

DIRECTORS' REPORT

28 00274

The Directors present their report and the financial statements for the year ended 30th April 1997.

Principal Activities and Business Review

The company continues to licence copyright of remastered music to broadcasters, record companies, advertising and other agencies who wish to make use of the available pieces. Although it was expected that sales of licences would increase again, sales of the licenced albums have not as yet been achieved by the principal licensee; it is expected that this will be achieved during the current year to resume business momentum.

Results & Dividend

The loss for the period was £1,949 (1996 : profit £258). After writing back the previous year's corporation tax of £65 the net loss after taxation is £1,884 (1996: profit £194). No dividend is proposed.

Directors and Directors' Interests

The directors and their shareholdings in the company throughout the year have been as follows:-

	Ordinary £1 shares
M. J. Daly Esq.	51
Mrs S. H. M. Daly	nil

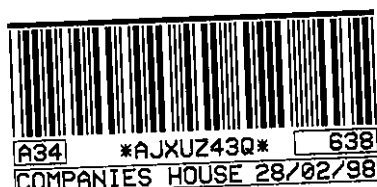
Taxation Status

The company is a close company within the definition of the Income and Corporation Taxes Act 1988.

By Order of the Board,



Secretary.



**INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30TH APRIL 1997**

	1997		1996	
	£	£	£	£
INCOME - licence and royalty fees charged		-		9,004
EXPENDITURE				
Arrangement and transfer of music	1,200		7,190	
Management fees	500		1,250	
Legal fees	15		18	
Bank charges	34		38	
Accountancy fees	200		250	
		1,949		8,746
NET PROFIT/(LOSS) BEFORE TAXATION		(1,949)		258
TAXATION		(65)		65
NET PROFIT/(LOSS) AFTER TAXATION		(1,884)		193
BALANCE BROUGHT FORWARD		920		727
BALANCE CARRIED FORWARD		£(964)		£920

BALANCE SHEET - 30TH APRIL 1997

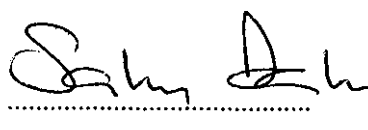
		1997		1996	
	<u>Notes</u>	£	£	£	£
CURRENT ASSETS					
Debtors		66		21	
Balance at bank		1,201		1,527	
		<u>1,267</u>		<u>1,548</u>	
CURRENT LIABILITIES					
Creditors and accruals	2	<u>2,131</u>		<u>528</u>	
			<u>£(864)</u>		<u>£1,020</u>
CAPITAL	3		100		100
RESERVES - Profit and Loss Account			<u>(964)</u>		<u>920</u>
			<u>£(864)</u>		<u>£1,020</u>

The directors have taken advantage of the S 249A(1) of the Companies Act 1985 which confers total exemption from audit requirement. They confirm that no notice has been deposited under S 429B (2) of the act.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with S 221 of the Companies Act 1985 and for preparing accounts which give a true and fair view of the company's financial affairs and of its profit for the year ended 30th April 1997, as required by S 226, and which otherwise comply with the requirements of the act.



Director



Director

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH APRIL 1997

1. ACCOUNTING POLICIES

The following accounting policies have been used in dealing with items which are considered material in relation to the company's accounts.

a) Basis of Accounting :

The financial statements are prepared under the conventions both of historical cost accounting and that of a going concern which assumes the continuing support of the directors.

b) Turnover :

Turnover represents sales to outside customers at invoiced amount less value added tax. The turnover is attributable to one activity, the licensing of recorded music.

c) Financial Reporting Standard No. 1 :

The company is taking the exemption offered by FRS1 not to prepare a cash flow statement on the grounds that the company qualifies as a small company.

2. CREDITORS FALLING DUE WITHIN ONE YEAR

	<u>1997</u>	<u>1996</u>
	£	£
Accruals	2,131	450
Corporation tax	-	65
Other tax	-	13
	<u>£2,131</u>	<u>£528</u>

3. SHARE CAPITAL

	<u>1997</u>	<u>1996</u>
	£	£
Authorised :		
1,000 Ordinary shares of £1 each	<u>£1,000</u>	<u>£1,000</u>
Issued and fully paid :		
100 Ordinary share of £1 each	<u>£100</u>	<u>£100</u>