

Promo Only Limited

Report and Financial Statements

Year Ended

31 December 1999



BDO

BDO Stoy Hayward
Chartered Accountants

PROMO ONLY LIMITED

Report of the directors for the year ended 31 December 1999

The directors present their report together with the financial statements for the year ended 31 December 1999.

Results

The profit and loss account is set out on page 3 and shows the loss for the year.

Principal activities

The principal activity of the company during the year was Compact Disc distribution to Disc Jockeys.

Directors

The directors of the company during the year were:

H Virani (resigned 3 August 2000)
R J Robinson
P A Werner

None of the directors had an interest in the shares of the company. R J Robinson and P A Werner's interest in the shares of the company's ultimate controlling party, Promo Only Inc are disclosed in the financial statements of that company.

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 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

BDO Stoy Hayward have expressed their willingness to continue in office and a resolution to reappoint them will be proposed at the annual general meeting.

This directors' 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

8/20/2007
R J Robinson
Director

Date

PROMO ONLY LIMITED

Annual report and financial statements for the year ended 31 December 1999

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Directors

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Directors

R J Robinson
P A Werner

Secretary

BLG (Professional Services) Limited

Registered office

Unit 2B, Woodstock Studios, Woodstock Grove, London, W12 8LE

Company number

3589150

Auditors

BDO Stoy Hayward, 66 Broomfield Road, Chelmsford, Essex, CM1 1SW

PROMO ONLY LIMITED

Report of the independent auditors

To the shareholders of Promo Only Limited

We have audited the financial statements of Promo Only Limited on pages 3 to 7 which have been prepared under the accounting policies set out on page 5.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.


Basis of opinion

We conducted our audit in accordance with United Kingdom 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 loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



BDO STOY HAYWARD

Chartered Accountants
and Registered Auditors
Chelmsford

Date 20 August 2001

PROMO ONLY LIMITED**Profit and loss account for the year ended 31 December 1999**

	Note	Year ended 31 December 1999 £	6 month period to 31 December 1998 £
Turnover	3	157,233	-
Cost of sales		107,441	9,320
Gross profit/(loss)		49,792	(9,320)
Administrative expenses		242,274	65,107
Operating loss	5	(192,482)	(74,427)
Interest receivable		2,355	-
Loss on ordinary activities before taxation		(190,127)	(74,427)
Taxation on loss from ordinary activities		-	-
Retained loss for the period		(190,127)	(74,427)
Retained loss brought forward		(74,427)	-
Retained loss carried forward		(264,554)	(74,427)

All amounts relate to continuing activities.

All recognised gains and losses are included in the profit and loss account.

The loss for the year represents the movements in shareholders' funds.

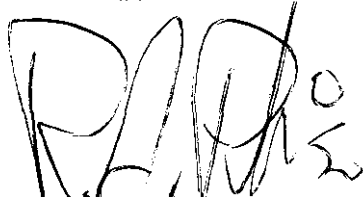
The notes on pages 5 to 7 form part of these financial statements.

PROMO ONLY LIMITED**Balance sheet at 31 December 1999**

	Note	1999	1998
		£	£
Fixed assets			
Tangible assets	6	21,537	5,943
Current assets			
Stock		45,610	-
Debtors	7	49,570	35,065
Cash at bank and in hand		86,752	87,590
		<u>181,932</u>	<u>122,655</u>
Creditors: amounts falling due within one year	8	<u>468,021</u>	<u>203,023</u>
Net current liabilities		<u>(286,089)</u>	<u>(80,368)</u>
Net liabilities		<u>(264,552)</u>	<u>(74,425)</u>
Capital and reserves			
Called up share capital	9	2	2
Profit and loss account		<u>(264,554)</u>	<u>(74,427)</u>
Shareholders funds - equity		<u>(264,552)</u>	<u>(74,425)</u>

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 20/8/00.


R. J. Robinson
Director

The notes on pages 5 to 7 form part of these financial statements.

PROMO ONLY LIMITED

Notes forming part of the financial statements for the year ended 31 December 1999

1 Accounting policies

The financial statements have been prepared under the historical cost convention, as modified by the transitional arrangements which have been followed this year on adopting Financial Reporting Standard 15, "Tangible Fixed Assets". The following principal accounting policies have been applied.

