

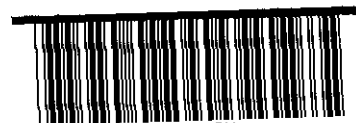
Company No: 1480955

LONDON MUSICIANS LTD

**REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
28TH FEBRUARY 2001**

.....
Altman, Blane & Co
Chartered Accountants
Middlesex House
29/45 High Street
Edgware
Middx. HA8 7LH
.....



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LONDON MUSICIANS LTD

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28TH FEBRUARY 2001**

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LONDON MUSICIANS LTD

DIRECTORS' REPORT

The directors present their annual report with the financial statements of the company for the year ended 28th February 2001.

PRINCIPAL ACTIVITIES

The principal activities of the company during the financial year continues to be that of the management of musical groups and orchestrating and arranging of musical compositions. These activities were however substantially curtailed from the beginning of the current year due to several artistes having left the company.

DIVIDENDS

No dividends were paid during the year and no recommendation is made as to dividends (2000 - £220,000).

DIRECTORS AND THEIR INTERESTS

The directors in office in the year and their beneficial interests in the company at the balance sheet date and the beginning of the year were as follows:

		Number of Shares	
		2001	2000
D White	Ordinary Shares	1,000	-
ET White	Ordinary Shares	-	500
M Reed	Ordinary Shares	1,000	1,000
R Addison	Ordinary Shares	1,000	1,000
S Sanders	Ordinary Shares	1,000	1,000

CLOSE COMPANY


The company is a close company, as defined by the Income and Corporation Taxes Act 1988.

SMALL COMPANY EXEMPTIONS

The above 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:


.....
D White (Director)

 Date 6/5.....2001

LONDON MUSICIANS LTD
ACCOUNTANTS' REPORT TO THE DIRECTORS

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 28 February 2001 set out on pages 3 to 10 and you consider that the company is exempt from an audit and a report under section 249A(1) of the Companies Act 1985.

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.



Altman, Blane & Co
Chartered Accountants
Middlesex House
29/45 High Street
Edgware
Middx. HA8 7LH

12/6/01

LONDON MUSICIANS LTD

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 28TH FEBRUARY 2001**

	Notes	2001 £	2000 £
TURNOVER		311,083	899,342
Cost of sales		276,188	675,292
GROSS PROFIT		<u>34,895</u>	<u>224,050</u>
Net operating expenses		<u>28,296</u>	<u>232,052</u>
OPERATING PROFIT / (LOSS)	2		
Continuing operations		6,599	(8,002)
Investment income and interest receivable		3	3
PROFIT / (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>6,602</u>	<u>(7,999)</u>
Tax on profit / (loss) on ordinary activities	4	353	133
PROFIT / (LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		<u>6,249</u>	<u>(8,132)</u>
Dividends	5	-	220,000
RETAINED PROFIT / (ACCUMULATED LOSS) FOR THE FINANCIAL YEAR	10	<u><u>6,249</u></u>	<u><u>(228,132)</u></u>

*The notes on pages 6 to 10 form part of these financial statements.
Compiled without audit or independent verification - refer accountants' report.*

LONDON MUSICIANS LTD

**BALANCE SHEET
AT 28TH FEBRUARY 2001**

	Notes	£	2001 £	£	2000 £
FIXED ASSETS					
Tangible assets	6		38,682		44,139
CURRENT ASSETS					
Debtors	7	1,545		23,664	
Cash at bank and in hand		142		140	
		<u>1,687</u>		<u>23,804</u>	
CREDITORS: amounts falling due within one year					
	8	<u>28,142</u>		<u>61,965</u>	
NET CURRENT LIABILITIES			(26,455)		(38,161)
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>12,227</u>		<u>5,978</u>
CAPITAL AND RESERVES					
Called up share capital	9		5,000		5,000
Profit and loss account	10		7,227		978
TOTAL SHAREHOLDERS' FUNDS			<u>12,227</u>		<u>5,978</u>

*The notes on pages 6 to 10 form part of these financial statements.
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LONDON MUSICIANS LTD

**BALANCE SHEET
AT 28TH FEBRUARY 2001**

The directors have taken advantage of the exemption conferred by section 249A(1) not to have these financial statements audited and confirm that no notice has been deposited under section 249B(2) of the Companies Act 1985. The directors acknowledge their responsibilities for ensuring that:

- i) The company keeps accounting records which comply with section 221 of the Companies Act 1985;
- ii) The financial statements give a true and fair view of the state of affairs of the company as at 28 February 2001 and of its profit or loss for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Approved by the board of directors on 6 Feb 2001 and signed on its behalf by:



.....
D White
Director

*The notes on pages 6 to 10 form part of these financial statements.
Compiled without audit or independent verification - refer accountants' report.*

LONDON MUSICIANS LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28TH FEBRUARY 2001

1. STATEMENT OF ACCOUNTING POLICIES

The accounts have been prepared under the historical cost convention.

