Registered number. 00932123

PYTHON MUSIC LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2012

PYTHON MUSIC LIMITED

COMPANY INFORMATION

DIRECTORS	Y O Lennon O T Harrison J L Eastman H L Gerrard
COMPANY SECRETARY	Apple Corps Limited
COMPANY NUMBER	00932123
REGISTERED OFFICE	27 Ovington Square London SW3 1LJ
AUDITORS	Sopher + Co Chartered Accountants & Statutory Auditors 5 Elstree Gate Elstree Way Borehamwood Hertfordshire WD6 1JD

PYTHON MUSIC LIMITED

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PYTHON MUSIC LIMITED

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 JANUARY 2012

The directors present their report and the financial statements for the year ended 31 January 2012

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was the production and commercial exploitation of films

DIRECTORS

The directors who served during the year were

Y O Lennon
O T Harrison
J L Eastman
H L Gerrard

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) Under company law the directors must not approve the financial statements unless they are satisfied that they 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 are required to

- select suitable accounting policies and then apply them consistently,
- make judgments 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 adequate accounting records that are sufficient to show and explain the company's transactions and 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 2006 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

PROVISION OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information

AUDITORS

Under section 487(2) of the Companies Act 2006, Sopher + Co will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006

This report was approved by the board on 3 April 2012 and signed on its behalf

Apple Corps Limited
Secretary

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF PYTHON MUSIC LIMITED

We have audited the financial statements of Python Music Limited for the year ended 31 January 2012, set out on pages 5 to 9 The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities)

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 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 Auditors' 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 DIRECTORS AND AUDITORS

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements In addition, we read all the financial and non-financial information in the Directors' report to identify material inconsistencies with the audited financial statements If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 January 2012 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements

PYTHON MUSIC LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF PYTHON MUSIC LIMITED

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' report

Stephen Iseman (Senior statutory auditor)

for and on behalf of
Sopher + Co

Chartered Accountants
Statutory Auditors

5 Elstree Gate
Elstree Way
Borehamwood
Hertfordshire
WD6 1JD

3 April 2012

PYTHON MUSIC LIMITED

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 JANUARY 2012

	Note	2012 £	2011 £
Interest payable and similar charges		**(3,375)**	(3,375)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		**(3,375)**	(3,375)
Tax on loss on ordinary activities	2	-	-
LOSS FOR THE FINANCIAL YEAR	6	**(3,375)**	(3,375)

The notes on pages 7 to 9 form part of these financial statements

PYTHON MUSIC LIMITED
REGISTERED NUMBER: 00932123

BALANCE SHEET
AS AT 31 JANUARY 2012

	Note	2012 £	2011 £
CREDITORS: amounts falling due within one year	3	**(831,643)**	(828,268)
TOTAL ASSETS LESS CURRENT LIABILITIES		**(831,643)**	(828,268)
CREDITORS: amounts falling due after more than one year	4	**(225,000)**	(225,000)
NET LIABILITIES		**(1,056,643)**	(1,053,268)
CAPITAL AND RESERVES			
Called up share capital	5	**2**	2
Profit and loss account	6	**(1,056,645)**	(1,053,270)
SHAREHOLDERS' DEFICIT		**(1,056,643)**	(1,053,268)

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 3 April 2012

Y O Lennon
Director

J L Eastman
Director

O T Harrison
Director

H L Gerrard
Director

The notes on pages 7 to 9 form part of these financial statements

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

1 2 Going concern

The financial statements have been prepared on a going concern basis on the assumption that the parent and associated undertakings will provide any necessary financial support to the company to enable it to meet its liabilities as and when they fall due for payment The directors have no reason to believe this financial support will not continue in the future and consider it appropriate to adopt a going concern basis

1 3 Affiliated undertakings

In these financial statements undertakings are described as affiliated to Python Music Limited if the undertaking is owned by one or more of the ultimate shareholders of Python Music Limited's parent undertaking, Apple Corps Limited

2. TAXATION

	2012	2011
	£	£
UK corporation tax charge on loss for the year	-	-

Factors that may affect future tax charges

At 31 January 2012, the company had unutilised tax losses of £2,998 (2011 - £2,998) which are available for offset against future trading profits

The company expects to surrender losses to other group undertakings in respect of the year ended 31 January 2012 and 31 January 2011 for no consideration

Loan interest accrued in prior years' financial statements to 31 January 1996, but not yet paid, amounting to £613,176 has not been included in calculating the company's available tax losses, as it is not an allowable expense for taxation purposes until such time as it is paid

3. CREDITORS: Amounts falling due within one year

	2012 £	2011 £
Amounts owed to group undertakings	**4,761**	4,761
Amounts owed to associated undertaking	**804,255**	800,880
Amounts owed to affiliated undertaking	**22,627**	22,627
	831,643	828,268

4. CREDITORS: Amounts falling due after more than one year

	2012 £	2011 £
Amounts owed to associated undertaking	**225,000**	225,000

At 31 January 2012, £225,000 (2011 - £225,000) was outstanding on a financing loan from Subafilms Limited, an associated undertaking of the ultimate parent undertaking Interest on this loan is chargeable at one per cent above the base rate of National Westminster Bank Plc There are no fixed terms for repayment

5. SHARE CAPITAL

	2012 £	2011 £
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	**2**	2

6. RESERVES

	Profit and loss account £
At 1 February 2011	**(1,053,270)**
Loss for the year	**(3,375)**
At 31 January 2012	**(1,056,645)**

7. RELATED PARTY TRANSACTIONS

At 31 January 2012 the company owed Subafilms Limited, an associated undertaking of the parent undertaking, £225,000 (2011 - £225,000) in respect of a long-term loan and £804,255 (2011 - £800,880) included in creditors falling due within one year Interest payable amounting to £3,375 (2011 - £3,375) has been accrued on the long-term loan

8 ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The parent undertaking of the largest and smallest group of undertakings of which the company is a member and for which group financial statements are prepared is Apple Corps Limited It is also the company's ultimate parent undertaking and controlling party Copies of Apple Corps Limited's financial statements can be obtained from the Registrar of Companies in Cardiff