Turnover

Turnover represents sales to outside customers at invoiced amounts less value added tax.

Tangible fixed assets

The company is adopting FRS 15 this year. In future, all additions to tangible fixed assets will be stated at cost. Where existing unimpaired tangible fixed assets are stated at valuation the company has taken advantage of the transitional arrangements in FRS 15 to retain these book values. Where an asset that was previously revalued is disposed of, its book value is eliminated and an appropriate transfer made from the revaluation reserve to the profit and loss reserve.

Depreciation

Depreciation is provided to write off the cost, less estimated residual values, of all fixed assets, evenly over their expected useful lives. It is calculated at the following rates:

Office equipment	-	15 - 25% per annum
Furniture and fixtures	-	15% per annum

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs to completion and disposal.

Deferred taxation

Provision is made for timing differences between the treatment of certain items for taxation and accounting purposes, to the extent that it is probable that a liability or asset will crystallise.

2 Going concern

These financial statements have been prepared on the going concern basis on the grounds that the ultimate controlling party has agreed to provide financial support.

3 Turnover

Turnover is wholly attributable to the principal activity of the company and arises within the United Kingdom.

4 Directors

Directors' emoluments consist of:

	1999 £	1998 £
Fees and remuneration for management services	16,539	6,423

PROMO ONLY LIMITED

Notes forming part of the financial statements for the year ended 31 December 1999 (*Continued*)

5	Operating loss		1999	1998
			£	£
	This is arrived at after charging:			
	Depreciation		3,075	276
	Auditors' remuneration		2,000	2,000
	Exchange loss		12,518	-
			<u> </u>	<u> </u>
6	Tangible assets			
		Office equipment	Furniture and fixtures	Total
		£	£	£
	<i>Cost</i>			
	At 1 January 1999	2,064	4,155	6,219
	Additions	17,208	1,461	18,669
		<u> </u>	<u> </u>	<u> </u>
	At 31 December 1999	19,272	5,616	24,888
		<u> </u>	<u> </u>	<u> </u>
	<i>Depreciation</i>			
	At 1 January 1999	110	166	276
	Provided for the year	2,333	742	3,075
		<u> </u>	<u> </u>	<u> </u>
	At 31 December 1999	2,443	908	3,351
		<u> </u>	<u> </u>	<u> </u>
	<i>Net book value</i>			
	At 31 December 1999	16,829	4,708	21,537
		<u> </u>	<u> </u>	<u> </u>
	At 31 December 1998	1,954	3,989	5,943
		<u> </u>	<u> </u>	<u> </u>
7	Debtors			
			1999	1998
			£	£
	Trade debtors		26,085	-
	Other debtors		4,142	7,565
	Prepayments and accrued income		19,343	27,500
			<u> </u>	<u> </u>
			49,570	35,065
			<u> </u>	<u> </u>

All amounts under debtors fall due for payment within one year.

PROMO ONLY LIMITED

Notes forming part of the financial statements for the year ended 31 December 1999 (*Continued*)

8 Creditors: amounts falling due within one year	1999 £	1998 £
Trade creditors	48,720	8,759
Amounts due to group undertakings	394,033	183,482
Taxation and social security	1,801	937
Accruals and deferred income	22,968	9,845
Other creditors	499	-
	<u>468,021</u>	<u>203,023</u>

9 Share capital

	Authorised		Allotted, called up and fully paid	
	1999 £	1998 £	1999 £	1998 £
Ordinary shares of £1 each	1,000	1,000	2	2

10 Cash flow statement

The company has used the exemption under Financial Reporting Standard 1, "Cash Flow Statements", not to prepare a cash flow statement as the directors believe the company is a 'small entity' as defined under section 247 of the Companies Act 1985.

11 Related party transactions

At 31 December 1999 there was an amount due to Promo Only Inc, a company in which Mr R J Robinson and Mr P A Werner are the controlling parties, of £394,033 (1998 - £183,482). There are no fixed terms for repayment.

12 Ultimate controlling party

At 31 December 1999, the company's ultimate controlling party was Promo Only Inc, a US incorporated company which is the parent of both the smallest and largest groups of which the company is a member. Promo Only Inc has agreed to provide support for the company for the foreseeable future.