

**GLASTONBURY FESTIVAL 2004 LIMITED
(FORMERLY GLASTONBURY FESTIVAL 2003
LIMITED)**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 SEPTEMBER 2003**



Company Registration Number 4348175

**GLASTONBURY FESTIVAL 2004 LIMITED
(FORMERLY GLASTONBURY FESTIVAL 2003 LIMITED)**

FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2003

CONTENTS	PAGES
Officers and professional advisers	1
The directors' report	2 to 3
Independent auditors' report to the shareholders	4 to 5
Profit and loss account	6
Balance sheet	7
Cash flow statement	8
Notes to the financial statements	9 to 15
The following pages do not form part of the financial statements	
Detailed profit and loss account	17
Notes to the detailed profit and loss account	18 to 19

**GLASTONBURY FESTIVAL 2004 LIMITED
(FORMERLY GLASTONBURY FESTIVAL 2003 LIMITED)**

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	Mr A J M Eavis Mr M J Benn
Company secretary	Mrs E A Eavis
Registered office	The Old Mill Park Road Shepton Mallet Somerset
Auditors	Blueprint Audit Limited Registered Auditor The Old Mill Park Road Shepton Mallet Somerset BA4 5BS
Bankers	National Westminster Bank Plc 25 High Street Shepton Mallet Somerset BA4 5AF

**GLASTONBURY FESTIVAL 2004 LIMITED
(FORMERLY GLASTONBURY FESTIVAL 2003 LIMITED)**

THE DIRECTORS' REPORT

YEAR ENDED 30 SEPTEMBER 2003

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 30 September 2003.

Principal activities and business review

From 5 February 2004 the company changed its name to Glastonbury Festival 2004 Limited.

The principal activity of the company during the year was organising the Glastonbury Festival of Contemporary and Performing Arts. The company operates the festival on behalf of the promoters Glastonbury Festivals Limited, Mean Fiddler Music Group Plc and the Workers Beer Company Limited.

The directors are satisfied with the company's results for the year. The company's balance sheet as detailed on page 7 shows a satisfactory position, shareholders' funds amounting to £1.

Results and dividends

The trading results for the year, and the company's financial position at the end of the year are shown in the attached financial statements.

The directors have not recommended a dividend.

The directors and their interests in shares of the company

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	<i>At</i>	<i>At</i>
	30 September 2003	<i>1 October 2002</i>
Mr A J M Eavis	1	1
Mr M J Benn	—	—
	<u> </u>	<u> </u>

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 at the end of the year and of the profit or loss for the year then ended. In preparing those financial statements, the directors are required to:

select suitable accounting policies, as described on page 9, and then apply them consistently;

make judgements and estimates that are reasonable and prudent; and

prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

**GLASTONBURY FESTIVAL 2004 LIMITED
(FORMERLY GLASTONBURY FESTIVAL 2003 LIMITED)**

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 30 SEPTEMBER 2003

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. The directors 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.

Donations

During the year the company made the following contributions:

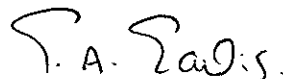
	Year to 30 September 2003	<i>Period from 7 January 2002 to 30 September 2002</i>
	£	£
Charitable	<u>111,467</u>	<u>147,264</u>

Auditors

Blueprint Audit Limited were appointed the company's auditors in the period and have agreed to offer themselves for re-appointment.

Registered office:
The Old Mill
Park Road
Shepton Mallet
Somerset

Signed by order of the directors



MRS E A EAVIS
Company Secretary

Approved by the directors on 17 June 2004

**GLASTONBURY FESTIVAL 2004 LIMITED
(FORMERLY GLASTONBURY FESTIVAL 2003 LIMITED)**

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS

YEAR ENDED 30 SEPTEMBER 2003

We have audited the financial statements on pages 6 to 15 which have been prepared under the historical cost convention and the accounting policies set out on page 9.

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 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 described in the Statement of Directors' Responsibilities 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. Our responsibilities do not extend to any other information.

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.

