

COMPANY NO: 1712438

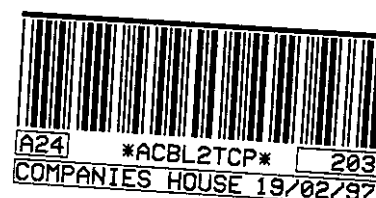
OLDFIELD MUSIC OVERSEAS LIMITED

REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 1996

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OLDFIELD MUSIC OVERSEAS LIMITEDREPORT OF THE DIRECTORS

The Directors submit their Report and Accounts for the year ended 31st December 1996.

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:-

- select suitable accounting policies and then apply them consistently
- make judgments 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 loss for the year, after taxation amounted to £ 113,594.

The Directors do not recommend the payment of a dividend.

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 6 to the Accounts.

OLDFIELD MUSIC OVERSEAS LIMITEDREPORT OF THE DIRECTORS (Continued)DIRECTORS

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

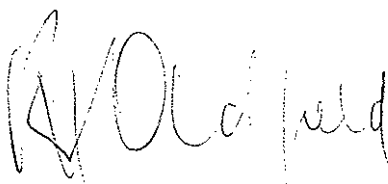
	<u>31. 12. 96</u>	<u>31. 12. 95</u>
	<u>Ordinary £1</u>	<u>Ordinary £1</u>
M. G. OLDFIELD	99	99
DR. R. OLDFIELD	NIL	NIL
A. D. RUSSELL	NIL	NIL

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

X Dr. R. Oldfield  
SECRETARY



112 Jermyn Street,  
LONDON SW1Y 6LS

Dated: 9th January 1997

OLDFIELD MUSIC OVERSEAS LIMITEDPROFIT AND LOSS ACCOUNTFOR THE YEAR ENDED 31ST DECEMBER 1996

		<u>1996</u>	<u>1995</u>
	<u>Note</u>	<u>£</u>	<u>£</u>
<b><u>FEES RECEIVABLE</u></b>	1	60,957	860,431
Salaries		23,142	23,290
Depreciation		11,477	8,621
Other Operating Charges		177,413	329,789
		<hr/>	<hr/>
		212,032	361,700
		<hr/>	<hr/>
<b><u>OPERATING (LOSS)/PROFIT</u></b>		( 151,075)	498,731
Interest Payable	2	( 281)	( 146)
Interest Receivable	3	11,671	25,105
		<hr/>	<hr/>
		11,390	24,959
		<hr/>	<hr/>
<b><u>(LOSS)/PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</u></b>	4	( 139,685)	523,690
Taxation	5	26,091	( 251,866)
		<hr/>	<hr/>
<b><u>(LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</u></b>		( 113,594)	271,824
Dividends		-	375,000
		<hr/>	<hr/>
		( 113,594)	( 103,176)
<b><u>RETAINED PROFIT</u></b>			
<b><u>Brought Forward</u></b>		82,665	185,841
		<hr/>	<hr/>
<b><u>(DEFICIT)/RETAINED PROFIT</u></b>			
<b><u>Carried Forward</u></b>		( 30,929)	82,665
		=====	=====

OLDFIELD MUSIC OVERSEAS LIMITEDBALANCE SHEETAS AT 31ST DECEMBER 1996

		<u>1996</u>		<u>1995</u>	
	<u>Note</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
<u>FIXED ASSETS</u>	6		45,911		34,484
<u>CURRENT ASSETS</u>					
Debtors	7	711,322		1,231,824	
Bank Balances		39,665		471,703	
		<hr/>		<hr/>	
		750,987		1,703,527	
<u>CREDITORS</u>					
Amounts Falling Due Within One Year	8	827,727		1,655,246	
		<hr/>		<hr/>	
<u>NET CURRENT (LIABILITIES)/ASSETS</u>			( 76,740)		48,281
			<hr/>		<hr/>
<u>NET (LIABILITIES)/ASSETS</u>			( 30,829)		82,765
			=====		=====
<u>Financed by:</u>					
<u>CAPITAL AND RESERVES</u>					
Share Capital	9		100		100
Profit and Loss Account			( 30,829)		82,665
			<hr/>		<hr/>
			( 30,829)		82,765
			=====		=====

OLDFIELD MUSIC OVERSEAS LIMITEDBALANCE SHEET (Continued)AS AT 31ST DECEMBER 1996

For the year ended 31st December 1996, the company was entitled to the exemption conferred by subsection (1) of the section 249A of the Companies Act 1985.

No notice has been deposited under subsection (2) of section 249B Companies Act 1985 in relation to its accounts for the financial year.

The directors acknowledge their responsibility for:

i) Ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and

ii) 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 the Act relating to accounts, so far as applicable to the company.

ON BEHALF OF THE BOARD



.....  
DIRECTOR

OLDFIELD MUSIC OVERSEAS LIMITEDNOTES ON THE ACCOUNTSFOR THE YEAR ENDED 31ST DECEMBER 19961. ACCOUNTING POLICIESa) Accounting Convention:

The Accounts are prepared under the historical cost convention.

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%.

	<u>1996</u>	<u>1995</u>
	<u>£</u>	<u>£</u>
2. <u>INTEREST PAYABLE</u>		
Bank Overdraft	281	146
	=====	=====

OLDFIELD MUSIC OVERSEAS LIMITEDNOTES ON THE ACCOUNTS (Continued)FOR THE YEAR ENDED 31ST DECEMBER 1996

	<u>1996</u>	<u>1995</u>
	<u>£</u>	<u>£</u>
3. <u>INTEREST RECEIVABLE</u>		
Bank Deposit Interest	11,671	25,105
	=====	=====
4. <u>PROFIT BEFORE TAXATION</u>		
Profit before taxation is after accounting for:-		
Directors' Remuneration	23,142	23,290
Audit Fee	-	3,000
	=====	=====
5. <u>TAXATION</u>		
United Kingdom Corporation Tax payable on results for the year	-	172,776
Overprovision in respect of previous year	26,091	-
Unrelieved Withholding Tax	-	79,090
	=====	=====
	26,091	( 251,866)
	=====	=====



OLDFIELD MUSIC OVERSEAS LIMITEDNOTES ON THE ACCOUNTS (Continued)FOR THE YEAR ENDED 31ST DECEMBER 1996

	<u>Equipment</u>
6. <u>FIXED ASSETS</u>	<u>£</u>
<u>Cost:</u>	
At beginning of year	65,209
Additions in year	22,904
	<hr/>
At end of year	88,113
	=====
<u>Depreciation:</u>	
At beginning of year	30,725
Provided this year	11,477
	<hr/>
At end of year	42,202
	=====
<u>Net Book Value:</u>	
At beginning of year	34,484
	=====
At end of year	45,911
	=====



OLDFIELD MUSIC OVERSEAS LIMITEDSTATEMENT OF OTHER OPERATING CHARGESFOR THE YEAR ENDED 31ST DECEMBER 1996

	<u>1996</u>	<u>1995</u>
	<u>£</u>	<u>£</u>
Recording Costs	15,847	-
Management Commission	4,791	172,019
Royalties Payable	9,047	12,159
Travelling Expenses	1,815	-
General Expenses	460	718
Legal and Professional Charges	15,750	15,500
Audit Fee	-	3,000
Bank Charges	792	448
Repairs and Renewals to Equipment	411	-
Equipment Hire	90,000	100,000
Office Expenses	-	940
Production Costs	38,500	25,005
	<hr/>	<hr/>
	177,413	329,789
	=====	=====