	25,603	915,077
Additions	34,000	25,000	12,457	-	71,457
Disposals	(41,653)	(55,781)	(8,569)	(25,603)	(131,606)
At 30 June 2004	378,524	32,858	443,546	-	854,928
<b>Depreciation</b>					
At 1 July 2003	193,628	23,302	415,218	25,603	657,751
Charge for the year	24,782	1,571	10,797	-	37,150
Disposals	(5,763)	(19,467)	(4,907)	(25,603)	(55,740)
At 30 June 2004	212,647	5,406	421,108	-	639,161
<b>Net Book Value</b>					
At 30 June 2004	165,877	27,452	22,438	-	215,767
At 30 June 2003	192,550	40,335	24,440	-	257,325

The net book value of the group's fixed assets includes £nil (2003: £61,469) in respect of assets held under finance lease and HP contracts.

Land and buildings at 30 June 2004 includes leasehold land and buildings at a net book value of £20,865 (2003: £41,220)

<b>Company</b>	<b>Leasehold Land &amp; Buildings £</b>	<b>Instruments Equipment &amp; Fittings £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 July 2003	203,552	420,826	624,378
Additions	-	10,914	10,914
At 30 June 2004	203,552	431,740	635,292
<b>Accumulated Depreciation</b>			
At 1 July 2003	162,332	404,640	566,972
Charge for the year	20,355	9,276	29,631
At 30 June 2004	182,687	413,916	596,603
<b>Net Book Value</b>			
At 30 June 2004	20,865	17,824	38,689
At 30 June 2003	41,220	16,186	57,406

**The Ian Anderson Group of Companies Limited**

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**13. INVESTMENTS**

	<b>GROUP</b>		<b>COMPANY</b>	
	2004 £	2003 £	2004 £	2003 £
<b>Cost</b>				
At 1 July 2003	1,045,506	1,045,506	1,046,010	1,046,010
Disposals	(1,000,000)	-	(1,000,000)	-
At 30 June 2004	<u>45,506</u>	<u>1,045,506</u>	<u>46,010</u>	<u>1,046,010</u>
<b>Provision</b>				
At 1 July 2003	250,000	-	250,000	-
Profit and loss account	-	250,000	-	250,000
Provisions written back	(250,000)	-	(250,000)	-
At 30 June 2004	<u>-</u>	<u>250,000</u>	<u>-</u>	<u>250,000</u>
<b>Net Book Value</b>	<u>45,506</u>	<u>795,506</u>	<u>46,010</u>	<u>796,010</u>
Comprising:				
Listed investments	45,506	45,506	45,506	45,506
Unquoted investments	-	750,000	504	750,504
	<u>45,506</u>	<u>795,506</u>	<u>46,010</u>	<u>796,010</u>
Market value of listed investments	<u>50,750</u>	<u>53,600</u>	<u>50,750</u>	<u>53,600</u>

Included in the above are unquoted investments with a carrying value of £nil, (2003: £750,000) comprising.

Name of Company	Holding	Proportion Held	Nature of Business
Neptune Holdings UK Limited	Ordinary 'B' shares	Nil (2003: 12.5%)	Sale of fish

This investment was disposed of on 28<sup>th</sup> June 2004.

Name of company	Holding	Proportion held	Nature of Business
<b>Owned directly</b>			
Jethro Tull Production Limited	Ord. shares	100%	Music
Calliandra Productions Limited	Ord. shares	100%	Music
Skye Salmon Limited	Ord. shares	100%	Salmon production
Ian Anderson Music Limited	Ord. shares	100%	Dormant

**14. DEBTORS**

	2004 £	2003 £
<b>Group</b>		
Amounts falling due within one year:		
Trade debtors	34,216	365,135
Other debtors	933,289	755,479
Prepayments	15,010	47,712
Net investment in hire purchase contracts	40,790	40,790
VAT recoverable	35	-
	<u>1,023,340</u>	<u>1,209,116</u>

