

JEWEL MUSIC PUBLISHING COMPANY LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2002



Company No. 611708

JEWEL MUSIC PUBLISHING COMPANY LIMITED

CONTENTS

	Page
Directors' report	1
Auditors' report	2
Profit and loss account	3
Balance sheet	4
Notes to the financial statements	5 to 6
<i>The following pages do not form part of the statutory financial statements</i>	
Management profit and loss account	7

JEWEL MUSIC PUBLISHING COMPANY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30TH JUNE 2002

The directors present their report and the audited financial statements for the company for the year ended 30th June 2002.

Principal activities

The company's principal activity continued to be that of music publishers and consultants.

Directors and their interests

The directors who held office during the year and their beneficial interests in the company's issued share capital are given below:

Name of director	Share type	At 30th June 2002	At 1st July 2001
M Chess	ordinary shares	12A	12A
Mrs C Goodman	ordinary shares	0	0
Ms J M Dyball	ordinary shares	0	0
K Chess	ordinary shares	0	0

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 of the profit or loss for that year. 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;

Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

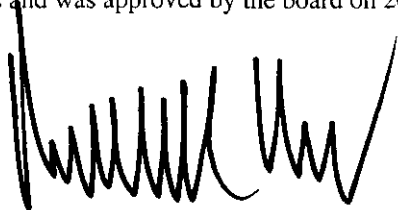
Auditors

A resolution to reappoint Dodd Harris as auditors will be put to the members at the Annual General Meeting.

Small company exemptions

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and was approved by the board on 20th June 2003, and signed on its behalf.

M Chess
Director



INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF JEWEL MUSIC PUBLISHING COMPANY LIMITED

We have audited the financial statements of Jewel Music Publishing Company Limited for the year ended 30th June 2002 on pages 3 to 6. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out on page 5.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the 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 Directors' Report 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 other information contained in the Annual Report 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30th June 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Dodd Harris
Chartered Accountants and Registered Auditors
35/37 Brent Street
London
NW4 2EF
Date: 20th June 2003

Dodd Harris

JEWEL MUSIC PUBLISHING COMPANY LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30TH JUNE 2002

	Notes	2002 £	2001 £
Turnover	2	310,826	379,505
Cost of sales		(136,242)	(174,518)
Gross profit		174,584	204,987
Administrative expenses		(35,625)	(42,394)
Operating profit	3	138,959	162,593
Interest receivable		6,624	9,301
Profit on ordinary activities before taxation		145,583	171,894
Tax on profit on ordinary activities	4	(28,754)	(34,379)
Profit for the financial year		116,829	137,515
Dividends		(117,000)	(138,000)
Retained loss for the year		(171)	(485)
Retained profit brought forward		440	925
Retained profit carried forward		269	440

JEWEL MUSIC PUBLISHING COMPANY LIMITED

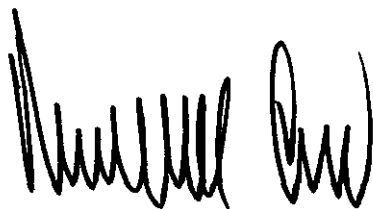
BALANCE SHEET

AS AT 30TH JUNE 2002

	Notes	2002 £	2001 £
Current assets			
Debtors	5	71,625	80,647
Cash at bank and in hand		234,687	288,499
		<u>306,312</u>	<u>369,146</u>
Creditors: Amounts falling due within one year	7	<u>(305,943)</u>	<u>(368,606)</u>
Total assets less current liabilities		<u>369</u>	<u>540</u>
Capital and reserves			
Share capital	7	100	100
Profit and loss account		269	440
Shareholders' funds	8	<u>369</u>	<u>540</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 and with the Financial Reporting Standard for Smaller Entities (effective June 2002) were approved by the board on 20th June 2003 and signed on its behalf.

M Chess
Director



JEWEL MUSIC PUBLISHING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2002

1 Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Turnover

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

Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to crystallise.

2 Turnover

The percentage of turnover attributable to overseas markets was 4% (2001: 6%).

3 Operating profit

The operating profit is stated after charging or crediting:

	2002	2001
	£	£
Auditors' remuneration	3,850	3,750

4 Taxation

	2002	2001
	£	£
Based on the profit for the year:		
UK corporation tax	28,754	34,379

5 Debtors

	2002	2001
	£	£
Trade debtors	71,625	80,647

JEWEL MUSIC PUBLISHING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 2002

6	Creditors: amounts falling due within one year	2002	2001
		£	£
	Trade creditors	122,040	150,848
	Corporation tax	28,754	34,379
	Other taxes and social security	12,632	12,767
	Other creditors	25,517	32,612
	Dividends	117,000	138,000
		<u>305,943</u>	<u>368,606</u>
7	Share capital	2002	2001
		£	£
	Authorised		
	A Ordinary shares of £1 each	50	50
	B Ordinary shares of £1 each	50	50
		<u>100</u>	<u>100</u>
	 Allotted called up and fully paid		
	A ordinary shares of £1 each	50	50
	B ordinary shares of £1 each	50	50
		<u>100</u>	<u>100</u>
8	Reconciliation of movement in shareholders' funds	2002	2001
		£	£
	Profit for the financial year	116,829	137,515
	Dividends	(117,000)	(138,000)
		<u>(171)</u>	<u>(485)</u>
	Decrease in the shareholders' funds		
	Opening shareholders' funds	540	1,025
		<u>369</u>	<u>540</u>
	Closing shareholders' funds		