

Company Registration No. 3702430 (England and Wales)

HOMELANDS FESTIVAL LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD FROM
1 OCTOBER 2000 TO 31 DECEMBER 2001



HOMELANDS FESTIVAL LIMITED

COMPANY INFORMATION

Directors

Mr J V Power
Mr N R McCulloch
Mr D C Hughes
Mr M J Benn

Secretary

Ms E Sweeney

Company number

3702430

Registered office

1 Warner House
Harrobian Business Village
Bessborough Road
Harrow Middlesex HA1 3EX

Auditors

MCT Partnership
Chartered Accountants
Registered Auditors
1 Warner House
Harrobian Business Village
Bessborough Road
Harrow Middlesex HA1 3EX

HOMELANDS FESTIVAL LIMITED

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HOMELANDS FESTIVAL LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 DECEMBER 2001

The directors present their report and financial statements for the period ended 31 December 2001.

Principal activities and review of the business

The principal activity of the company during the period under review was that of concert promotion and production.

The results for the period and the financial position at the period end were considered satisfactory by the directors.

Results and dividends

The results for the period are set out on page 4.

The directors do not recommend payment of an ordinary dividend.

Directors

The following directors have held office since 1 October 2000:

Mr J V Power	
Mr N R McCulloch	
Mr D C Hughes	
Mr M O'Keeffe	(Resigned 12 July 2001)
Mr M J Benn	
Mr G Swanson	(Resigned 10 April 2001)

Directors' interests

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

	A Ordinary shares of £ 1 each	
	31 December 2001	1 October 2000
Mr J V Power	-	-
Mr N R McCulloch	-	-
Mr D C Hughes	18	-
Mr M J Benn	-	-

	B Ordinary shares of £ 1 each	
	31 December 2001	1 October 2000
Mr J V Power	-	-
Mr N R McCulloch	-	-
Mr D C Hughes	-	-
Mr M J Benn	-	-

Creditor payment policy

It is the company's normal practice to make payments to suppliers in accordance with agreed terms provided that the suppliers provide accurate, timely and sufficient detailed invoices.

On average, trade creditors at the year end represented 59 days' purchases.

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that MCT Partnership be reappointed as auditors of the company will be put to the Annual General Meeting.

HOMELANDS FESTIVAL LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2001

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial period 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.

On behalf of the board



Mr J V Power

Director
27 JUN 2002

HOMELANDS FESTIVAL LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF HOMELANDS FESTIVAL LIMITED

We have audited the financial statements on pages 4 to 10 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

Respective responsibilities of the directors and auditors

As described in the statement of directors' responsibilities on page 2 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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 audit 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 2001 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



MCT Partnership

**Chartered Accountants
Registered Auditors**

27 JUN 2002

1 Warner House
Harrovia Business Village
Bessborough Road
Harrow Middlesex HA1 3EX

HOMELANDS FESTIVAL LIMITED

PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31 DECEMBER 2001

		01.10.2000 to 31.12.2001	01.01.2000 to 30.09.2000
	Notes	£	£
Turnover	2	1,791,098	3,474,515
Cost of sales		(1,378,404)	(2,525,826)
Gross profit		412,694	948,689
Selling and distribution costs		(221,158)	(297,477)
Administrative expenses		(190,603)	(647,627)
Operating profit	3	933	3,585
Interest payable and similar charges	4	(26)	(570)
Profit on ordinary activities before taxation		907	3,015
Tax on profit on ordinary activities	5	(201)	-
Profit on ordinary activities after taxation	9	706	3,015

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.

HOMELANDS FESTIVAL LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2001

	Notes	As at 31.12.2001		As at 30.09.2000	
		£	£	£	£
Current assets					
Debtors	6	395,230		470,726	
Cash at bank		-		2,716	
		<u>395,230</u>		<u>473,442</u>	
Creditors: amounts falling due within one year	7	<u>(386,876)</u>		<u>(465,794)</u>	
Total assets less current liabilities			<u>8,354</u>		<u>7,648</u>
Capital and reserves					
Called up share capital	8		100		100
Profit and loss account	9		8,254		7,548
Shareholders' funds - equity interests	10		<u>8,354</u>		<u>7,648</u>

