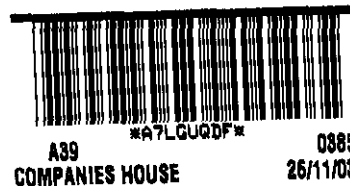


Company Registration No. 1543521 (England and Wales)

BLIZZARD MUSIC LIMITED

**DIRECTOR'S REPORT
AND FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 JANUARY 2003



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

CONTENTS

	Page
Director's report	1
Profit and loss account	2
Balance sheet	3
Notes to the financial statements	4 - 6

BLIZZARD MUSIC LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 JANUARY 2003

The director presents his report and the unaudited financial statements of the company for the year ended 31 January 2003.

Principal activities

The principal activity of the company was music publishing.

Director

The following director has held office since 1 February 2002:

JOHN OSBOURNE

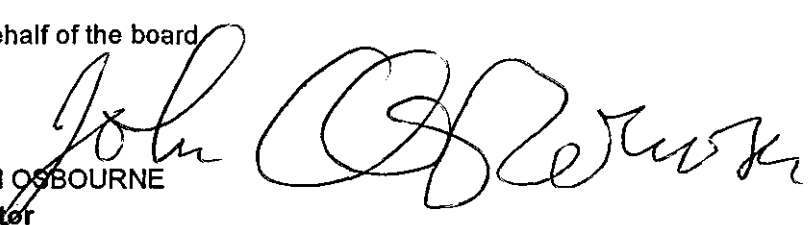
Director's interests

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 2003	1 February 2002
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.

On behalf of the board


JOHN OSBOURNE
Director
21 August 2003

BLIZZARD MUSIC LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 JANUARY 2003

	Notes	2003 £	2002 £
Turnover	2	240,700	228,588
Administrative expenses		(239,980)	(222,876)
Operating profit		720	5,712
Other interest receivable and similar income		1,426	4,816
Interest payable and similar charges		(126)	-
Profit on ordinary activities before taxation		2,020	10,528
Tax on profit on ordinary activities	3	(529)	(1,118)
Profit on ordinary activities after taxation	8	1,491	9,410

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 2003

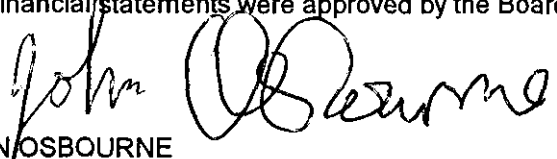
	Notes	2003 £	£	2002 £	£
Fixed assets					
Investments	4		263		263
Current assets					
Debtors	5	91,282		48,504	
Cash at bank and in hand		166,873		165,772	
		<u>258,155</u>		<u>214,276</u>	
Creditors: amounts falling due within one year	6	<u>(181,672)</u>		<u>(139,284)</u>	
Net current assets			<u>76,483</u>		<u>74,992</u>
Total assets less current liabilities			<u><u>76,746</u></u>		<u><u>75,255</u></u>
Capital and reserves					
Called up share capital	7		100		100
Profit and loss account	8		<u>76,646</u>		<u>75,155</u>
Shareholders' funds - equity interests	9		<u><u>76,746</u></u>		<u><u>75,255</u></u>

In preparing these financial statements:

- 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;
- No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- The director acknowledges his 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 21 August 2003


JOHN OSBOURNE
Director

BLIZZARD MUSIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2003

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 2003 75.87 % (2002 - 88.50 %) of the company's turnover was to markets outside the United Kingdom.

BLIZZARD MUSIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2003

3	Taxation	2003	2002
		£	£
	Domestic current year tax		
	U.K. corporation tax	529	1,118
		<u>529</u>	<u>1,118</u>
	Current tax charge	529	1,118
		<u>529</u>	<u>1,118</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	2,020	10,528
		<u>2,020</u>	<u>10,528</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.00 % (2002 : 20.00 %)	384	2,106
		<u>384</u>	<u>2,106</u>
	Effects of:		
	Other tax adjustments	145	(988)
		<u>145</u>	<u>(988)</u>
		145	(988)
		<u>145</u>	<u>(988)</u>
	Current tax charge	529	1,118
		<u>529</u>	<u>1,118</u>
4	Fixed asset investments		
			Shares in group undertakings and participating interests
			£
	Cost		
	At 1 February 2002 & at 31 January 2003		263
			<u>263</u>
5	Debtors	2003	2002
		£	£
	Trade debtors	91,282	48,504
		<u>91,282</u>	<u>48,504</u>

BLIZZARD MUSIC LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2003

6	Creditors: amounts falling due within one year	2003	2002
		£	£
	Trade creditors	159,466	106,639
	Taxation and social security	2,404	1,492
	Other creditors	19,802	31,153
		<u>181,672</u>	<u>139,284</u>
7	Share capital	2003	2002
		£	£
	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>
8	Statement of movements on profit and loss account		Profit and loss account
			£
	Balance at 1 February 2002		75,155
	Retained profit for the year		<u>1,491</u>
	Balance at 31 January 2003		<u>76,646</u>
9	Reconciliation of movements in shareholders' funds	2003	2002
		£	£
	Profit for the financial year	1,491	9,410
	Opening shareholders' funds	<u>75,255</u>	<u>65,845</u>
	Closing shareholders' funds	<u>76,746</u>	<u>75,255</u>

10 Related party transactions

Included in other creditors at 31 January 2003 was £744 (2002: £8,659) owed to Monowise Limited, a company of which J Osbourne Esq is a director.

During the year, the company paid royalties of £76,168 (2002: £143,575) to Monowise Limited.

Included in trade creditors at 31 January 2003 was £85,128 (2002: £106,640) owed to Monowise Limited, in respect of royalties due.