

Company Registration No. 1543521 (England and Wales)

BLIZZARD MUSIC LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2000



BLIZZARD MUSIC LIMITED

COMPANY INFORMATION

Director	JOHN OSBOURNE
Secretary	KEENCREST LIMITED
Company number	1543521
Registered office	Regent House 1 Pratt Mews London NW1 OAD
Accountants	Newman & Company Regent House 1 Pratt Mews London NW1 OAD

BLIZZARD MUSIC LIMITED

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BLIZZARD MUSIC LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 JANUARY 2000

The director presents his report and the unaudited financial statements of the company for the year ended 31 January 2000.

Principal activities

The principal activity of the company was music publishing.

Director

The following director has held office since 1 February 1999:

JOHN OSBOURNE

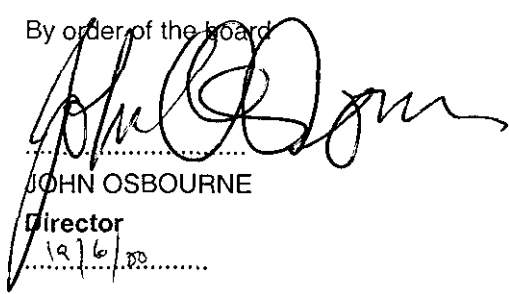
Director's interests

The director who served during the year and his interests in the ordinary shares of the company at the beginning and end of the year were as follows:

	Ordinary shares of £ 1 each	
	31 January 2000	1 February 1999
JOHN OSBOURNE	99	99

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

By order of the board


JOHN OSBOURNE

Director

19/6/99

BLIZZARD MUSIC LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 JANUARY 2000

	Notes	2000 £	1999 £
Turnover	2	264,363	184,401
Administrative expenses		(257,516)	(179,740)
Operating profit		6,847	4,661
Other interest receivable and similar income	3	5,191	4,877
Interest payable and similar charges		(810)	(310)
Profit on ordinary activities before taxation		11,228	9,228
Tax on profit on ordinary activities	4	(2,264)	(1,954)
Profit on ordinary activities after taxation	9	8,964	7,274

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.

BLIZZARD MUSIC LIMITED

BALANCE SHEET AS AT 31 JANUARY 2000

	Notes	2000 £	£	1999 £	£
Fixed assets					
Investments	5		263		263
Current assets					
Debtors	6	68,850		57,030	
Cash at bank and in hand		147,064		147,744	
		<u>215,914</u>		<u>204,774</u>	
Creditors: amounts falling due within one year	7	(165,827)		(163,651)	
Net current assets			<u>50,087</u>		<u>41,123</u>
Total assets less current liabilities			<u>50,350</u>		<u>41,386</u>
Capital and reserves					
Called up share capital	8		100		100
Profit and loss account	9		50,250		41,286
Shareholders' funds - equity interests	10		<u>50,350</u>		<u>41,386</u>

In preparing these financial statements:

- (a) The director is of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The director acknowledges his responsibilities for:
 - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - (ii) 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 19/6/00

JOHN OSBOURNE

Director

BLIZZARD MUSIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2000

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT.

1.3 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.4 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 director, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

1.5 Group accounts

Consolidated accounts were not prepared as the director is of the opinion that it would involve expenses out of proportion to their value to the members.

1.6 Royalties

Income from royalties is included on the basis of amounts received during the year. Royalties payable are those in respect of amounts which have been received.

2 Turnover

In the year to 31 January 2000 87.20% (1999 - 86.45%) of the company's turnover was to markets outside the United Kingdom.

3 Other interest receivable and similar income

	2000	1999
	£	£
Bank interest	5,191	4,877
	<u>5,191</u>	<u>4,877</u>

4 Taxation

	2000	1999
	£	£
U.K. current year taxation		
U.K. corporation tax at 21% (1999 - 21%)	2,264	1,954
	<u>2,264</u>	<u>1,954</u>

BLIZZARD MUSIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2000

5 Fixed asset investments

	Shares in subsidiary company
	£
Cost	
At 1 February 1999 & at 31 January 2000	263

The investment represents the company's holding of 100% of the issued share capital of Blizzard Music Limited - Nevada. This company also traded under the name of Kord Music Publishing.

6 Debtors	2000	1999
	£	£
Trade debtors	68,850	56,356
Other debtors	-	674
	<u>68,850</u>	<u>57,030</u>

7 Creditors: amounts falling due within one year	2000	1999
	£	£
Trade creditors	134,426	144,967
Taxation and social security	3,849	245
Other creditors	27,552	18,439
	<u>165,827</u>	<u>163,651</u>

8 Share capital	2000	1999
	£	£
Authorised		
100 Ordinary shares of £ 1 each	<u>100</u>	<u>100</u>
Allotted, called up and fully paid		
100 Ordinary shares of £ 1 each	<u>100</u>	<u>100</u>

BLIZZARD MUSIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2000

9 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 February 1999	41,286
Retained profit for the year	8,964
Balance at 31 January 2000	50,250

10 Reconciliation of movements in shareholders' funds

	2000 £	1999 £
Profit for the financial year	8,964	7,274
Opening shareholders' funds	41,386	34,112
Closing shareholders' funds	50,350	41,386

11 Related party transactions

Included in other creditors at 31 January 2000 was £7,977 (1999: £7,977) owed to Monowise Limited, a company of which J Osbourne Esq is a director.

During the year, the company paid royalties of £107,431 (1999: £65,147) to Monowise Limited.

Included in trade creditors at 31 January 2000 was £68,742 (1999: £40,651) owed to Monowise Limited, in respect of royalties due.