Registered Number: 758607

THE HOLLIES LIMITED

INDEX TO THE ABBREVIATED BALANCE SHEET

AS AT 30TH APRIL 1998

(Abbreviated in accordance with the provisions of the Companies Act 1985)

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A10 *ATXNDE5J* 401
COMPANIES HOUSE 25/02/99

CITROEN WELLS
CHARTERED ACCOUNTANTS

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AUDITOR'S REPORT TO THE HOLLIES LIMITED

UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages two to five together with the financial statements of The Hollies Limited prepared under section 226 of the Companies Act 1985 for the year ended 30th April 1998.

Respective responsibilities of directors and auditor

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitlement to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act to the registrar of companies and whether the abbreviated accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the Company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages two to five are properly prepared in accordance with those provisions.

CITROEN WELLS

CHARTERED ACCOUNTANTS
AND REGISTERED AUDITOR

24TH February 1999

THE HOLLIES LIMITED

ABBREVIATED BALANCE SHEET AS AT 30TH APRIL 1998

(Abbreviated in accordance with the provisions of the Companies Act 1985)

	Note	£	£	1997 £	£
FIXED ASSETS					
Tangible assets	2		955		1,274
CURRENT ASSETS					
Debtors	3	87,759		29,738	
Cash at bank		242,924		220,629	
		330,683		250,367	
Deduct:					
CURRENT LIABILITIES:					
Creditors: amounts falling due within one year		307,573		229,331	
NET CURRENT ASSETS			23,110		21,036
NET ASSETS			£ 24,065		£ 22,310
CAPITAL AND RESERVES					
Called up share capital	4		7		7
Profit and loss account			24,058		22,303
EQUITY SHAREHOLDERS' FUNDS			£ 24,065		£ 22,310

The Notes on pages three to five are an integral part of this Balance Sheet.

Advantage has been taken of the exemptions conferred by Section A of Part III, Schedule 8 of the Companies Act 1985, as amended, on the grounds that, in the Directors' opinion the Company is a small company because the Balance Sheet total of assets is not more than £1,400,000 and the turnover is not more than £2,800,000.

The Abbreviated Balance Sheet and Notes on pages 3 to 5 were approved by the Board of Directors on 22nd February 1999 and signed on its behalf by:-

A.C. Hicks Esq.)
) Directors
R.H. Elliott Esq.)

NOTES TO THE ABBREVIATED BALANCE SHEET AS AT 30TH APRIL 1998

1. ACCOUNTING POLICIES

a) Basis of Accounting

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards.

b) Cash Flow Statement

The Company has taken advantage of the exemption in Financial Reporting Standard No. 1 from providing a cash flow statement of the grounds that it is a small company as defined by Section 247 of the Companies Act 1985.

c) Fixed Assets

Fixed assets are capitalised at cost.

d) Depreciation

Fixed assets are depreciated over their estimated useful lives at the following rates:-

Asset	Rate p.a.
Equipment	25% reducing balance

e) Deferred Taxation

The policy has been adopted of providing for the estimated corporation tax liability, calculated at the year end rate, arising from timing differences in the adjustment of profits for taxation purposes which are expected to reverse in the foreseeable future. On this basis, no provision for deferred tax is required at 30th April 1998.

f) Foreign Currency Translation

Monetary assets and liabilities denominated in foreign currencies have been translated at the exchange rates ruling at the year end. Profit and loss account items have been translated at actual exchange rates. The net differences arising are dealt with through the profit and loss account.

NOTES TO THE ABBREVIATED BALANCE SHEET AS AT 30TH APRIL 1998 (CONTINUED)

2. TANGIBLE FIXED ASSETS

	Equipment
	£
Cost	
At beginning and At end of year	33,539
Depreciation	
At beginning of year	32,265
Charge for the year	319
At end of year	32,584
Net Book Value	
At beginning of year	£ 1,274
At end of year	£ 955

3. DEBTORS:

	This Year	Last Year
	£	£
Amounts due within one year	87,759	29,738

4. SHARE CAPITAL

	This Year	Last Year
	£	£
A) Authorised: 100 ordinary shares of £1 each	100	100
B) Allotted and fully paid: 7 Ordinary Shares of £1 each	7	7

NOTES TO THE ABBREVIATED BALANCE SHEET AS AT 30TH APRIL 1998 (CONTINUED)

5. RELATED PARTY TRANSACTIONS

A.C. Hicks Esq. and R.H. Elliott Esq. are two of the partners of Hollies Recording Co.

The Hollies Limited acted as agent in collecting royalties due to the partnership and as at 30th April 1998 £76,387 (last year - £150,321) was owed by the Company to Hollies Recording Co.

Fees payable in the sum of £81,852 (last year - £43,452) are payable to a company in which A. Clarke Esq., a shareholder, has a material interest.