

BRIT AWARDS LIMITED

Report and Financial Statements

31 December 1999

**Deloitte & Touche
Hill House
1 Little New Street
London EC4A 3TR**



REPORT AND FINANCIAL STATEMENTS 1999

CONTENTS	Page
Officers and professional advisers	1
Directors' report	2
Statement of directors' responsibilities	3
Auditors' report	4
Profit and loss account	5
Balance sheet	6
Notes to the accounts	7

REPORT AND FINANCIAL STATEMENTS 1999

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

Paul Burger
Paul Conroy
John Craig
John Deacon CBE (resigned 12 July 2000)
Rob Dickins
Tony Wadsworth (appointed 1 April 2000)
Andrew Yeates (appointed 12 July 2000)

SECRETARY

Roz Gough

REGISTERED OFFICE

25 Savile Row
London W1X 1AA

AUDITORS

Deloitte & Touche
Chartered Accountants
Hill House
1 Little New Street
London EC4A 3TR

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 December 1999. This report has been prepared in accordance with the special provisions relating to small companies under section 246 of the Companies Act 1985.

ACTIVITIES

The principal activity of the company is that of organiser of the BRIT Awards.

REVIEW OF RESULTS

The company has a profit for the year of £44,534 (1998 - £58). The company had net assets at the balance sheet date of £28,989 (1998 - £15,545 net liabilities).

DIRECTORS AND THEIR INTERESTS

The directors who served throughout the year and to the present are listed on page 1. No director had any interest in the shares of the company or in its parent company, which is limited by guarantee.

CHARITABLE DONATIONS

The company made a charitable donation during the year, to the BRIT Trust, amounting to £850,000 (1998 - £160,000).

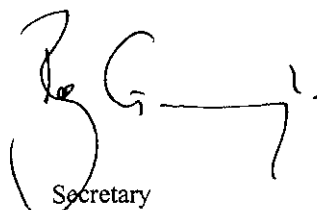
YEAR 2000

Following their initial review, the directors continue to be alert to the potential risks and uncertainties surrounding the Year 2000 issue. As at the date of this report, the directors are not aware of any significant factors which have arisen, or that may arise which will affect the activities of the business; however, the situation is still being monitored. Any future costs associated with this issue cannot be quantified but are not expected to be significant.

AUDITORS

Deloitte & Touche have expressed their willingness to continue in office. A resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board



Secretary

22 . 8 . 2000

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 as at the end of the financial year 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;
- 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.

AUDITORS' REPORT TO THE MEMBERS OF

BRIT AWARDS LIMITED

We have audited the financial statements on pages 5 to 9 which have been prepared under the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 3 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.

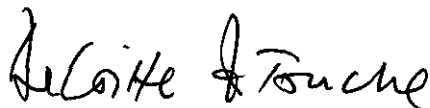
Basis of opinion

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 estimates and judgements 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.

We planned and performed our audit so as to obtain all the information and explanations 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 as at 31 December 1999 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.



Chartered Accountants and
Registered Auditors

25/9/2000

PROFIT AND LOSS ACCOUNT
Year ended 31 December 1999

	Note	31 December 1999 £	31 December 1998 £
TURNOVER	1	3,902,410	2,471,668
Administrative expenses		<u>(3,872,638)</u>	<u>(2,489,309)</u>
OPERATING PROFIT/(LOSS)	2	29,772	(17,641)
Interest receivable and similar income	4	<u>14,762</u>	<u>17,699</u>
PROFIT ON ORDINARY ACTIVITIES FOR THE YEAR BEFORE AND AFTER TAXATION	5	<u>44,534</u>	<u>58</u>
PROFIT FOR THE YEAR TRANSFERRED TO RESERVES	9	<u>44,534</u>	<u>58</u>

All amounts derive from continuing operations.

There are no recognised gains or losses in the current year other than the profit for the current year and accordingly no statement of total recognised gains and losses is shown.

