We hereby certify that the attached accounts are a true copy of the accounts presented to the members at the Annual General Meeting.

(DIRECTOR) (SECRETARY)

MEAN FIDDLER LIMITED

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 1990

Newman & Partners
Chartered Accountants
Lynwood House
24/32 Kilburn High Road
LONDON NW6 5UJ

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MEAN FIDDLER LIMITED

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH JUNE 1990

DIRECTORS	J.V.Power Esq W.Power Esq
SECRETARY	W.Power Esq
REGISTERED OFFICE	Lynwood House 24/32 Kilburn High Road LONDON NW6 5UJ
AUDITORS	Newman & Partners Chartered Accountants Lynwood House 24/32 Kilburn High Road LONDON NW6 5UJ

CONTENTS

	Page
Report of the directors	1 and 2
Report of the auditors	3
Profit and loss account	4
Balance sheet	5
Statement of source and application of funds	6
Notes to the financial statements	7 - 14

The following pages do not form part of the statutory financial statements:-

Trading and profit and loss account	15
Profit and loss account summaries	16

MEAN FIDDLER LIMITED

REPORT OF THE DIRECTORS

The directors present their report and financial statements for the year ended 30th June 1990.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of night club entertainment.

BUSINESS REVIEW AND DIVIDENDS

The state of the company's affairs and trading results for the year are as shown in the attached financial statements.

The directors do not propose to recommend any distribution by way of a dividend.

Turnover has increased during the year by 21% to £2,035,206.

The profit for the financial year as shown in the financial statements amounted to £16,610 (1989: £31,589), which has been transferred to reserves.

FIXED ASSETS

The changes in fixed assets are shown in the notes to the financial statements.

In the opinion of the directors, the value of the company's land and buildings is not materially in excess of that shown in the financial statements in relation to its use in the company's trade.

DIRECTORS AND THEIR INTERESTS

The directors in office during the year and their beneficial interests in the issued ordinary share capital of the company were as follows:-

	At 30.06.90	At 30.06.89
	Number of Ordinary Shares of £1 each	Number of Ordinary Shares of £1 each
J.V.Power Esq	999	999
W.Power Esq	1	1

CLOSE COMPANY PROVISIONS

The company is a close company within the provisions of the Income and Corporation Taxes Act 1988.

AUDITORS

A resolution proposing the re-appointment of Messrs. Newman & Partners Chartered Accountants as auditors of the company will be put to the Annual General Meeting.

BY ORDER OF THE BOARD

W.Power Esq
Secretary

REPORT OF THE AUDITORS

TO THE MEMBERS OF MEAN FIDDLER LIMITED

We have audited the financial statements on pages 4 to 14 in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 30th June 1990 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Newman & Partners
Chartered Accountants
Lynwood House
24/32 Kilburn High Road
LONDON NW6 5UJ

25 APR 1991

MEAN FIDDLER LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30TH JUNE 1990

	Note	1990 £	1990 £	1989 £	1989 £
TURNOVER	2.		2,035,206		1,676,575
Cost of sales			(1,116,138)		(1,042,141)
GROSS PROFIT			919,068		634,434
Selling and distribution costs		146,052		111,400	
Administrative expenses		369,430		274,549	
Other operating charges		256,781		178,518	
			772,263		564,467
			146,805		69,967
OTHER OPERATING INCOME Rent receivable			46,937		10,440
OPERATING PROFIT	3.		193,742		80,407
Interest payable	6.		(163,979)		(48,818)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			29,763		31,589
Tax on profit on ordinary activities	7.		(13,153)		-
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION			16,610		31,589
Accumulated (loss) brought forward			(58,103)		(89,692)
ACCUMULATED (LOSS) CARRIED FORWARD			(41,493)		(58,103)

The notes on pages 7 to 14 form part of these financial statements.

