

JEWEL MUSIC PUBLISHING COMPANY LIMITED

FINANCIAL STATEMENTS FOR THE
YEAR ENDED 30 JUNE 1998

DODD HARRIS
CHARTERED ACCOUNTANTS



COMPANY REGISTERED NUMBER 611708

JEWEL MUSIC PUBLISHING COMPANY LIMITED

FINANCIAL STATEMENTS

for the year ended 30 June 1998

CONTENTS

	Page
Directors' report	1
Statement of directors' responsibilities	2
Auditors' report	3
Profit and loss account	4
Balance sheet	5
Notes to the financial statements	6 to 8

The following page does not form part of the statutory accounts

Detailed trading and profit and loss account	Appendix 1
--	------------

JEWEL MUSIC PUBLISHING COMPANY LIMITED

DIRECTORS' REPORT

for the year ended 30 June 1998

The directors present their report and the audited financial statements for the year ended 30 June 1998.

Principal activity

The principal activity of the company continued to be music publishers and consultants.

Directors

The directors of the company during the year and their beneficial interests in the company's issued ordinary share capital were as follows:-

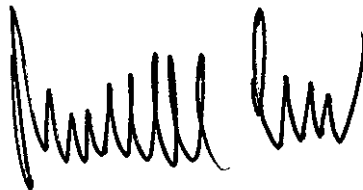
	30 June 1998 Ordinary shares	1 July 1997 Ordinary shares
M Chess	12 A	12 A
Mrs C Goodman	12 A	12 A
J Hammond	-	-
B W Hitchens	-	-

Auditors

The auditors Dodd Harris, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

This report, which has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, was approved by the board on 26 March 1999 and signed on its behalf.

M Chess
Director



JEWEL MUSIC PUBLISHING COMPANY LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

We are required under company law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. In preparing those financial statements we are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

We are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable us to ensure that the financial statements comply with the Companies Act 1985. We are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

26 March 1999

By order of the board

JEWEL MUSIC PUBLISHING COMPANY LIMITED**Auditors' report to the shareholders of
Jewel Music Publishing Company Limited**

We have audited the financial statements on pages 4 to 8 which have been prepared under the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on page 2, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

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

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 June 1998 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

Dodd Harris
Registered Auditors And
Chartered Accountants
35/37 Brent Street
London NW4 2EF

26 March 1999

Dodd Harris

JEWEL MUSIC PUBLISHING COMPANY LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended 30 June 1998

	Notes	1998 £	1997 £
Turnover	2	327,760	392,542
Cost of sales		(143,291)	(166,870)
Gross profit		184,469	225,672
Net operating expenses			
Administrative expenses		(37,190)	(43,498)
Operating profit	3	142,279	182,174
Interest receivable		8,284	11,937
Profit on ordinary activities before taxation		155,563	194,111
Taxation	4	(32,658)	(45,121)
Profit on ordinary activities after taxation		122,905	148,990
Dividends	5	(123,000)	(149,000)
Retained loss for the year	9	(95)	(10)

Movements in reserves are shown in note 9.

There are no recognised gains and losses in 1998 or 1997 other than the loss for the year.

The notes on pages 6 to 8 form part of these financial statements.

JEWEL MUSIC PUBLISHING COMPANY LIMITED

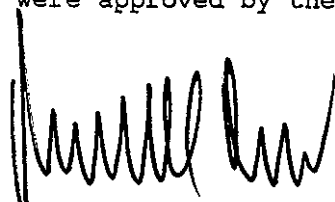
BALANCE SHEET

as at 30 June 1998

	Notes	£	1998	£	1997	£
Current assets						
Debtors	6	102,845		121,969		
Cash at bank and in hand		243,113		263,058		
		<u>345,958</u>		<u>385,027</u>		
Creditors: amounts falling due within one year	7	<u>(345,778)</u>		<u>(384,752)</u>		
Net current assets			180		275	
Total assets less current liabilities			<u>180</u>		<u>275</u>	
Capital and reserves						
Called up share capital	8		100		100	
Profit and loss account	9		80		175	
Shareholders' funds - all equity	10		<u>180</u>		<u>275</u>	

The financial statements, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, were approved by the board on 26 March 1999 and signed on its behalf.

M Chess
Director



The notes on pages 6 to 8 form part of these financial statements.

JEWEL MUSIC PUBLISHING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 1998

1 Accounting policies

Basis of preparation of financial statements

The financial statements have been prepared under the historical cost accounting convention and include the results of the company's operations which are described in the Directors Report and are continuing.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirements to produce a cash flow statement on the grounds that it is a small company.

Turnover

The turnover comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax.

U.K. mechanical and performing fees are accounted for on an accruals basis all other income is accounted for on a cash basis.

2 Turnover

In the opinion of the directors, 1% of the turnover of the company is attributable to geographical markets outside the UK (1997 - 1%).

3 Operating profit

	1998 £	1997 £
Operating profit is stated after charging:		
Auditors' remuneration	3,750	3,600

4 Taxation

	1998 £	1997 £
UK current year taxation		
UK Corporation tax at 21% (1997 - 23%)	32,658	45,121

5 Dividends

	1998 £	1997 £
Paid interim dividend £1,000 per share	100,000	125,000
Proposed final dividend £230 per share	23,000	24,000
	123,000	149,000

JEWEL MUSIC PUBLISHING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 1998

6 Debtors: amounts falling due within one year

	1998 £	1997 £
Trade debtors	68,255	85,695
Other debtors	3,840	28,832
	<u>72,095</u>	<u>114,527</u>
Amounts falling due after more than one year		
Advanced corporation tax	30,750	7,442
	<u>102,845</u>	<u>121,969</u>

7 Creditors: amounts falling due within one year

	1998 £	1997 £
Trade creditors	130,191	146,697
Corporation tax	55,918	43,561
Other creditors	159,669	194,494
	<u>345,778</u>	<u>384,752</u>

Included within other creditors is an amount of £8,966 (1997 - £12,096) relating to social security and other taxes.

8 Called up share capital

	1998		1997	
	Number of shares	£	Number of shares	£
Authorised				
A Shares of £1 each	50	50	50	50
B Shares of £1 each	50	50	50	50
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>
Allotted called up and fully paid				
A Shares of £1 each	50	50	50	50
B Shares of £1 each	50	50	50	50
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

9 Profit and loss account

	1998 £
1 July 1997	175
Retained loss for the year	(95)
	<u>80</u>
30 June 1998	

JEWEL MUSIC PUBLISHING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 1998

10 Movements on shareholders' funds

	1998 £	1997 £
Profit for the financial year	122,905	148,990
Dividends	(123,000)	(149,000)
Net subtraction from shareholders' funds	(95)	(10)
Opening shareholders' funds	275	285
Closing shareholders' funds	180	275