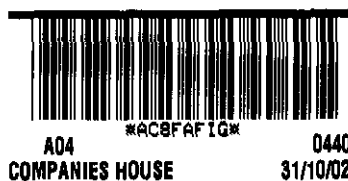


**GLASTONBURY FESTIVALS LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 DECEMBER 2001**



Company Registration Number 2737866

**Tenon Limited**

The Old Mill  
Park Road  
Shepton Mallet  
Somerset  
BA4 5BS

# GLASTONBURY FESTIVALS LIMITED

## FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2001

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**GLASTONBURY FESTIVALS LIMITED**  
**OFFICERS AND PROFESSIONAL ADVISERS**

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<b>The directors</b>	Mr A J M Eavis Mr M J Benn
<b>Company secretary</b>	Miss E R Eavis
<b>Registered office</b>	Worthy Farm Pilton Shepton Mallet Somerset
<b>Accountants</b>	Tenon Limited The Old Mill Park Road Shepton Mallet Somerset BA4 5BS
<b>Bankers</b>	National Westminster Bank Plc 25 High Street Shepton Mallet Somerset

# GLASTONBURY FESTIVALS LIMITED

## THE DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2001

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The directors have pleasure in presenting their report and the unaudited financial statements of the company for the year ended 31 December 2001.

### PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was the organisation of musical and contemporary arts festivals.

The company's balance sheet as detailed on pages five and six shows a satisfactory position, shareholders' funds amounting to £524,722.

### RESULTS AND DIVIDENDS

The trading results for the year, and the company's financial position at the end of the year are shown in the attached financial statements.

The directors have not recommended a dividend.

There was no festival in 2001.

A successful festival was held in 2002.

### THE DIRECTOR AND HIS INTERESTS IN SHARES OF THE COMPANY

The director who served the company during the year together with his beneficial interests, including family holdings, in the shares of the company was as follows:

	Ordinary Shares of £0.01 each	
	At 31 December 2001	At 1 January 2001
Mr A J M Eavis	<u>8,230</u>	<u>8,230</u>

Mr M J Benn was appointed as a director on 11 January 2002.

### DONATIONS

During the year the company made the following contributions:

	2001 £	2000 £
Charitable	<u>71,010</u>	<u>61,346</u>

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# GLASTONBURY FESTIVALS LIMITED

## THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2001

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Registered office:  
Worthy Farm  
Pilton  
Shepton Mallet  
Somerset

Signed on behalf of the directors

A J M Eavis  
Director



Approved by the directors on 10/10/2002

# GLASTONBURY FESTIVALS LIMITED

## PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2001

	Note	2001 £	2000 £
<b>TURNOVER</b>	2	248,982	8,425,866
Cost of sales		(163,449)	(3,150,560)
<b>GROSS PROFIT</b>		85,533	5,275,306
Administrative expenses		(435,990)	(5,475,251)
Other operating income	3	520	520
<b>OPERATING LOSS</b>	4	(349,937)	(199,425)
Interest receivable		28,665	103,006
Interest payable	7	(2,161)	(93)
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		(323,433)	(96,512)
Tax on loss on ordinary activities	8	26,514	(18,161)
<b>LOSS FOR THE FINANCIAL YEAR</b>		<u>(296,919)</u>	<u>(114,673)</u>

The company has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the company are classed as continuing.

The notes on pages 9 to 15 form part of these financial statements.

# GLASTONBURY FESTIVALS LIMITED

## BALANCE SHEET

31 DECEMBER 2001

	Note	2001 £	£	2000 £	£
<b>FIXED ASSETS</b>					
Tangible assets	9		500,665		581,879
<b>CURRENT ASSETS</b>					
Work in progress	10	181,826		—	
Debtors	11	148,965		58,930	
Cash at bank and in hand		436,077		1,442,063	
		<u>766,868</u>		<u>1,500,993</u>	
<b>CREDITORS: Amounts falling due within one year</b>	12	<u>389,562</u>		<u>728,037</u>	
<b>NET CURRENT ASSETS</b>			<u>377,306</u>		<u>772,956</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>877,971</u>		<u>1,354,835</u>
<b>CREDITORS: Amounts falling due after more than one year</b>	13		<u>353,249</u>		<u>506,680</u>
			<u>524,722</u>		<u>848,155</u>
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>					
Deferred taxation	14		—		26,514
			<u>524,722</u>		<u>821,641</u>
<b>CAPITAL AND RESERVES</b>					
Called-up equity share capital	16		100		100
Profit and Loss Account	17		<u>524,622</u>		<u>821,541</u>
<b>SHAREHOLDERS' FUNDS</b>	18		<u>524,722</u>		<u>821,641</u>

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the accounts for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibilities for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and
- (ii) 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 or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company.

