

Company Registration No. 03194214 (England and Wales)

IXION PUBLISHING LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2001

Berley
Chartered Accountants
76 New Cavendish Street
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IXION PUBLISHING LIMITED

CONTENTS

	Page
Directors' report	1
Accountants' report	2
Profit and loss account	3
Balance sheet	4
Notes to the financial statements	5 - 6

IXION PUBLISHING LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2001

The directors present their report and financial statements for the year ended 30 June 2001.

Principal activities

The principal activity of the company during the year was that of music publishing.

Directors

The following directors have held office since 1 July 2000:

K J Kashif
T Kashif
M Oates
T R Oates

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary 'A' shares of £ 1 each	
	30 June 2001	1 July 2000

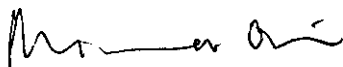
K J Kashif	-	-
T Kashif	1	1
M Oates	-	-
T R Oates	-	-

	Ordinary 'B' shares of £ 1 each	
	30 June 2001	1 July 2000

K J Kashif	-	-
T Kashif	-	-
M Oates	-	-
T R Oates	-	-

This 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



M Oates

Director

19 March 2002

IXION PUBLISHING LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2001

	Notes	2001 £	2000 £
Turnover		136,442	65,191
Administrative expenses		(136,529)	(64,209)
Operating (loss)/profit		(87)	982
Other interest receivable and similar income		12	121
(Loss)/profit on ordinary activities before taxation		(75)	1,103
Tax on (loss)/profit on ordinary activities	2	-	(193)
(Loss)/profit on ordinary activities after taxation	6	(75)	910

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

IXION PUBLISHING LIMITED

BALANCE SHEET AS AT 30 JUNE 2001

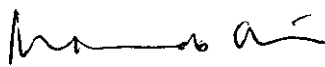
	Notes	2001 £	£	2000 £	£
Current assets					
Debtors	3	20,026		13,479	
Cash at bank and in hand		11,490		2	
		<u>31,516</u>		<u>13,481</u>	
Creditors: amounts falling due within one year	4	<u>(31,293)</u>		<u>(13,183)</u>	
Total assets less current liabilities			<u>223</u>		<u>298</u>
Capital and reserves					
Called up share capital	5		2		2
Profit and loss account	6		221		296
Shareholders' funds - equity interests	7		<u>223</u>		<u>298</u>

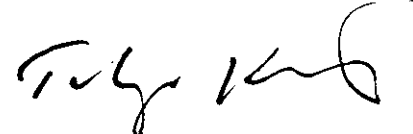
In preparing these financial statements:

- (a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The directors acknowledge their responsibilities 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 this Act relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on 19 March 2002


M Oates
Director


T Kashif
Director

IXION PUBLISHING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

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

1.2 Turnover

Turnover represents royalty receivable net of VAT.

2	Taxation	2001 £	2000 £
	Domestic current year taxation		
	U.K. corporation tax	-	193
3	Debtors	2001 £	2000 £
	Other debtors	20,026	13,479
4	Creditors: amounts falling due within one year	2001 £	2000 £
	Bank loans and overdrafts	-	2,571
	Taxation and social security	-	179
	Other creditors	31,293	10,433
		31,293	13,183
5	Share capital	2001 £	2000 £
	Authorised		
	500 Ordinary 'A' shares of £ 1 each	500	500
	500 Ordinary 'B' shares of £ 1 each	500	500
		1,000	1,000
	Allotted, called up and fully paid		
	1 Ordinary 'A' shares of £ 1 each	1	1
	1 Ordinary 'B' shares of £ 1 each	1	1
		2	2

IXION PUBLISHING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

6 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 July 2000	296
Retained loss for the year	(75)
Balance at 30 June 2001	<u>221</u>

7 Reconciliation of movements in shareholders' funds

	2001 £	2000 £
(Loss)/profit for the financial year	(75)	910
Opening shareholders' funds	298	(612)
Closing shareholders' funds	<u>223</u>	<u>298</u>

8 Related party transactions

During the year, the company received £135,780 (2000- £65,191) as royalty from Eaton Music Limited, which is a holder of 1 Ordinary 'B' share.

The company also paid a royalty of £8,369 (2000- £1,597) to T Kashif, a director and a shareholder, and £68,281 (2000-£35,169) to Gazel Publishing Ltd. The company paid commissions of £53,618 (2000-£21,779) to Eaton Music Limited.

All transactions were carried out on normal commercial terms and on an arm's length basis.