



HOMELANDS FESTIVAL LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2003



GERALD EDELMAN
CHARTERED ACCOUNTANTS

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HOMELANDS FESTIVAL LIMITED

COMPANY INFORMATION

Directors

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

Secretary

E Sweeney

Company number

3702430

Registered office

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

Auditors

Gerald Edelman
25 Harley Street
London
W1G 9BR

HOMELANDS FESTIVAL LIMITED

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HOMELANDS FESTIVAL LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2003

The directors present their report and financial statements for the year ended 31 December 2003.

Principal activities and review of the business

The principal activity of the company continued to be that of concert promotion and production.

Results and dividends

The results for the year 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 January 2003:

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

Directors' interests

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

	Ordinary 'A' shares of £ 1 each	
	31 December 2003	1 January 2003
J V Power	-	-
N R McCulloch	-	-
D C Hughes	-	-
M J Benn	-	-

	Ordinary 'B' shares of £ 1 each	
	31 December 2003	1 January 2003
J V Power	-	-
N R McCulloch	-	-
D C Hughes	-	-
M J Benn	-	-

J V Power and M J Benn are both directors of the ultimate parent company Mean Fiddler Music Group Plc and their interest in the shares of that company are disclosed in its own financial statements.

Auditors

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

HOMELANDS FESTIVAL LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2003

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.

On behalf of the board



J V Power

Director

10 May 2004

HOMELANDS FESTIVAL LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF HOMELANDS FESTIVAL LIMITED

We have audited the financial statements of Homelands Festival Limited on pages 4 to 9 for the year ended 31 December 2003. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Gerald Edelman

10 May 2004

Chartered Accountants
Registered Auditor

25 Harley Street
London
W1G 9BR

HOMELANDS FESTIVAL LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2003

	Notes	2003 £	2002 £
Turnover	2	1,514,964	1,448,540
Cost of sales		(1,250,769)	(1,388,819)
Gross profit		264,195	59,721
Distribution costs		(133,063)	(158,108)
Administrative expenses		(62,708)	(11,522)
Operating profit/(loss)	3	68,424	(109,909)
Interest payable and similar charges	4	-	(6,822)
Profit/(loss) on ordinary activities before taxation		68,424	(116,731)
Tax on profit/(loss) on ordinary activities	5	(18,845)	22,179
Profit/(loss) on ordinary activities after taxation	9	49,579	(94,552)

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 2003

	Notes	2003 £	£	2002 £	£
Current assets					
Debtors	6	590,476		708,696	
Cash at bank and in hand		7,542		-	
		<u>598,018</u>		<u>708,696</u>	
Creditors: amounts falling due within one year	7	<u>(634,637)</u>		<u>(794,894)</u>	
Total assets less current liabilities			(36,619)		(86,198)
			<u>(36,619)</u>		<u>(86,198)</u>
Capital and reserves					
Called up share capital	8		100		100
Profit and loss account	9		<u>(36,719)</u>		<u>(86,298)</u>
Shareholders' funds - equity interests	10		<u>(36,619)</u>		<u>(86,198)</u>

The financial statements were approved by the Board on 10 May 2004


J V Power
Director

HOMELANDS FESTIVAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2003

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The company meets its day to day working capital requirements from financial support of the shareholders. The directors believe it is appropriate to prepare the financial statements on a going concern basis which assumes continued financial support of the shareholders.

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

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards.

1.3 Turnover

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

1.4 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.5 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. Recognition of deferred tax asset is limited to the extent the company anticipates making sufficient taxable profits in the future to absorb the reversal of the underlying timing differences. The deferred tax balance has not been discounted.

2 Turnover

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

3	Operating profit/(loss)	2003 £	2002 £
	Operating profit/(loss) is stated after charging:		
	Auditors' remuneration	5,000	1,000

4	Interest payable	2003 £	2002 £
	Other interest	-	6,822

HOMELANDS FESTIVAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2003

5	Taxation	2003 £	2002 £
	Domestic current year tax		
	U.K. corporation tax	-	-
	Deferred tax		
	Deferred tax charge/(credit) current year	18,845	(22,179)
		<u>18,845</u>	<u>(22,179)</u>

There is no charge to UK corporation tax due to previous year's tax losses brought forward, subject to agreement with the Inland Revenue. The company has estimated losses of £17,547 (2002 - £116,732) available to carry forward against future trading profits.

6	Debtors	2003 £	2002 £
	Trade debtors	39,922	10,888
	Amounts owed by group undertakings	468,020	598,617
	Other debtors	-	37,412
	Prepayments and accrued income	79,200	39,600
	Deferred tax asset	3,334	22,179
		<u>590,476</u>	<u>708,696</u>

Deferred tax

	2003 £	2002 £
Balance at 1 January 2003	22,179	
Profit and loss account	(18,845)	
Balance at 31 December 2003	<u>3,334</u>	
	2003 £	2002 £
Tax losses available	<u>3,334</u>	<u>22,179</u>

HOMELANDS FESTIVAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2003

7	Creditors: amounts falling due within one year	2003	2002
		£	£
	Bank loans and overdrafts	-	8,311
	Trade creditors	2,427	114,662
	Amounts owed to group undertakings	568,786	620,465
	Corporation tax	(2,337)	103
	Other taxes and social security costs	1,261	-
	Accruals and deferred income	64,500	51,353
		<u>634,637</u>	<u>794,894</u>
8	Share capital	2003	2002
		£	£
	Authorised		
	50 Ordinary 'A' shares of £1 each	50	50
	50 Ordinary 'B' shares of £1 each	50	50
		<u>100</u>	<u>100</u>
	Allotted, called up and fully paid		
	50 Ordinary 'A' shares of £1 each	50	50
	50 Ordinary 'B' 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 January 2003		(86,298)
	Retained profit for the year		49,579
	Balance at 31 December 2003		<u>(36,719)</u>
10	Reconciliation of movements in shareholders' funds	2003	2002
		£	£
	Profit/(Loss) for the financial year	49,579	(94,552)
	Opening shareholders' funds	(86,198)	8,354
	Closing shareholders' funds	<u>(36,619)</u>	<u>(86,198)</u>

HOMELANDS FESTIVAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2003

11 Employees

Number of employees

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

12 Control

The company is jointly controlled by Mean Fiddler Holdings Limited and Big Beat Holdings Limited which are both registered in England and Wales.

13 Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.