

COMPANY NO: 1712438

OLDFIELD MUSIC OVERSEAS LIMITED

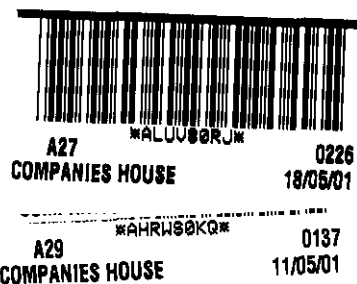
REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2000

CONTENTS:

Pages 1 and 2	:	Directors' Report
Page 3	:	Auditors' Report
Page 4	:	Profit and Loss Account
Page 5	:	Balance Sheet
Pages 6 to 8	:	Notes on the Accounts
Page 10	:	Statement of Other Operating Charges

RE-SCAN



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221

OLDFIELD MUSIC OVERSEAS LIMITED**REPORT OF THE DIRECTORS**

The Directors submit their Report and Accounts for the year ended 31st December 2000.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company Law requires the Directors to prepare financial statements for each financial year which gives a true and fair view of the state of affairs of the Company and of the profit and 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;
- 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 of fraud and other irregularities.

PRINCIPAL ACTIVITY

The principal activity of the Company continues to be record production, live musical performances and merchandising.

RESULTS AND DIVIDENDS

The trading profit for the year, after taxation, amounted to £59,597

A dividend of £600 per share was paid on 31st December 2000.

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

The Company is continuing a policy of expansion and the Directors are optimistic that the next accounting period will be a profitable one.

FIXED ASSETS

The movements in Fixed Assets are set out in Note 5 to the Accounts.

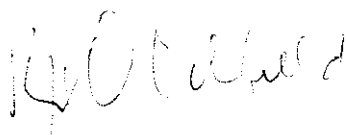
OLDFIELD MUSIC OVERSEAS LIMITED**REPORT OF THE DIRECTORS (Continued)****DIRECTORS**

The Directors of the Company who have served during the year, together with details of their interests in the shares of the Company, are as shown below:-

	<u>Ordinary £1 Shares</u>	
	<u>2000</u>	<u>1999</u>
M G Oldfield	99	99
Dr R Oldfield	-	-
A D Russell	-	-
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TAXATION STATUS

The 'close company' provisions of the Income and Corporation Taxes Act 1988 apply to the Company and there is no undistributed income to be apportioned between the participators.

BY ORDER OF THE BOARD

Dr R Oldfield
SECRETARY

112 Jermyn Street
London SW1Y 6LS

Dated: 11th January 2001

AUDITORS' REPORT**TO THE MEMBERS OF OLDFIELD MUSIC OVERSEAS LIMITED**

We have audited the financial statements on pages 4 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described in the Directors' Report, the Company's Directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

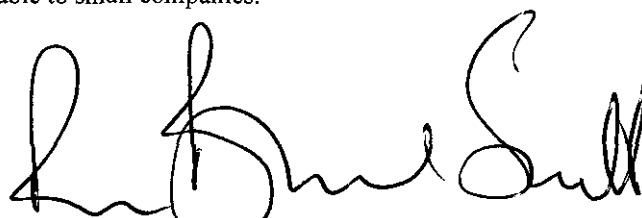
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant statements and adjustments made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

The accounts have been prepared on a going concern basis, the validity of which depends upon the continued support of the creditors. The financial statements do not include any adjustments that would result from a failure to obtain funding. Details of the circumstances relating to this fundamental uncertainty are described in Note 1. Our opinion is not qualified in this respect.

We planned and performed our audit so as to obtain all the information and explanation which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the state of the Company's affairs at 31st December 2000 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



ROSS, BENNET-SMITH
Registered Auditors and
Chartered Accountants

112 Jermyn Street
LONDON SW1Y 6LS

Dated: 11th January 2001

OLDFIELD MUSIC OVERSEAS LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31ST DECEMBER 2000**

	<u>Note</u>	<u>2000</u>	<u>1999</u>
		£	£
<u>FEES RECEIVABLE</u>	1	332,799	1,786,062
Salaries		164,912	1,100
Depreciation		5,653	6,387
Other Operating Charges		106,591	1,169,647
		<hr/>	<hr/>
		277,156	1,177,134
		<hr/>	<hr/>
<u>OPERATING PROFIT</u>		55,643	608,928
		<hr/>	<hr/>
Interest Receivable	3	18,954	16,848
		<hr/>	<hr/>
<u>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</u>	4	74,597	625,776
Taxation	5	15,000	208,552
		<hr/>	<hr/>
<u>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</u>		59,597	417,224
Dividends		60,000	-
		<hr/>	<hr/>
		(403)	417,224
		<hr/>	<hr/>
<u>RETAINED PROFIT BROUGHT FORWARD</u>		434,553	17,329
		<hr/>	<hr/>
<u>RETAINED PROFIT CARRIED FORWARD</u>		434,150	434,553
		<hr/>	<hr/>