The following paragraphs summarise the more important accounting policies of the company which are the same as in previous years.

Turnover

Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the year. All activities of the company are continuing.

Depreciation of tangible fixed assets

Depreciation has been calculated on the reducing balance basis to depreciate Fixed Tangible Assets over their estimated useful lives using the following rates of depreciation:

Instruments	10%
Office Fixtures and Fittings	10%
Motor Vehicles	25%
Computer Equipment	20%

Deferred taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, using the liability method, only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability will crystallise in the near future.

Operating lease commitments

Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Pension costs

The company operates a money purchase (defined contribution) pension scheme. Contributions payable to this scheme are charged to the profit and loss account in the period to which they relate. These contributions are invested separately from the company's assets.

LONDON MUSICIANS LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28TH FEBRUARY 2001

2. OPERATING PROFIT / (LOSS)

Operating profit / (loss) is stated	2001 £	2000 £
After charging:		
Depreciation of fixed assets	6,130	14,282
Loss on disposal of tangible assets	-	2,102
Auditors' remuneration	-	3,750

3. PENSION COSTS

Money purchase (defined contribution) pension scheme

The company operates a money purchase (defined contribution) pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £284 (2000: £1,250).

4. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2001 £	2000 £
The taxation charge comprises:		
Corporation tax at 10% (2000 - 20%)	512	-
Adjustment in respect of prior years	(159)	133
	<u>353</u>	<u>133</u>

5. DIVIDENDS

	2001 £	2000 £
On ordinary shares:		
Dividends	-	220,000

Compiled without audit or independent verification - refer accountants' report.

LONDON MUSICIANS LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28TH FEBRUARY 2001

6. TANGIBLE FIXED ASSETS

	Musical Instruments £	Fixtures and Equipment £	Motor Vehicles £	Total £
Cost:				
At 1 Mar. 00	14,236	79,787	3,605	97,628
Additions	-	674	-	674
At 28 Feb. 01	14,236	80,461	3,605	98,302
Depreciation:				
At 1 Mar. 00	4,693	46,713	2,084	53,490
Charge for year	954	4,796	380	6,130
At 28 Feb. 01	5,647	51,509	2,464	59,620
Net book value:				
At 28 Feb. 01	8,589	28,952	1,141	38,682
At 29 Feb. 00	9,543	33,075	1,521	44,139

7. DEBTORS

	2001 £	2000 £
Trade debtors	1,545	16,488
Other debtors and prepayments	-	7,176
	1,545	23,664

8. CREDITORS: amounts falling due within one year

	2001 £	2000 £
Bank overdraft	4,793	27,788
Trade creditors	11,264	10,393
Taxation and social security	4,179	4,560
Other creditors and accruals	7,906	19,224
	28,142	61,965

Compiled without audit or independent verification - refer accountants' report.

LONDON MUSICIANS LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 28TH FEBRUARY 2001

9. SHARE CAPITAL

	2001	2000
	£	£
Authorised:		
Equity interests:		
50,000 Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>
Allotted, called up and fully paid:		
Equity interests:		
5,000 Ordinary Shares of £1 each	<u>5,000</u>	<u>5,000</u>

10. PROFIT AND LOSS ACCOUNT

	2001	2000
	£	£
Retained profit at 1st March 2000	978	229,110
Profit for the year	<u>6,249</u>	<u>(228,132)</u>
Retained profit at 28th February 2001	<u>7,227</u>	<u>978</u>

11. STATEMENT OF DIRECTORS RESPONSIBILITIES

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:

- a. Select suitable accounting policies and then apply them consistently.
- b. Make judgements and estimates that are reasonable and prudent.
- c. 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 which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Compiled without audit or independent verification - refer accountants' report.

LONDON MUSICIANS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28TH FEBRUARY 2001**

12. RELATED PARTY DISCLOSURES

The company was controlled throughout the current and the previous period by its directors, who owned altogether 80% (2000 - 70%) of the entire issued share capital of the company as shown in the Directors' Report.

Compiled without audit or independent verification - refer accountants' report.