MEAN FIDDLER LIMITED

BALANCE SHEET AS AT 30TH JUNE 1990

	Note	1990 £	1990 £	1989 £	1989 £
FIXED ASSETS					
Tangible assets	8.		2,917,370		1,645,511
Investments	9.		452		200
			2,917,822		1,645,711
CURRENT ASSETS					
Stock	10.	17,959		16,046	
Debtors	11.	766,293		375,430	
Cash at bank and in hand		13,199		22,221	
		797,451		413,697	
CREDITORS: amounts falling due within one year	12.	815,037		540,815	
NET CURRENT (LIABILITIES)			(17,586)		(127,118)
TOTAL ASSETS LESS CURRENT LIABILITIES			2,900,236		1,518,593
CREDITORS: amounts falling due after more than one year	13.		2,206,625		841,592
			693,611		677,001
CAPITAL AND RESERVES					
Called up share capital	16.		1,000		1,000
Revaluation reserve	17.		734,104		734,104
Profit and loss account			(41,493)		(58,103)
			693,611		677,001

The financial statements were approved by the board on _____

_____

_____ Directors

The notes on pages 7 to 14 form part of these financial statements.

MEAN FIDDLER LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

FOR THE YEAR ENDED 30TH JUNE 1990

	1990		1989	
	£	£	£	£
SOURCE OF FUNDS				
Profit on ordinary activities before taxation		29,763		31,589
Adjustment for items not involving the movement of funds:				
Depreciation of fixed assets		50,527		49,487
TOTAL GENERATED FROM / (APPLIED TO) OPERATIONS		80,290		81,076
FUNDS FROM OTHER SOURCES				
Mortgage loans	1,222		168,532	
Other loans	1,363,811		256,393	
		1,365,033		424,925
		1,445,323		506,001
APPLICATION OF FUNDS				
Purchase of tangible fixed assets	(1,322,386)		(361,284)	
Purchase of investments	(252)		(200)	
		(1,322,638)		(361,484)
WORKING CAPITAL - INCREASE		122,685		144,517
CHANGES IN WORKING CAPITAL				
Stock		1,913		(316)
Debtors		390,863		369,728
Creditors		(224,398)		(157,553)
		168,378		211,859
MOVEMENT IN NET LIQUID FUNDS				
Cash at bank and in hand	(9,022)		9,650	
Mortgage loans	-		(28,871)	
Other loans	(13,922)		(18,711)	
Bank overdraft	(22,749)		(29,410)	
		(45,693)		(67,342)
		122,685		144,517

The notes on pages 7 to 14 form part of these financial statements.

1. ACCOUNTING POLICIES

a) Accounting convention

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets.

b) Depreciation

Tangible fixed assets are depreciated at annual rates to write off the cost of the assets over their estimated useful lives using the following methods and rates:-

	% per annum	Method
Long leasehold property	2	straight line
Short leasehold property	-	over lease term
Fixtures, fittings and equipment	25	reducing balance
Motor vehicles	25	reducing balance
Computer	33 1/3	reducing balance

It is Company p licy to maintain its properties in a state of good repair to prolong their useful lives, and in the case of freehold properties the directors consider that the lives of these properties and their residual values are such that their depreciation is not significant. Accordingly no depreciation is provided on freehold properties.

c) Stock

Stock is valued at the lower of cost and net realisable value.

Provision is made where necessary for obsolete, slow moving and defective stock.

d) Deferred taxation

Provision is made for deferred taxation, using the liability method, on all material timing differences which are not expected to continue in the future.

e) Leasing and hire purchase commitments

Assets obtained under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives. The interest element of the rental obligations is charged to the profit and loss account over the period of the agreements and represents a constant proportion of the balance of capital repayments outstanding. Rentals paid under operating leases are dealt within the profit and loss account as incurred.

f) Pension scheme funding

Contributions by the company to pension schemes are charged against income for the year in which the contributions are made.

2. TURNOVER

Turnover represents the invoiced amount of goods sold and services provided (stated net of value added tax) during the year.