OLDFIELD MUSIC OVERSEAS LIMITED**BALANCE SHEET****AS AT 31ST DECEMBER 2000**

	<u>Note</u>	<u>2000</u>	<u>1999</u>
		£	£
<u>FIXED ASSETS</u>	6	22,609	25,547
<u>CURRENT ASSETS</u>			
Debtors	7	353,394	575,482
Bank Balances		432,009	849,904
		<hr/>	<hr/>
		785,403	1,425,386
<u>CREDITORS</u>			
Amounts Falling Due Within One Year	8	373,762	1,016,280
		<hr/>	<hr/>
<u>NET CURRENT ASSETS/(LIABILITIES)</u>		411,641	409,106
		<hr/>	<hr/>
<u>NET ASSETS</u>		434,250	434,653
		<hr/> <hr/>	<hr/> <hr/>
<u>Financed by:</u>			
<u>CAPITAL AND RESERVES</u>			
Share Capital	9	100	100
Profit and Loss Account		434,150	434,553
		<hr/>	<hr/>
		434,250	434,653
		<hr/> <hr/>	<hr/> <hr/>



M G OLDFIELD

OLDFIELD MUSIC OVERSEAS LIMITED**NOTES ON THE ACCOUNTS****FOR THE YEAR ENDED 31ST DECEMBER 2000****1 ACCOUNTING POLICIES****a) Accounting Convention:**

The Accounts are prepared under the historical cost convention on a going concern basis with the continued support of the creditors. Should this support cease then the going concern basis would not be appropriate and adjustments would need to be made to the Accounts to reflect this.

The Company has taken advantage of the exemption given in Financial Reporting Standard No 1 from the requirement to produce a cashflow statement on the grounds that it is a small company.

b) Turnover:

This is the amount receivable for the year, net of Value Added Tax, for services provided.

c) Depreciation:

Equipment is depreciated to write-off the cost on a reducing balance basis at an annual rate of 20%.

2	<u>INTEREST RECEIVABLE</u>	<u>2000</u>	<u>1999</u>
		<u>£</u>	<u>£</u>
	Bank Deposit Interest	18,954	16,848
3	<u>PROFIT BEFORE TAXATION</u>	<u>=====</u>	<u>=====</u>
	Profit before taxation is after accounting for:-		
	Directors' Remuneration	1,000	1,000
	Audit Fee	1,000	1,000
4	<u>TAXATION</u>	<u>=====</u>	<u>=====</u>
	United Kingdom Corporation Tax payable on results for the year	15,000	207,350
	Under/(Overprovision) in respect of previous year	-	1,202
		<u>=====</u>	<u>=====</u>
		15,000	208,552
		<u>=====</u>	<u>=====</u>

OLDFIELD MUSIC OVERSEAS LIMITED**NOTES ON THE ACCOUNTS (Continued)****FOR THE YEAR ENDED 31ST DECEMBER 2000**

5	<u>FIXED ASSETS</u>	<u>Equipment</u>	<u>£</u>
	<u>Costs</u>		
	At beginning of year	91,301	
	Additions	2,715	
		<hr/>	
	At end of year	94,016	
		<hr/>	
	<u>Depreciation</u>		
	At beginning of year	65,754	
	Provided this year	5,653	
		<hr/>	
	At end of year	71,407	
		<hr/>	
	<u>Net Book Value</u>		
	At beginning of year	25,547	
		<hr/>	
	At end of year	22,609	
		<hr/>	
6	<u>DEBTORS</u>	<u>2000</u>	<u>1999</u>
		<u>£</u>	<u>£</u>
	Loan Receivable : Associated Companies	350,277	565,777
	Other Debtors and Prepayments	3,117	9,705
		<hr/>	<hr/>
		353,394	575,482
		<hr/>	<hr/>

OLDFIELD MUSIC OVERSEAS LIMITED**NOTES ON THE ACCOUNTS (Continued)****FOR THE YEAR ENDED 31ST DECEMBER 2000**

7	<u>CREDITORS: Amounts Falling Due</u>	<u>2000</u>	<u>1999</u>
	<u>Within One Year:</u>	<u>£</u>	<u>£</u>
	Trade Creditors	54,375	177,802
	Loan Repayable : Director	192,077	793,877
	Corporation Tax	15,000	-
	Other Taxes and Social Security Costs	85,132	20,601
	Accruals	27,178	24,000
		<hr/>	<hr/>
		373,762	1,016,280
		<hr/>	<hr/>
8	<u>SHARE CAPITAL</u>		
	<u>Authorised, Issued and Fully Paid</u>		
	100 Ordinary Shares at £1 each	100	100
		<hr/>	<hr/>
9	<u>PENSION COMMITMENTS</u>		
	The Company has a small self-administered pension scheme for its present Directors. Premiums paid to this scheme during the year amounted to:	5,000	5,000
		<hr/>	<hr/>

OLDFIELD MUSIC OVERSEAS LIMITED**STATEMENT OF OTHER OPERATING CHARGES****FOR THE YEAR ENDED 31ST DECEMBER 2000**

	<u>2000</u>	<u>1999</u>
	<u>£</u>	<u>£</u>
Tour Costs	-	1,030,661
Management Commission	21,118	-
Royalties Payable	1,918	-
Travelling Expenses	3,171	10,307
Rent	8,892	8,850
Legal and Professional Charges	20,827	17,782
Audit & Accountancy Fees	16,000	16,000
Bank Charges	274	297
Repairs and Renewals to Equipment	326	-
Equipment Hire	20,000	25,000
Office Expenses	1,065	161
Production Costs	13,000	17,494
Foreign Taxes Written Off	-	43,095
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	106,591	1,169,647
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