

JEWEL MUSIC PUBLISHING COMPANY LIMITED

REPORT OF THE DIRECTORS AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2004



JEWEL MUSIC PUBLISHING COMPANY LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 30 JUNE 2004

The directors present their report with the financial statements of the company for the year ended 30 June 2004.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of music publishers and consultants.

DIRECTORS

The directors who held office during the year under review were:

M Chess
Mrs C Goodman
Ms J M Dyball
K Chess

Throughout the year M Chess had a beneficial interest in 12A Ordinary shares. The other directors had no interest in company's issued share capital.

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 of the company 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;
- 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

The auditors, Dodd Harris, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:

M Chess - Director



18 May 2005

REPORT OF THE INDEPENDENT AUDITORS 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 30 June 2004 on pages three to six. 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 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 one 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.

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 2004 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

18 May 2005

Dodd Harris

JEWEL MUSIC PUBLISHING COMPANY LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2004

	Notes	2004 £	2003 £
TURNOVER		300,669	276,978
Cost of sales		<u>138,822</u>	<u>126,723</u>
GROSS PROFIT		161,847	150,255
Administrative expenses		<u>35,203</u>	<u>32,462</u>
OPERATING PROFIT	2	126,644	117,793
Interest receivable and similar income		<u>5,189</u>	<u>4,661</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		131,833	122,454
Tax on profit on ordinary activities	3	<u>25,077</u>	<u>23,266</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		106,756	99,188
Dividends		<u>107,000</u>	<u>99,000</u>
(DEFICIT)/RETAINED PROFIT FOR THE YEAR		<u>(244)</u>	<u>188</u>

The notes form part of these financial statements

JEWEL MUSIC PUBLISHING COMPANY LIMITED

BALANCE SHEET

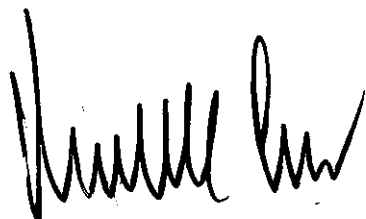
30 JUNE 2004

	Notes	2004 £	2003 £
CURRENT ASSETS			
Debtors	4	76,251	67,451
Cash at bank		191,091	196,554
		<u>267,342</u>	<u>264,005</u>
CREDITORS			
Amounts falling due within one year	5	267,029	263,448
		<u>313</u>	<u>557</u>
NET CURRENT ASSETS			
		<u>313</u>	<u>557</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>313</u>	<u>557</u>
CAPITAL AND RESERVES			
Called up share capital	6	100	100
Profit and loss account	7	213	457
		<u>313</u>	<u>557</u>
SHAREHOLDERS' FUNDS		<u>313</u>	<u>557</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

ON BEHALF OF THE BOARD:

M Chess - Director



Approved by the Board on 18 May 2005

The notes form part of these financial statements

JEWEL MUSIC PUBLISHING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2004

1. ACCOUNTING POLICIES

Accounting convention

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 tax

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

2. OPERATING PROFIT

The operating profit is stated after charging:

	2004	2003
	£	£
Auditors remuneration	4,200	4,000
	<u> </u>	<u> </u>
Directors' emoluments and other benefits etc	-	-
	<u> </u>	<u> </u>

3. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	2004	2003
	£	£
Current tax:		
UK corporation tax	25,077	23,266
	<u> </u>	<u> </u>
Tax on profit on ordinary activities	25,077	23,266
	<u> </u>	<u> </u>

4. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2004	2003
	£	£
Trade debtors	76,095	67,170
Other debtors	156	281
	<u> </u>	<u> </u>
	76,251	67,451
	<u> </u>	<u> </u>

JEWEL MUSIC PUBLISHING COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 30 JUNE 2004

5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2004	2003
	£	£
Trade creditors	100,852	107,272
Taxation and social security	35,517	33,484
Other creditors	130,660	122,692
	<u>267,029</u>	<u>263,448</u>

6. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	2004	2003
			£	£
50	A Ordinary	£1	50	50
50	B Ordinary	£1	50	50
			<u>100</u>	<u>100</u>

7. RESERVES

	Profit and loss account
	£
At 1 July 2003	457
Deficit for the year	(244)
	<u>213</u>
At 30 June 2004	