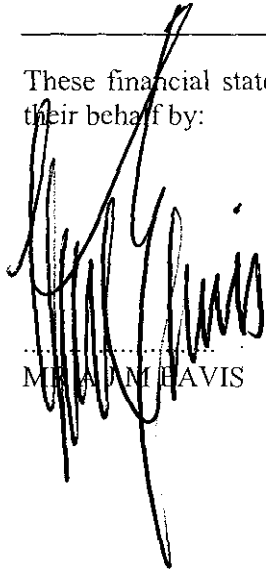
The balance sheet continues on the following page.  
The notes on pages 9 to 15 form part of these financial statements.

# GLASTONBURY FESTIVALS LIMITED

## BALANCE SHEET *(continued)*

31 DECEMBER 2001

These financial statements were approved by the directors on the 10/10/2002 and are signed on their behalf by:



.....  
MR ADAM DAVIS

The notes on pages 9 to 15 form part of these financial statements.



# GLASTONBURY FESTIVALS LIMITED

## CASH FLOW STATEMENT

YEAR ENDED 31 DECEMBER 2001

	2001		2000	
	£	£	£	£
<b>NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES</b>		(839,437)		219,360
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>				
Interest received	28,665		103,006	
Interest paid	<u>(2,161)</u>		<u>(93)</u>	
<b>NET CASH INFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>		26,504		102,913
<b>TAXATION</b>		—		(128,883)
<b>CAPITAL EXPENDITURE</b>				
Payments to acquire tangible fixed assets	(64,076)		(323,778)	
Receipts from sale of fixed assets	<u>4,500</u>		<u>4,900</u>	
<b>NET CASH OUTFLOW FROM CAPITAL EXPENDITURE</b>		(59,576)		(318,878)
<b>CASH OUTFLOW BEFORE FINANCING</b>		(872,509)		(125,488)
<b>FINANCING</b>				
Net (outflow)/inflow from other long-term creditors	<u>(153,431)</u>		<u>287,581</u>	
<b>NET CASH (OUTFLOW)/INFLOW FROM FINANCING</b>		(153,431)		287,581
<b>(DECREASE)/INCREASE IN CASH</b>		<u>(1,025,940)</u>		<u>162,093</u>

The notes on pages 9 to 15 form part of these financial statements.

# GLASTONBURY FESTIVALS LIMITED

## CASH FLOW STATEMENT *(continued)*

YEAR ENDED 31 DECEMBER 2001

### RECONCILIATION OF OPERATING LOSS TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	2001 £	2000 £
Operating loss	(349,937)	(199,425)
Depreciation	141,202	164,911
Profit on disposal of fixed assets	(412)	(451)
Increase in stocks	(181,826)	—
(Increase)/Decrease in debtors	(90,035)	38,822
(Decrease)/Increase in creditors	(358,429)	215,503
<b>Net cash (outflow)/inflow from operating activities</b>	<b>(839,437)</b>	<b>219,360</b>

### RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2001 £	2000 £
(Decrease)/Increase in cash in the period	(1,025,940)	162,093
Net cash outflow from/(inflow) from other long-term creditors	153,431	(287,581)
	(872,509)	(125,488)
<b>Change in net funds</b>	<b>(872,509)</b>	<b>(125,488)</b>
<b>Net funds at 1 January 2001</b>	<b>928,661</b>	<b>1,054,149</b>
<b>Net funds at 31 December 2001</b>	<b>56,152</b>	<b>928,661</b>

### ANALYSIS OF CHANGES IN NET FUNDS

	At 1 Jan 2001 £	Cash flows £	At 31 Dec 2001 £
Net cash:			
Cash in hand and at bank	1,442,063	(1,005,986)	436,077
Overdrafts	(6,722)	(19,954)	(26,676)
	1,435,341	(1,025,940)	409,401
Debt:			
Debt due after 1 year	(506,680)	153,431	(353,249)
<b>Net funds</b>	<b>928,661</b>	<b>(872,509)</b>	<b>56,152</b>

The notes on pages 9 to 15 form part of these financial statements.