The financial statements were approved by the Board on 27 JUN 2002



Mr J V Power
Director

HOMELANDS FESTIVAL LIMITED

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2001

	01.10.2000 to 31.12.2001 £	01.01.2000 to 30.09.2000 £
Net cash (outflow)/inflow from operating activities	(168,001)	273,428
Returns on investments and servicing of finance		
Interest paid	(26)	(570)
Net cash outflow for returns on investments and servicing of finance	(26)	(570)
Taxation	(1,307)	-
Net cash (outflow)/inflow before management of liquid resources and financing	(169,334)	272,858
(Decrease)/increase in cash in the period	(169,334)	272,858

HOMELANDS FESTIVAL LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2001

1	Reconciliation of operating profit to net cash (outflow)/inflow from operating activities		2001	2000
			£	£
	Operating profit		933	3,585
	Decrease in debtors		75,496	215,437
	(Decrease)/increase in creditors		(244,430)	54,406
	Net cash (outflow)/inflow from operating activities		(168,001)	273,428

2	Analysis of net debt	1 October 2000	Cash flow	Other non-cash changes	31 December 2001
		£	£	£	£
	Net cash:				
	Cash at bank	2,716	(2,716)	-	-
	Bank overdraft	(40,436)	(166,618)	-	(207,054)
	Net debt	(37,720)	(169,334)	-	(207,054)

3	Reconciliation of net cash flow to movement in net debt	2001	2000
		£	£
	(Decrease)/increase in cash in the period	(169,334)	272,858
	Movement in net (debt)/funds in the period	(169,334)	272,858
	Opening net debt	(37,720)	(310,578)
	Closing net debt	(207,054)	(37,720)

HOMELANDS FESTIVAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2001

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT.

1.3 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

2 Turnover

The total turnover of the company for the period has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Operating profit	2001	2000
	£	£
Operating profit is stated after charging:		
Auditors' remuneration	4,000	4,050
	<hr/>	<hr/>
4 Interest payable	2001	2000
	£	£
On bank overdraft	-	570
On overdue tax	26	-
	<hr/>	<hr/>
	26	570
	<hr/>	<hr/>
5 Taxation	2001	2000
	£	£
Domestic current year taxation		
Adjustment for prior years	201	-
	<hr/>	<hr/>
6 Debtors	2001	2000
	£	£
Trade debtors	6,027	74,318
Amounts owed by parent company	233,324	333,933
Other debtors	62,397	17,975
Prepayments and accrued income	93,482	44,500
	<hr/>	<hr/>
	395,230	470,726
	<hr/>	<hr/>

HOMELANDS FESTIVAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2001

7	Creditors: amounts falling due within one year	2001 £	2000 £
	Bank overdraft	207,054	40,436
	Trade creditors	175,719	406,570
	Corporation tax	103	1,209
	Other taxes and social security costs	-	345
	Accruals and deferred income	4,000	17,234
		<u>386,876</u>	<u>465,794</u>

The group has entered into a composite agreement with the bank enabling the bank to net off overdrawn balances with debit balances across the group.

8	Share capital	2001 £	2000 £
	Authorised		
	50 A Ordinary shares of £1 each	50	50
	50 B Ordinary shares of £1 each	50	50
		<u>100</u>	<u>100</u>
	Allotted, called up and fully paid		
	50 A Ordinary shares of £1 each	50	50
	50 B Ordinary shares of £1 each	50	50
		<u>100</u>	<u>100</u>

9 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 October 2000	7,548
Retained profit for the period	706
	<u>8,254</u>
Balance at 31 December 2001	

HOMELANDS FESTIVAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2001

10 Reconciliation of movements in shareholders' funds	2001 £	2000 £
Profit for the financial period	706	3,015
Opening shareholders' funds	7,648	4,633
Closing shareholders' funds	8,354	7,648

11 Employees

Number of employees

There were no employees during the period apart from the directors.

12 Control

The parent company is Mean Fiddler Holdings Limited, a company registered in England and Wales.

The shares of the parent company are owned by Mean Fiddler Music Group Plc, a company in which Mr J V Power has a controlling interest. Mr M J Benn also has an interest in Mean Fiddler Music Group Plc.

13 Related party transactions

At the balance sheet date, the company was owed amounts from related parties as follows:

Related party	Relationship	£
Mean Fiddler Holdings Limited	Shareholder	233,324
Mr D C Hughes	Director and shareholder	10,000