

COMPANY NO: 03811288

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# SNAPPER IPR LIMITED

## ANNUAL REPORT

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◆ *Period ended 30 June 2000* ◆

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**COMPANY INFORMATION**

Directors	J R Beecher C V Dane
Secretary	C V Dane
Registered office	Unit 3 The Coda Centre 189 Munster Road London SW6 6AW
Registered number	03811288
Auditors	RSM Robson Rhodes Chartered Accountants 186 City Road London EC1V 2NU
Bankers	Allied Irish Bank (GB) Corporate Banking 10 Berkeley Square London W1X 6DN

## **REPORT OF THE DIRECTORS**

The directors submit their report and the financial statements of Snapper IPR Limited for the period ended 30 June 2000.

### **Principal activities**

The company was incorporated on 16 July 1999.

The principal activities of the company during the period was that of the ownership and exploitation of music copyrights.

### **Business review and future developments**

A summary of the trading is given on page 6 of the financial statements. The purchased and recorded music copyrights were acquired from Snapper Music Plc in the period. The directors intend to take every opportunity to develop its business in the future.

### **Results and dividends**

The company's trading profit for the period was £385,061.

The directors do not recommend a dividend.

### **Directors**

The current directors of the company are set out on page 1. D M Dudgeon resigned as director on 24 August 2001.

### **Directors' interests in shares and debentures**

The directors had no interest in the shares of the company. Their interest in the shares of the ultimate controlling company are shown in the accounts of that company.

### **Going concern**

Disclosure has been made within note 1 to the Financial Statements concerning the adoption of the going concern assumption on the preparation of the financial statements.

**REPORT OF THE DIRECTORS (Contd.)**

**Statement of directors' responsibilities for the Annual Report**

Company law in the United Kingdom 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 these financial statements, the directors have:

- selected suitable accounting policies and applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- followed applicable United Kingdom accounting standards; and
- prepared the financial statements on the going concern basis.

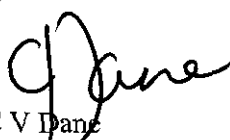
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for ensuring that the directors' report and other information included in the Annual Report are in accordance with Company Law in the United Kingdom.

**Auditors**

RSM Robson Rhodes were appointed auditors during the period. A resolution to re-appoint them will be proposed at the Annual General Meeting.

The report of the directors was approved by the Board on 3<sup>rd</sup> September 2001 and signed on its behalf by:

  
C V Dane  
Secretary

**INDEPENDENT AUDITORS' REPORT  
TO THE SHAREHOLDERS OF SNAPPER IPR LIMITED**

We have audited the financial statements on pages 6 to 10.

**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, United Kingdom Auditing Standards and the Listing Rules of the Financial Services Authority. 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 or the Listing Rules regarding directors' remuneration and transactions with the company and other members of the group is not disclosed.

We review whether the Corporate Governance Statement reflects the company's compliance with the seven provisions of the Combined Code specified for our review by the Listing Rules and we report if it does not. We are not required to consider whether the board's statements on internal control cover all risks and controls or form an opinion on the effectiveness of the group's corporate governance procedures or its risk and control procedures.

We read the information contained in the Annual Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any information outside the Annual Report.

**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.

**INDEPENDENT AUDITORS' REPORT  
TO THE SHAREHOLDERS OF SNAPPER IPR LIMITED (continued)**

**Opinion**

In our opinion the financial statements give a true and fair view of the state of affairs of the company as at 30 June 2000 and of its result for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

*RSM Robson Rhodes*

RSM Robson Rhodes  
Chartered Accountants and Registered Auditor

London  
*3 September* 2001

**PROFIT AND LOSS ACCOUNT**  
**for the year ended 30 June 2000**

	Note	Period ended 30 June 2000 £
Turnover	2	385,061
Cost of sales		-
Gross profit		<u>385,061</u>
Other operating expenses		-
Operating profit		<u>385,061</u>
Interest payable		-
Profit on ordinary activities before taxation		<u>385,061</u>
Taxation	5	-
Retained profit on ordinary activities after taxation	9	<u><u>385,061</u></u>

There were no recognised gains or losses other than those disclosed above.