# **GLASTONBURY FESTIVALS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2001**

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### **1. ACCOUNTING POLICIES**

#### **Basis of accounting**

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

#### **Turnover**

Turnover represents the amount derived from the provision of goods and services falling within the company's activities after deduction of trade discounts and value added tax.

#### **Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Leasehold Property	- 25% straight line
Plant & Machinery	- 20% straight line
Motor Vehicles	- 25% reducing balance

#### **Work in progress**

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

#### **Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

#### **Pension costs**

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the Profit and Loss Account.

#### **Deferred taxation**

Provision is made, under the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may arise.

#### **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 the transaction. Exchange differences are taken into account in arriving at the operating profit.

# GLASTONBURY FESTIVALS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2001

### 2. TURNOVER

The turnover and loss before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below:

	2001	2000
	£	£
United Kingdom	<u>248,982</u>	<u>8,425,866</u>

### 3. OTHER OPERATING INCOME

	2001	2000
	£	£
Rent receivable	<u>520</u>	<u>520</u>

### 4. OPERATING LOSS

Operating loss is stated after charging/(crediting):

	2001	2000
	£	£
Depreciation	141,202	164,911
Profit on disposal of fixed assets	(412)	(451)
Auditors' remuneration		
- as auditors	-	5,000
Operating lease costs:		
Land and buildings	26,008	405,850
Hire of plant and machinery	28,159	411,241
Net profit on foreign currency translation	<u>(326)</u>	<u>(390)</u>

### 5. PARTICULARS OF EMPLOYEES

The average number of staff employed by the company during the financial year amounted to:

	2001	2000
	No.	No.
Office and management	4	7
Festival site staff	1	123
	<u>5</u>	<u>130</u>

The aggregate payroll costs of the above were:

	2001	2000
	£	£
Wages and salaries	117,795	416,206
Social security costs	13,357	25,759
Other pension costs	-	70,000
	<u>131,152</u>	<u>511,965</u>

# GLASTONBURY FESTIVALS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2001

### 6. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were:

	2001	2000
	£	£
Emoluments receivable	72,377	72,345
Value of company pension contributions to money purchase schemes	—	70,000
	<u>72,377</u>	<u>142,345</u>

The number of directors who are accruing benefits under company pension schemes were as follows:

	2001	2000
	No.	No.
Money purchase schemes	<u>1</u>	<u>1</u>

### 7. INTEREST PAYABLE

	2001	2000
	£	£
Interest payable on bank borrowing	—	93
Other similar charges payable	2,161	—
	<u>2,161</u>	<u>93</u>

### 8. TAX ON LOSS ON ORDINARY ACTIVITIES

#### Taxation

	2001	2000
	£	£
Deferred tax:		
(Decrease)/Increase in deferred tax provision		
Capital allowances	(1,815)	18,161
Losses	<u>(24,699)</u>	<u>—</u>
Total deferred tax (note 14)	<u>(26,514)</u>	<u>18,161</u>
Tax on loss on ordinary activities	<u>(26,514)</u>	<u>18,161</u>

No liability for corporation tax arises on the results for the year. There are taxation losses carried forward of £252,408 (2000 £17,357).

# GLASTONBURY FESTIVALS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2001

### 9. TANGIBLE FIXED ASSETS

	Freehold Property & Leasehold Improvements £	Plant & Machinery £	Motor Vehicles £	Total £
<b>COST</b>				
At 1 January 2001	511,301	403,048	57,712	972,061
Additions	35,806	28,270	—	64,076
Disposals	—	(17,000)	—	(17,000)
<b>At 31 December 2001</b>	<b>547,107</b>	<b>414,318</b>	<b>57,712</b>	<b>1,019,137</b>
<b>DEPRECIATION</b>				
At 1 January 2001	199,768	158,274	32,140	390,182
Charge for the year	79,866	54,943	6,393	141,202
On disposals	—	(12,912)	—	(12,912)
<b>At 31 December 2001</b>	<b>279,634</b>	<b>200,305</b>	<b>38,533</b>	<b>518,472</b>
<b>NET BOOK VALUE</b>				
<b>At 31 December 2001</b>	<b>267,473</b>	<b>214,013</b>	<b>19,179</b>	<b>500,665</b>
At 31 December 2000	311,533	244,774	25,572	581,879

Freehold property and leasehold improvements includes freehold land of £27,875 (2000 £27,875) that is not being depreciated and short leasehold improvements of £239,598 (2000 £283,658).