BALANCE SHEET
31 December 1999

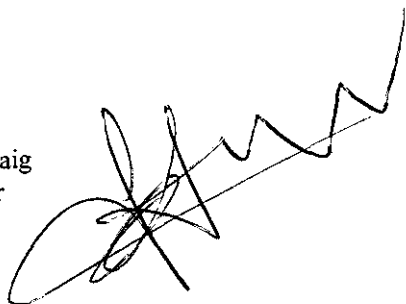
	Note	1999 £	1998 £
CURRENT ASSETS			
Debtors	6	1,281,411	1,159,843
Cash at bank and in hand		1,760,493	954,304
CREDITORS: amounts falling due within one year	7	<u>(3,012,915)</u>	<u>(2,129,692)</u>
NET ASSETS/(LIABILITIES)		<u>28,989</u>	<u>(15,545)</u>
Represented by:			
Called up share capital	8	2	2
Profit and loss account	9	<u>28,987</u>	<u>(15,547)</u>
EQUITY SHAREHOLDERS' FUNDS/(DEFICIT)		<u>28,989</u>	<u>(15,545)</u>

The accounts have been prepared in accordance with the special provisions relating to small companies under section 246 of the Companies Act 1985.

These financial statements were approved by the Board of Directors on 17 May 2000.

Signed on behalf of the Board of Directors on 22 . 8 . 2000

John Craig
Director



NOTES TO THE ACCOUNTS**Year ended 31 December 1999****1. ACCOUNTING POLICIES**

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

Accounting convention

The financial statements are prepared under the historical cost convention.

Turnover

Turnover represents receipts from the annual BRIT Awards ceremony and related licensing. Revenue is recognised as it is earned.

Comparatives

The 1998 profit and loss figures have been restated to include some income and expenditure previously netted-off. This has had no effect on the profit shown for the year.

2. OPERATING PROFIT/(LOSS)

This is stated after charging the following:

	1999 £	1998 £
Auditors' remuneration - audit	5,950	4,950
- other	1,200	900
	<u>7,150</u>	<u>5,850</u>

3. INFORMATION REGARDING DIRECTORS AND STAFF

The directors received no remuneration for their services to the company in the current year or in the previous year.

The company employed no members of staff in the current or previous year.

4. INTEREST RECEIVABLE AND SIMILAR INCOME

	1999 £	1998 £
Bank interest	14,762	17,699
	<u>14,762</u>	<u>17,699</u>

5. TAXATION

No current year tax liability as prior period revenue losses brought forward fully offset any current year charge in both 1999 and 1998.

NOTES TO THE ACCOUNTS

Year ended 31 December 1999

6. DEBTORS

	1999 £	1998 £
Trade debtors	7,254	386,688
Prepayments	1,274,157	761,069
Accrued income	-	12,086
	<u>1,281,411</u>	<u>1,159,843</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1999 £	1998 £
Trade creditors	609,652	95,690
Value added tax	44,634	81,991
Income tax	195,500	36,800
Accruals	34,017	17,412
Deferred income	1,848,340	1,747,050
Amounts owed to parent company	280,772	150,749
	<u>3,012,915</u>	<u>2,129,692</u>

8. CALLED UP SHARE CAPITAL

	1999 £	1998 £
Authorised:		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
Called up, allotted and fully paid:		
2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

9. PROFIT AND LOSS ACCOUNT

	1999 £	1998 £
Balance brought forward	(15,547)	(15,605)
Retained profit for the year	<u>44,534</u>	<u>58</u>
Balance carried forward	<u>28,987</u>	<u>(15,547)</u>

NOTES TO THE ACCOUNTS

Year ended 31 December 1999

10. ULTIMATE PARENT COMPANY

The parent company and ultimate controlling party is the British Phonographic Industry Limited, a company incorporated in Great Britain and registered in England and Wales.

The parent company has taken advantage of the exemption available to medium sized groups not to prepare group accounts. Copies of the parent company's accounts are available from its registered office, 25 Savile Row London W1X 1AA.

11. RELATED PARTIES

During the year the company donated £850,000 to the BRIT Trust, a charity. John Deacon CBE, Paul Burger, John Craig, Rob Dickins and Andrew Yeates are trustees of the BRIT Trust. The company has taken advantage of the exemptions allowed by FRS 8 and has not made disclosure of transactions with its parent company.