3. OPERATING PROFIT

This is stated after charging:	1990 £	1989 £
Directors emoluments (including pensions)	106,114	99,610
Auditors remuneration	16,800	16,368
Hire of equipment	49,600	37,600
Depreciation	50,527	49,487

4. DIRECTORS EMOLUMENTS

	1990 £	1989 £
Remuneration	91,664	91,664
Directors pension scheme	10,040	4,168
Benefits-in-kind	4,410	3,778
	106,114	99,610

	£	£
Chairman's emoluments (including benefits-in-kind, excluding pensions)	91,910	88,778

Particulars of other directors' emoluments (excluding pensions) were within the following ranges :-

	Number	Number
£ 1 to £ 5,000	1	-
£ 5,001 to £10,000	-	1

5. STAFF COSTS (Includes directors remuneration)

	1990 £	1989 £
Wages and salaries	272,474	223,852
Social security costs	22,865	18,409
Directors pension scheme	10,040	4,168
Directors medical insurance	410	490
	305,789	246,919

	Number	Number
The average number of persons employed by the company, including directors, during the year was:-		
Category:		
Office and management	9	9
Bar and catering	15	14
	24	23

6. INTEREST PAYABLE AND SIMILAR CHARGES

	1990 £	1989 £
Bank overdraft	12,864	5,699
Bank loan	5,117	-
Other loan	111,439	30,657
Mortgage interest	29,582	11,105
Hire purchase charges	188	1,155
Interest on tax	2,199	202
VAT surcharge	2,590	-
	163,979	48,818

7. TAX ON PROFIT ON ORDINARY ACTIVITIES

	1990 £	1989 £
Based on profit for the year:		
Corporation tax at relevant rates	13,153	-

8. FIXED ASSETS

COST OR VALUATION	As at 01.07.89 £	Additions £	Revaluation surplus £	Disposals £	As at 30.06.90 £
Freehold properties	1,368,205	1,282,333	-	-	2,650,538
Leasehold properties	161,195	-	-	-	161,195
Fixtures, fittings and equipment	206,697	22,537	-	-	229,234
Motor vehicles	18,350	-	-	-	18,350
Computer	-	17,516	-	-	17,516
	1,754,447	1,322,386	-	-	3,076,833

DEPRECIATION	As at 01.07.89 £	Provided in the year £	£	As at 30.06.90 £
Freehold properties	-	-	-	-
Leasehold properties	9,005	7,781	-	16,786
Fixtures, fittings and equipment	92,624	34,152	-	126,776
Motor vehicles	7,307	2,761	-	10,068
Computer	-	5,833	-	5,833
	108,936	50,527	-	159,463

NET BOOK VALUES	As at 30.06.90 £	As at 30.06.89 £
Freehold properties	2,650,538	1,368,205
Leasehold properties	144,409	152,190
Fixtures, fittings and equipment	102,458	114,073
Motor vehicles	8,282	11,043
Computer	11,683	-
	2,917,370	1,645,511

A summary of land and buildings is as follows:

	Freehold £	Long Leasehold £	Short Leasehold £	Total £
Valuation - pre 1988	572,387			572,387
- 1989	61,717		100,000	161,717
Cost	2,016,434	61,195		2,077,629
	2,650,538	61,195	100,000	2,811,733
Aggregate depreciation	-	3,672	13,114	16,786
Net book value	2,650,538	57,523	86,886	2,794,947

8. FIXED ASSETS.....cont/d

In accordance with the company's accounting policy no depreciation is provided on freehold land and buildings which are maintained at a high standard.
This contravenes the provisions of the Companies Act 1985 and Statement of Standard Accounting Practice Number 12 'Accounting for Depreciation'. If a provision for depreciation were made based on a useful economic life of 50 years the charge would have been £ 37,107 (1989: £ 19,155).

In view of the company's policy of expansion and continued ownership the likelihood of any taxation liabilities arising is remote. Accordingly the potential deferred taxation in respect of these properties has not been quantified.