### 10. STOCKS

	2001 £	2000 £
Work in progress	<u>181,826</u>	—

### 11. DEBTORS

	2001 £	2000 £
Trade debtors	105,750	8,552
Other debtors	40,475	44,338
Prepayments and accrued income	<u>2,740</u>	<u>6,040</u>
	<b>148,965</b>	<b>58,930</b>

# GLASTONBURY FESTIVALS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2001

### 12. CREDITORS: Amounts falling due within one year

	2001	2000
	£	£
Bank loans and overdrafts	26,676	6,722
Trade creditors	46,147	126,740
Other creditors including taxation and social security:		
PAYE and social security	36,539	65,820
VAT	12,114	24,623
Other creditors (note 15)	120,400	390,000
Directors current accounts	28,369	49,148
Accruals and deferred income	119,317	64,984
	<u>389,562</u>	<u>728,037</u>

### 13. CREDITORS: Amounts falling due after more than one year

	2001	2000
	£	£
Other creditors:		
Other loans	<u>353,249</u>	<u>506,680</u>

Other loans consists of a loan from Manorbordor Limited on which no interest is being charged (see related party transaction note 15).

### 14. DEFERRED TAXATION

	2001	2000
	£	£
The movement in the deferred taxation provision during the year was:		
Provision brought forward	26,514	8,353
Profit and Loss Account movement arising during the year	(26,514)	18,161
Provision carried forward	<u>—</u>	<u>26,514</u>

The provision for deferred taxation consists of the tax effect of timing differences in respect of:

	2001	2000
	£	£
Excess of taxation allowances over depreciation on fixed assets	24,699	26,514
Tax losses available	(24,699)	—
	<u>—</u>	<u>26,514</u>

# GLASTONBURY FESTIVALS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2001

### 15. RELATED PARTY TRANSACTIONS

Mr A J M Eavis was the sole director of the company until 11 January 2002. A J M Eavis together with his family, being the beneficiaries of Mr Eavis' late wife's estate, control the company.

Mr Eavis, together with his family as above, are controlling shareholders of Manorborder Limited. The company has a loan from Manorborder Limited and the balance outstanding at the year end amounted to £473,249 (2000 £506,680). No interest is being charged on this loan and no fixed repayment terms have been agreed. Repayment of £120,000 was made in the year ended 31 December 2002. There is an informal agreement that the remaining portion of the loan will not be repaid for more than one year.

The company was charged £13,818 (2000 £150,000) by Manorborder Limited during the year for use of its land.

The company made donations amounting to £41,580 (2000 £nil) to the Pilton Barn Restoration Trust during the year. Mr A J M Eavis is a trustee of the Pilton Barn Restoration Trust although he does not hold any beneficial interest.

Mr A J M Eavis owns an unincorporated farming business. The company was charged £nil (2000 £200,000) by this business during the year as compensation for loss of earnings as a result of the farm land being used for the festival. The amount due to Mr Eavis at the year end was £nil (2000 £40,000). There are no interest charges and no fixed terms of repayment.

The company rents land from the pension fund of Mr A J M Eavis who is the sole beneficiary of the pension fund. During the year rents were paid to the pension fund of £10,073 (2000 £9,922).

At the balance sheet date the amount due to the director, Mr A J M Eavis, by way of the director's loan account was £28,746 (2000 £49,148). There are no repayment terms and no interest payable.

Work in progress represents the recharge of costs relating to the 2002 festival to Glastonbury Festival 2002 Limited, a company controlled by AJM Eavis.

### 16. SHARE CAPITAL

#### Authorised share capital:

	2001	2000
	£	£
10,000 Ordinary shares of £0.01 each	<u>100.00</u>	<u>100.00</u>

#### Allotted, called up and fully paid:

	2001	2000
	£	£
Ordinary share capital	<u>100.00</u>	<u>100.00</u>



# GLASTONBURY FESTIVALS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2001

### 17. PROFIT AND LOSS ACCOUNT

	2001	2000
	£	£
Balance brought forward	821,541	936,214
Accumulated loss for the financial year	(296,919)	(114,673)
Balance carried forward	<u>524,622</u>	<u>821,541</u>

### 18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2001	2000
	£	£
Loss for the financial year	(296,919)	(114,673)
Opening shareholders' equity funds	821,641	936,314
Closing shareholders' equity funds	<u>524,722</u>	<u>821,641</u>