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**14. DEBTORS (continued)**

	2004 £	2003 £
Amounts falling due after more than one year:		
Net investment in hire purchase contracts	122,369	163,158
	<hr/>	<hr/>
Aggregate amounts	1,145,709	1,372,274
	<hr/>	<hr/>
<b>Company</b>		
Amounts falling due within one year:		
Other debtors	931,601	744,594
Prepayments	8,950	37,546
Amounts due from subsidiary undertakings	501,909	461,838
	<hr/>	<hr/>
	1,442,460	1,243,978
	<hr/>	<hr/>

**15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2004 £	2003 £
<b>Group</b>		
Bank loans and overdrafts	6,047	39,761
Trade creditors	150,247	368,511
Directors' current account	105,826	-
Corporation Tax	439,604	242,468
Social Security and other taxes	11,633	71,770
Other creditors	4,998	68,876
Dividend proposed	-	500,000
Hire purchase creditor	-	-
Accruals and deferred income	88,481	36,529
	<hr/>	<hr/>
	806,836	1,327,915
	<hr/>	<hr/>
<b>Company</b>		
Bank loans and overdrafts	5,965	20,181
Trade creditors	149,970	139,543
Directors' current account	105,826	-
Amounts due to subsidiary undertakings	150,879	240,860
Corporation Tax	367,412	236,351
Other creditors	4,930	68,876
Dividend proposed	-	500,000
Social security and other taxes	11,633	58,916
Accruals	9,500	9,500
	<hr/>	<hr/>
	806,115	1,274,227
	<hr/>	<hr/>

**The Ian Anderson Group of Companies Limited**

**and Subsidiary Companies**  
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**16. SECURED DEBTS**

	2004 £	2003 £
<b>Group</b>		
Loans and overdrafts	-	-
Hire purchase	-	-
	-	-
	-	-

**17. DEFERRED TAXATION**

	Provided in these accounts		Full potential (asset) /liability	
	2004 £	2003 £	2004 £	2003 £
<b>Group</b>	-	-		
Losses	-	-	(83,496)	(153,788)
Accelerated capital allowances	-	-	(371)	14,660
	-	-	(83,867)	(139,128)

**18. SHARE CAPITAL**

	2004 £	2003 £
Authorised Ordinary shares of £1 each	1,000,000	1,000,000
Allotted and fully paid up Ordinary shares of £1 each	850,000	850,000

**19. RESERVES**

	Share Premium £	Profit & Loss £	Revaluation Reserve £	Total £
<b>Group</b>				
Balance at 1 July 2003	322,984	2,059,914	-	2,382,898
Loss for the year	-	(1,213,494)	-	(1,213,494)
Balance at 30 June 2004	322,984	846,420	-	1,169,404
<b>Company</b>				
Balance at 1 July 2003	322,984	1,407,904	75,715	1,806,603
Loss for the year	-	(1,223,955)	-	(1,223,955)
Transfers	-	37,857	(37,857)	-
Balance at 30 June 2004	322,984	221,806	37,858	582,648

As allowed by S230 of the Companies Act 1985 a profit and loss account for the company is not presented.  
The revaluation reserve created in a prior period relates to the incorporation of intangible fixed assets in respect of the rights to receive royalty income transferred to the company from a former subsidiary on 30 June 1999.

The Ian Anderson Group of Companies Limited

and Subsidiary Companies

Notes to the Consolidated Financial Statements  
for the year ended 30 June 2004

**20. RELATED PARTIES**

The company has taken advantage of the exemption in FRS 8 – Related Party Transactions, and has not disclosed transactions with 90% or more owned companies in The Ian Anderson Group of Companies Limited group.

TullProd Inc., a company incorporated in the USA and wholly owned by I S Anderson, was billed by the company £73,152 (2003: £36,611) in respect of administration fees. At 30 June 2004 the company was owed £7,523 by TullProd Inc. (2003: £640 due to TullProd Inc.)

**21. OTHER FINANCIAL COMMITMENTS**

The company has given a guarantee to Marine Harvest UK Limited, ("MHUK"), in respect of the granting by Skye Salmon Limited of contract farming rights to MHUK over certain land which is subject to head leases from the Crown Estate Commissioners. The guarantee indemnifies MHUK against breaches of the terms of these head leases and the period covered by this contract farming arrangement runs until 13 June 2006.