9. INVESTMENTS	1990	1989
Investment in subsidiary companies is as follows:		
Powerhaus (Music) Limited - 100% shareholding of 100 ordinary shares of £1 each	100	100
Subterania Limited - 100% shareholding of 100 ordinary shares of £1 each	100	100
Rumbrand Limited - 100% shareholding of 100 ordinary shares of £1 each	100	-
The Grand Theatre Limited* - 100% shareholding of 100 ordinary shares of £1 each	100	-
Investment in associated companies is as follows:		
Windfield (Promotions) Limited - 50% shareholding of 50 ordinary shares of £1 each	50	-
Rockfield Promotions Limited - 50% shareholding of 1 ordinary share of £1 each	1	-
Powerhaus Promotions Limited* - 50% shareholding of 1 ordinary share of £1 each	1	-
	452	200

All companies are incorporated in the UK.

Subsidiary companies are engaged in the provision of night club entertainment except Rumbrand Limited and The Grand Theatre Limited which have not commenced trading.

Associated companies are engaged in promotion and production of concerts.

* The shares are held in trust by J V Power Esq.

10. STOCK

	1990 £	1989 £
Stocks for resale	17,959	16,046

11. DEBTORS

	1990 £	1989 £
Amounts owed by group companies	730,869	349,338
Amounts owed by asscciate companies	12,698	-
Other debtors	10,000	400
Prepayments	12,726	25,692
	766,293	375,430

12. CREDITORS : amounts falling due within one year

	Note	1990 £	1989 £
Other loan	14.	82,633	68,711
Mortgage loans	15.	28,871	28,871
Bank overdraft (see below)		102,453	79,704
Obligations under hire purchase contracts		-	880
Amounts due to group companies		56,962	-
Amounts due to associate companies		22,159	-
Trade creditors		269,690	227,501
Current corporation tax		13,153	-
Other taxes and social security costs		137,452	76,249
Directors' loan accounts		39,447	25,492
Accruals		62,217	33,407
		815,037	540,815

The bank overdraft is secured by a charge on a leasehold property.

13. CREDITORS: amounts falling due after more than one year		1990 £	1989 £
Other loan	14.	2,036,871	673,060
Mortgage loans	15.	169,754	168,532
		2,206,625	841,592
Repayable as follows:			
Between two and five years		1,850,287	452,658
Over five years		356,338	388,934
		2,206,625	841,592
Within one year		111,504	97,582
		2,318,129	939,174

The amount stated above as repayable between two and five years, includes, £ 1,350,000, which cannot be further analysed for amounts repayable beyond five years as the loan terms have not been agreed. In addition loans amounting to £ 169,754 (1989: 168,532) cannot be further analysed beyond five years as repayments vary in line with market rates of interest.

14. OTHER LOAN

This loan is repayable by monthly instalments.
Interest is being charged at the rate of 5% per annum and the loan is secured by a charge on land and buildings of the company.

15. MORTGAGE LOANS

These represent repayment loans from a building society with interest being charged at the prevailing market rates.
The loan is secured by a charge on certain leasehold and freehold land and buildings.

16. SHARE CAPITAL

	1990 £	1989 £
Authorised		
1,000 Ordinary shares of £1 each	1,000	1,000
	£	£
Allotted, called up and fully paid		
1,000 Ordinary shares of £1 each	1,000	1,000

17. REVALUATION RESERVE

	1990 £	1989 £
Balance as at 1st July 1989	734,104	572,387
Surplus on revaluation	-	161,717
Balance as at 30th June 1990	734,104	734,104

18. CAPITAL COMMITMENTS

	1990 £	1989 £
Authorised by the directors, but not contracted	1,000,000	-

19. PENSION SCHEME FUNDING

The company operates a defined contribution scheme. The assets of the scheme are held separately from those of the company. This fund is under the control of trustees, who have invested it with a UK insurance company.

The pension cost charge represents contributions to the fund payable by the company under the rules of the scheme. The charge for the year amounted to £ 10,040 (1989: £ 4,168).