

MUSIC SALES INTERNATIONAL LIMITED

FINANCIAL STATEMENTS

31ST DECEMBER 1997

REGISTERED NUMBER 1350376



## MUSIC SALES INTERNATIONAL LIMITED

### REPORT OF THE DIRECTORS

The directors present their report together with financial statements for the year ended 31st December 1997.

#### 1. Activities

The company has not traded during the year. There has been no income or expenditure and any expenses have been met by the holding company. For these reasons no change has arisen in the company's position and a profit and loss account is accordingly not submitted.

#### 2. Directors

The directors in office at the end of the year are listed below. All served on the Board throughout the year, except as noted.

R. Wise (U.S.A.)  
M. P. Grabham

The interests of the directors, who are all directors of the ultimate parent company, are disclosed in the ultimate parent company's financial statements.

#### 3. Directors' responsibilities for the financial statements

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records, for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### 4. Ultimate holding company

The ultimate parent company of this company is Music Sales Group Limited, which is registered in England and Wales. Music Sales Group Limited is the largest and smallest group undertaking for which group accounts are prepared.

#### 5. Tax status

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

MUSIC SALES INTERNATIONAL LIMITED

REPORT OF THE DIRECTORS (continued)

6. Auditors

A special resolution having previously been adopted in General Meeting of the Company, that section 384(1) of the Companies Act 1985 shall not apply to the Company as the Company is a dormant company in accordance with the provisions of Section 250(1) of the Companies Act 1985, no auditors shall be appointed.

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to read 'N. O. Wignall', with a long horizontal stroke extending to the right.

N. O. WIGNALL  
Company Secretary

8/9 Frith Street  
London W1V 5TZ  
28th April 1998

MUSIC SALES INTERNATIONAL LIMITED

BALANCE SHEET AS AT 31ST DECEMBER 1997 and 1996

	£
Creditors	(19,543)
	<hr/>
Total liabilities	£(19,543)
	<hr/>
Capital and reserves	
Called up share capital	
Authorised	
2,000,000 ordinary shares of £1 each	<u>£2,000,000</u>
Allotted, called up and fully paid :	
100 ordinary shares of £1 each	100
Profit and loss account	(19,643)
	<hr/>
	£(19,543)
	<hr/>

The company was dormant within the meaning of section 250(4)(c) of the Companies Act 1985, throughout the financial year ended 31st December 1997.

The financial statements were approved by the Board of Directors on 28th April 1998.



M. P. GRABHAM  
Director