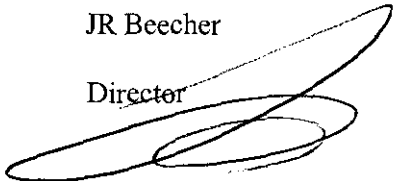
**SNAPPER IPR LIMITED****BALANCE SHEET**  
**at 30 June 2000**

	<b>Note</b>	<b>2000</b> <b>£</b>
<b>Fixed assets</b>		
Intangible assets	6	4,000,000
		<u>4,000,000</u>
<b>Current assets</b>		
Debtors	7	385,061
Cash at bank and in hand		-
		<u>385,061</u>
<b>Creditors: amounts falling due within one year</b>		-
<b>Net current assets</b>		<u>385,061</u>
<b>Total assets less current liabilities</b>		<u>4,385,061</u>
		<u>4,385,061</u>
<b>Capital and reserves</b>		
Called up share capital	8	2
Share premium	9	3,999,998
Profit and loss account	9	385,061
<b>Equity shareholders' funds</b>		<u>4,385,061</u>

The financial statements were approved by the Board on 3 September 2001 and signed on its behalf by

JR Beecher

Director



**NOTES TO THE FINANCIAL STATEMENTS**

**30 June 2000**

**1. ACCOUNTING POLICIES**

**Basis of accounting**

The financial statements are prepared under the historical cost convention in accordance with applicable accounting standards and on the basis of ongoing support from the ultimate parent undertaking.

**Intangible assets - Music Copyrights**

Music recording copyrights are capitalised at cost as intangible assets. Their value is reviewed annually by the Directors and provision is made to write down the individual intangible assets to their recoverable amount if this is below cost

**Deferred taxation**

Provision is made for taxation deferred or accelerated by the effect of timing differences, to the extent that it is probable that a liability will crystallise, at the rate expected to be ruling at that date.

**2. TURNOVER**

Turnover which is stated net of value added tax, represents amounts receivable for goods and services provided.

**3. EMPLOYEES**

There were no employees in the period. The directors were not remunerated in the period.

**4. OPERATING PROFIT**

The audit fee has been borne by another group undertaking.

**5. TAXATION**

There is no taxation charge in the period due to the availability of tax relief on the intellectual property.

**NOTES TO THE FINANCIAL STATEMENTS**  
**30 June 2000**

**6. INTANGIBLE FIXED ASSETS**

	<b>Purchased rights by Group £</b>	<b>Recorded rights £</b>	<b>Total £</b>
<b>Cost</b>			
Additions	3,155,000	845,000	4,000,000
At 30 June 2000	<u>3,155,000</u>	<u>845,000</u>	<u>4,000,000</u>
<b>Net book value</b>			
At 30 June 2000	<u>3,155,000</u>	<u>845,000</u>	<u>4,000,000</u>

**7. DEBTORS**

	<b>2000 £</b>
Amounts owed by group undertaking	<u>385,061</u>

**8. SHARE CAPITAL**

	<b>2000 £</b>
<b>Authorised</b>	
100 ordinary shares of £1 each	<u>100</u>
<b>Allotted, called up and paid</b>	
2 ordinary shares of £1 each	<u>2</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
**30 June 2000****9. RESERVES**

	<b>Share premium account 2000 £</b>	<b>Profit and loss account 2000 £</b>
Retained profit	-	385,061
Premium on shares issued	3,999,998	-
At 30 June 2000	<u>3,999,998</u>	<u>385,061</u>

**10. RELATED PARTY TRANSACTIONS**

The company has taken advantage of the exemption available under paragraph 3c of Financial Reporting Standard 8 not to disclose intra-group transactions.

**11. ULTIMATE CONTROLLING PARTY**

The immediate company's parent undertaking is Snapper Music Plc, a company incorporated in the United Kingdom. The company's ultimate controlling party is The Indient Group Limited, a company incorporated in the United Kingdom. These are the smallest and the largest group undertakings for which group financial statements are prepared and of which the Company is a member. Copies of the accounts are available from Snapper Music Plc, Unit 3 The Coda Centre, 189 Munster Road, London SW6 6AW and The Indient Group Limited, Unit 3 The Coda Centre, 189 Munster Road, London SW6 6AW.