GLASTONBURY FESTIVAL 2004 LIMITED
(FORMERLY GLASTONBURY FESTIVAL 2003 LIMITED)

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS *(continued)*

YEAR ENDED 30 SEPTEMBER 2003

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 September 2003 and of its result for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Blueprint Audit Limited

Blueprint Audit Limited
Registered Auditor
The Old Mill
Park Road
Shepton Mallet
Somerset
BA4 5BS

27th July 2004

GLASTONBURY FESTIVAL 2004 LIMITED
(FORMERLY GLASTONBURY FESTIVAL 2003 LIMITED)

PROFIT AND LOSS ACCOUNT

YEAR ENDED 30 SEPTEMBER 2003

	Note	Year to 30 Sep 03 £	<i>Period from 7 Jan 02 to 30 Sep 02 £</i>
Turnover	2	13,393,378	11,289,822
Cost of sales		(3,657,601)	(3,116,737)
Gross profit		<u>9,735,777</u>	<u>8,173,085</u>
Administrative expenses		(9,796,242)	(8,240,718)
Operating loss	3	(60,465)	(67,633)
Interest receivable		63,156	68,060
Interest payable	6	-	(427)
Profit on ordinary activities before taxation		<u>2,691</u>	-
Tax on profit on ordinary activities	7	(2,691)	-
Retained profit for the financial year		<u><u>-</u></u>	<u><u>-</u></u>

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

**GLASTONBURY FESTIVAL 2004 LIMITED
(FORMERLY GLASTONBURY FESTIVAL 2003 LIMITED)**

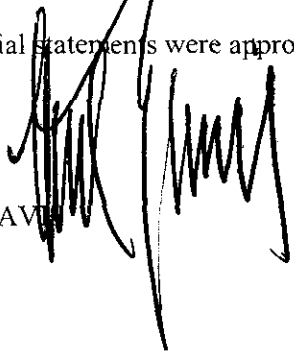
BALANCE SHEET

30 SEPTEMBER 2003

	Note	2003 £	£	2002 £	£
Current assets					
Debtors	8	753,873		824,468	
Cash at bank and in hand		549,810		567,215	
		1,303,683		1,391,683	
Creditors: Amounts falling due within one year					
	9	1,303,682		1,391,682	
Net current assets			1		1
Total assets less current liabilities			1		1
Capital and reserves					
Called-up equity share capital	12		1		1
Shareholders' funds	13		1		1

These financial statements were approved by the directors on the 17 June 2004 and are signed by:

MR A J M EAVES
Director



MR M J BENN
Director



GLASTONBURY FESTIVAL 2004 LIMITED
(FORMERLY GLASTONBURY FESTIVAL 2003 LIMITED)

CASH FLOW STATEMENT

YEAR ENDED 30 SEPTEMBER 2003

	Note	Year to 30 Sep 03		Period from 7 Jan 02 to 30 Sep 02	
		£	£	£	£
Net cash (outflow)/inflow from operating activities	14		(26,098)		444,305
Returns on investments and servicing of finance					
Interest received		63,156		68,060	
Interest paid		—		(427)	
Net cash inflow from returns on investments and servicing of finance			63,156		67,633
Taxation	15		(68)		—
Cash inflow before financing			<u>36,990</u>		<u>511,938</u>
Financing					
Issue of equity share capital		—		1	
Net cash inflow from financing			—		1
Increase in cash	16		<u><u>36,990</u></u>		<u><u>511,939</u></u>

The notes on pages 9 to 15 form part of these financial statements.

**GLASTONBURY FESTIVAL 2004 LIMITED
(FORMERLY GLASTONBURY FESTIVAL 2003 LIMITED)**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2003

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents the amount derived from the provision of goods and services falling within the company's activities after deduction of trade discounts and value added tax.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

2. Turnover

The turnover and profit before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below:

	Year to 30 Sep 03 £	<i>Period from 7 Jan 02 to 30 Sep 02 £</i>
United Kingdom	<u>13,393,378</u>	<u>11,289,822</u>

GLASTONBURY FESTIVAL 2004 LIMITED
(FORMERLY GLASTONBURY FESTIVAL 2003 LIMITED)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2003

3. Operating loss

Operating loss is stated after charging/(crediting):

	Year to	<i>Period from</i>
	30 Sep 03	<i>7 Jan 02 to</i>
	£	<i>30 Sep 02</i>
		£
Directors' emoluments	72,535	66,600
Auditors' remuneration		
- as auditors	6,000	6,000
Operating lease costs:		
Land and buildings	704,368	652,955
Plant and equipment	191,722	189,082
Net profit on foreign currency translation	—	(533)
	<u> </u>	<u> </u>

