

Company Registration No. 758607 (England and Wales)

THE HOLLIES LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2002



THE HOLLIES LIMITED

COMPANY INFORMATION

Directors	A C Hicks Esq R H Elliott Esq
Secretary	R H Elliott Esq
Company number	758607
Registered office	Devonshire House 1 Devonshire Street London W1W 5DR
Accountants	Citroen Wells Devonshire House 1 Devonshire Street London W1W 5DR
Business address	Devonshire House 1 Devonshire Street London W1W 5DR
Bankers	National Westminster Bank P O Box No 4RY 250 Regent Street London W1A 4RY

THE HOLLIES LIMITED

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THE HOLLIES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 2002

The directors present their report and financial statements for the year ended 30 April 2002.

Principal activities

The Company is principally engaged in exploiting the performing and recording talent of the group known as "The Hollies".

Directors

The following directors have held office since 1 May 2001:

A C Hicks Esq
R H Elliott Esq

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	30 April 2002	1 May 2001
A C Hicks Esq	1	1
R H Elliott Esq	1	1

A. C. Hicks Esq. and R. H. Elliott Esq. also hold four shares jointly with A. Clarke Esq.

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


R H Elliott Esq

Director

25 February 2003

THE HOLLIES LIMITED

ACCOUNTANTS' REPORT TO THE DIRECTORS ON THE UNAUDITED ACCOUNTS OF THE HOLLIES LIMITED

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 30 April 2002, set out on pages 3 to 8 and you consider that the company is exempt from an audit. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities from the accounting records and information and explanations supplied to us.

Citroen Wells

Citroen Wells

25 February 2003

Chartered Accountants

Devonshire House
1 Devonshire Street
London
W1W 5DR

THE HOLLIES LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 APRIL 2002

	Notes	2002 £	2001 £
Turnover		135,581	561,421
Administrative expenses		(143,976)	(563,786)
Operating loss	2	(8,395)	(2,365)
Other interest receivable and similar income		803	1,626
Interest payable and similar charges		(1)	-
Loss on ordinary activities before taxation		(7,593)	(739)
Tax on loss on ordinary activities	3	79	(261)
Loss on ordinary activities after taxation	8	(7,514)	(1,000)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

THE HOLLIES LIMITED

BALANCE SHEET AS AT 30 APRIL 2002

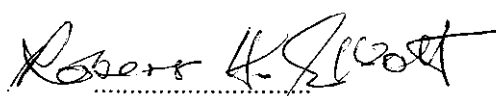
	Notes	2002 £	£	2001 £	£
Fixed assets					
Tangible assets	4		302		403
Current assets					
Debtors	5	28,947		51,598	
Cash at bank and in hand		135,401		141,990	
		<u>164,348</u>		<u>193,588</u>	
Creditors: amounts falling due within one year	6	<u>(147,025)</u>		<u>(168,852)</u>	
Net current assets			17,323		24,736
Total assets less current liabilities			<u>17,625</u>		<u>25,139</u>
Capital and reserves					
Called up share capital	7		7		7
Profit and loss account	8		17,618		25,132
Shareholders' funds - equity interests	9		<u>17,625</u>		<u>25,139</u>

In preparing these financial statements:

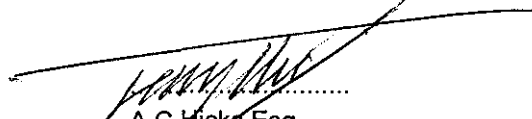
- The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- The directors acknowledge their responsibilities for:
 - ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on 25.2.2003



R H Elliott Esq
Director



A C Hicks Esq
Director

THE HOLLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2002

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Turnover

Turnover comprises fees receivable and royalties received during the year stated net of value added tax.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Equipment	25% reducing value
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1.4 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.5 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

2 Operating loss

	2002	2001
	£	£
Operating loss is stated after charging:		
Depreciation of tangible assets	101	134
Operating lease rentals		
- Plant and machinery	20,601	111,669
Directors' emoluments	14,000	52,292
	<u> </u>	<u> </u>

THE HOLLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2002

3	Taxation	2002 £	2001 £
	Domestic current year tax		
	U.K. corporation tax	(79)	294
	Adjustment for prior years	-	(33)
		<u> </u>	<u> </u>
	Current tax charge	<u>(79)</u>	<u>261</u>
	 Factors affecting the tax charge for the year		
	Loss on ordinary activities before taxation	<u>(7,593)</u>	<u>(739)</u>
	 Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 10.00% (2001 : 10.00%)	<u>(759)</u>	<u>(74)</u>
	 Effects of:		
	Non deductible expenses	678	365
	Depreciation add back	10	13
	Capital allowances	(8)	(10)
	Adjustments to previous periods	-	(33)
		<u>680</u>	<u>335</u>
	 Current tax charge	<u>(79)</u>	<u>261</u>

4	Tangible fixed assets	Plant and machinery etc £
	Cost	
	At 1 May 2001 & at 30 April 2002	<u>33,539</u>
	 Depreciation	
	At 1 May 2001	33,136
	Charge for the year	101
		<u> </u>
	At 30 April 2002	<u>33,237</u>
	 Net book value	
	At 30 April 2002	<u>302</u>
	At 30 April 2001	<u>403</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2002

5 Debtors	2002	2001
	£	£
Trade debtors	28,724	48,109
Other debtors	223	3,489
	<u>28,947</u>	<u>51,598</u>
6 Creditors: amounts falling due within one year	2002	2001
	£	£
Trade creditors	90,950	78,055
Taxation and social security	1,175	18,076
Other creditors	54,900	72,721
	<u>147,025</u>	<u>168,852</u>
7 Share capital	2002	2001
	£	£
Authorised		
100 Ordinary shares of £ 1 each	<u>100</u>	<u>100</u>
Allotted, called up and fully paid		
7 Ordinary shares of £ 1 each	<u>7</u>	<u>7</u>
8 Statement of movements on profit and loss account		Profit and loss account
		£
Balance at 1 May 2001		25,132
Retained loss for the year		<u>(7,514)</u>
Balance at 30 April 2002		<u>17,618</u>

THE HOLLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2002

9	Reconciliation of movements in shareholders' funds	2002 £	2001 £
	Loss for the financial year	(7,514)	(1,000)
	Opening shareholders' funds	25,139	26,139
	Closing shareholders' funds	17,625	25,139