4. Particulars of employees

The average number of staff employed by the company during the financial year amounted to:

	Year to	<i>Period from</i>
	30 Sep 03	<i>7 Jan 02 to</i>
	No	<i>30 Sep 02</i>
		No
Management	1	1
Festival site staff	120	89
	<u> </u>	<u> </u>
	121	90
	<u> </u>	<u> </u>

The aggregate payroll costs of the above were:

	Year to	<i>Period from</i>
	30 Sep 03	<i>7 Jan 02 to</i>
	£	<i>30 Sep 02</i>
		£
Wages and salaries	562,221	330,759
Social security costs	38,258	19,830
Other pension costs	55,000	48,420
	<u> </u>	<u> </u>
	655,479	399,009
	<u> </u>	<u> </u>

**GLASTONBURY FESTIVAL 2004 LIMITED
(FORMERLY GLASTONBURY FESTIVAL 2003 LIMITED)**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2003

5. Directors' emoluments

The directors' aggregate emoluments in respect of qualifying services were:

	Year to 30 Sep 03 £	<i>Period from 7 Jan 02 to 30 Sep 02 £</i>
Emoluments receivable	72,535	66,600
Value of company pension contributions to money purchase schemes	55,000	48,420
	<u>127,535</u>	<u>115,020</u>

The number of directors who are accruing benefits under company pension schemes was as follows:

	Year to 30 Sep 03 No	<i>Period from 7 Jan 02 to 30 Sep 02 No</i>
Money purchase schemes	<u>1</u>	<u>1</u>

6. Interest payable

	Year to 30 Sep 03 £	<i>Period from 7 Jan 02 to 30 Sep 02 £</i>
Interest payable on bank borrowing	<u>-</u>	<u>427</u>

7. Tax on profit on ordinary activities

	Year to 30 Sep 03 £	<i>Period from 7 Jan 02 to 30 Sep 02 £</i>
Current tax:		
UK Corporation tax based on the results for the year	2,623	-
Over/under provision in prior year	68	-
Total current tax	<u>2,691</u>	<u>-</u>

**GLASTONBURY FESTIVAL 2004 LIMITED
(FORMERLY GLASTONBURY FESTIVAL 2003 LIMITED)**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2003

8. Debtors

	2003	2002
	£	£
Trade debtors	83,335	250,389
Other debtors	666,580	570,150
Prepayments and accrued income	3,958	3,929
	<u>753,873</u>	<u>824,468</u>

9. Creditors: Amounts falling due within one year

	2003	2002
	£	£
Bank loans and overdrafts	881	55,276
Trade creditors	632,247	547,296
Corporation tax	2,623	-
PAYE and social security	136,227	51,704
VAT	14,443	21,931
Other creditors	494,991	652,771
Directors current accounts	147	35,999
Accruals and deferred income	22,123	26,705
	<u>1,303,682</u>	<u>1,391,682</u>

10. Contingencies

The Inland Revenue has queried the deduction in the financial statements regarding management fees payable to Glastonbury Festivals Limited, The Mean Fiddler Music Group plc and The Workers Beer Company totalling £646,428 for the year ended 30 September 2003 and £647,238 for the period ended 30 September 2002.

The Inland Revenue is claiming that these are not deductions for corporation tax purposes and that additional corporation tax payments are due to be paid of £195,619 for the year ended 30 September 2003 and £194,753 for the period ended 30 September 2002.

The directors do not agree with the Inland Revenue. At the date of approval of the financial statements this matter has not been resolved.

GLASTONBURY FESTIVAL 2004 LIMITED
(FORMERLY GLASTONBURY FESTIVAL 2003 LIMITED)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2003

11. Related party transactions

The company was under the control of Mr A J M Eavis throughout the year/period. Mr Eavis is a director of the company and the sole shareholder.

Glastonbury Festivals Limited and Mean Fiddler Music Group plc make management charges to the company in their agreed profit sharing ratios in order to reduce the profits retained by the company to £nil.

Mr AJM Eavis owns an unincorporated farming business. The company was charged £246,500 (2002: £200,000) by this business during the period as compensation for loss of earnings as a result of the farm land being used for the festival. The amount due to Mr Eavis at the end of the year/period was £200,000 (2002: £nil).

At the balance sheet date there was an amount of £147 (2002: £35,999) owing to the director, Mr AJM Eavis, by way of the directors loan account. This related to unpaid directors remuneration. There are no repayment terms and no interest payable.

The company rents land from the pension fund of Mr AJM Eavis who is the sole beneficiary of the pension fund. During the year/period rents were paid to the pension fund of £7,000 (2002: £11,598). The amount due at the year/period end was £7,000 (2002: £nil).

Mr AJM Eavis, together with his family, being the beneficiaries of Mr Eavis' late wife's estate are the controlling shareholders of Manorbord Limited. The company was charged £150,000 (2002: £150,000) during the year/period for the use of its land. The amount due to Manorbord Limited at the year/period end was £nil (2002: £nil).

Mr AJM Eavis, together with his family, being the beneficiaries of Mr Eavis' late wife's estate, are controlling shareholders of Glastonbury Festivals Limited.

The company was charged £422,145 (2002: £508,106) by Glastonbury Festivals Limited during the year/period as a management fee. The company was charged £95,000 (2002: £95,000) during the year/period for rent of the Pyramid stage, plant, equipment and offices. The company was charged £141,297 (2002: £153,663) during the year/period for use of Glastonbury Festivals Limited staff. The company was charged £72,535 (2002: £66,600) during the year/period for AJM Eavis' services.

At the balance sheet date the amount due to Glastonbury Festivals Limited was £161,925 (2002: £371,362). There are no repayment terms and no interest payable.

Mr M Benn is a director of the company. Mr M Benn is also a director of Mean Fiddler Music Group Plc.

The company was charged £179,535 (2002: £123,805) by Mean Fiddler Music Group Plc during the year/period as a management fee. The company was charged £79,514 (2002: £65,695) during the year/period for use of Mean Fiddler Music Group Plc staff. During the year/period Mean Fiddler Music Group Plc charged the company £nil (2002: £2,664) for travel and accommodation costs incurred by the director, Mr M Benn.

At the balance sheet date the amount due to Mean Fiddler Music Group Plc was £170,354 (2002: £111,305). There are no repayment terms and no interest payable.

GLASTONBURY FESTIVAL 2004 LIMITED
(FORMERLY GLASTONBURY FESTIVAL 2003 LIMITED)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2003

12. Share capital

Authorised share capital:

	2003	2002
	£	£
1,000 Ordinary shares of £1 each	1,000	1,000
	<u>1,000</u>	<u>1,000</u>

Allotted, called up and fully paid:

	2003		2002	
	No	£	No	£
Ordinary shares of £1 each	1	1	1	1
	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

13. Reconciliation of movements in shareholders' funds

	2003	2002
	£	£
New equity share capital subscribed	—	1
Net addition to funds	—	1
Opening shareholders' equity funds	1	—
Closing shareholders' equity funds	<u>1</u>	<u>1</u>

14. Reconciliation of operating loss to net cash (outflow)/inflow from operating activities

	Year to 30 Sep 03	Period from 7 Jan 02 to 30 Sep 02
	£	£
Operating loss	(60,465)	(67,633)
Decrease/(increase) in debtors	70,595	(824,468)
(Decrease)/increase in creditors	(36,228)	1,336,406
Net cash (outflow)/inflow from operating activities	<u>(26,098)</u>	<u>444,305</u>

15. Taxation

	Year to 30 Sep 03	Period from 7 Jan 02 to 30 Sep 02
	£	£
Taxation	<u>(68)</u>	<u>—</u>

GLASTONBURY FESTIVAL 2004 LIMITED
(FORMERLY GLASTONBURY FESTIVAL 2003 LIMITED)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30 SEPTEMBER 2003

16. Reconciliation of net cash flow to movement in net funds

	2003	2002
	£	£
Increase in cash in the period	36,990	<u>511,939</u>
Movement in net funds in the period	<u>36,990</u>	<u>511,939</u>
Net funds at 1 October 2002	511,939	—
Net funds at 30 September 2003	<u>548,929</u>	<u>511,939</u>

17. Analysis of changes in net funds

	At 1 Oct 2002	Cash flows	At 30 Sep 2003
	£	£	£
Net cash:			
Cash in hand and at bank	567,215	(17,405)	549,810
Overdrafts	(55,276)	54,395	(881)
Net funds	<u>511,939</u>	<u>36,990</u>	<u>548,929</u>