

COMPANY NUMBER : 2511210

ACOUSTIKIT LIMITED

INDEX TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 1995

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Ridehalgh and Son

Chartered Accountants
Guardian House
42 Preston New Road
Blackburn



AUDITORS REPORT TO THE DIRECTORS OF
ACOUSTIKIT LIMITED

We have examined the abbreviated financial statements set out on pages 3 to 6 for the year ended 31st December 1995.

In our opinion the company is entitled to the exemptions as set out in the directors' statement on page 4 and the abbreviated financial statements have been properly prepared in accordance with part III of Schedule 8 to the Companies Act 1985.

On 28th April 1997 we reported to the shareholders on the statutory financial statements of the company for the year ended 31st December 1995 prepared under Section 226 of the Companies Act 1985 as modified by the exemptions provided by Part 1 of Schedule 8. Our report under section 235 of the Companies Act 1985 was as follows:

'We have audited the financial statements on pages 5 to 11 which have been prepared under the accounting policies set out on page 7.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 1, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with 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 misstatements, 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.

AUDITOR'S REPORT TO THE SHAREHOLDERS OF
ACOUSTIKET LIMITED - continued

FUNDAMENTAL UNCERTAINTIES

i) The financial statements have been prepared on a going concern basis, the validity of which depends upon the continuing support of its directors and bankers as explained in note 13. The financial statements do not include any adjustments that would result from a lack of adequate financial support.

ii) Goodwill being amortised over its estimated useful life of 20 years. The results of the company indicate that the net book value of goodwill at 31st December 1995 may be overvalued. The value of goodwill assumes the results of the company should improve in the foreseeable future. Due to the uncertainty as to the future performance of the company we are unable to confirm the value of goodwill as at 31st December 1995.

Our opinion is not qualified in respect of the above matters.

OPINION

In our opinion the financial statements give a true and fair view of the company's affairs as at 31st December 1995 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



Ridehalgh and Son

Chartered Accountants and Registered Auditors
Guardian House
42 Preston New Road
Blackburn

28th April 1997

ACOUSTIKIT LIMITED

ABBREVIATED BALANCE SHEET
AS AT 31ST DECEMBER 1995

	£	<u>1995</u> £	£	<u>1994</u> £
FIXED ASSETS				
Intangible assets		157,057		167,527
Tangible assets		16,409		19,949
		<u>173,466</u>		<u>187,476</u>
CURRENT ASSETS				
Stocks	950		1,043	
Debtors	69,221		30,280	
Cash at bank and in hand	28		38,399	
	<u>70,199</u>		<u>69,722</u>	
CREDITORS - amounts falling due within one year	<u>(67,140)</u>		<u>(65,831)</u>	
NET CURRENT ASSETS		<u>3,059</u>		<u>3,891</u>
ASSETS LESS CURRENT LIABILITIES		176,525		191,367
CREDITORS - amounts falling due after more than one year		(241,043)		(259,015)
NET LIABILITIES		<u>£ (64,518)</u>		<u>£ (67,648)</u>
Represented by:				
CAPITAL AND RESERVES				
Called up share capital		100		100
Profit and loss account		(64,618)		(67,748)
SHAREHOLDERS' FUNDS - all equity		<u>£ (64,518)</u>		<u>£ (67,648)</u>

The notes on pages 5 and 6 form part of these abbreviated financial statements.

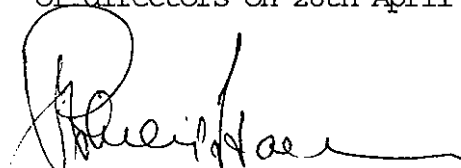
ACOUSTIKIT LIMITED

ABBREVIATED BALANCE SHEET - continued
AS AT 31ST DECEMBER 1995

The directors have taken advantage, in the preparation of these abbreviated financial statements, of the exemptions conferred by Schedule 8 Part 111 A of the Companies Act 1985 on the grounds that, in the opinion of the directors, the company qualifies as a small company and is entitled to make use of the exemptions.

The directors have taken advantage, in the preparation of these financial statements, of special exemptions applicable to small companies under Schedule 8 Part 1 of the Companies Act 1985 on the grounds that, in the opinion of the directors, the company qualifies as a small company and is entitled to make use of the special exemptions.

The abbreviated financial statements were approved by the board of directors on 28th April 1997 and signed on its behalf.



J. P. Harrison
Director.

The notes on pages 5 and 6 form part of these abbreviated financial statements.

ACCOUSTIKIT LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 1995

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements are prepared under the historical cost convention and include the results of the company's operations which are described in the Directors' Report and all of which are continuing. 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 Depreciation of intangible fixed assets

The Company's policy is to write off goodwill evenly over its economic useful life of 20 years.

1.3 Depreciation of tangible fixed assets

Provision is made for depreciation on all tangible fixed assets at rates calculated to write off the cost less estimated residual value, of each asset over its expected useful life, as follows:-

Fixtures, fittings and equipment	-	20% per annum on reducing balance method
Templates	-	20% per annum on straight line method
Motor vehicles	-	25% per annum on reducing balance method

1.4 Stock

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost means purchase price including transport and handling charges less trade discounts. Net realisable value means estimated selling price less marketing, selling and distribution costs.

1.5 Deferred taxation

Deferred taxation is the taxation attributable to timing differences between profits computed for taxation purposes and profits as stated in the financial statements and has been provided for in full. Transfers to and from deferred taxation are calculated at the rate of corporation tax in force at the end of the period in which the transfers are made, adjusting for any changes in rate as compared with the preceding period.

1.6 Hire purchase assets

Assets held under hire purchase agreements are capitalised and the corresponding liability recognised in creditors falling due within or after one year, as appropriate.

1.7 Operating leases

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to profit and loss account as incurred.

ACOUSTIKIT LIMITED

NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 1995

2. **TURNOVER**

Turnover is the total amount receivable by the company in the ordinary course of business for goods supplied as a principal and for services provided after deducting trade discounts and value added tax.

3. **INTANGIBLE FIXED ASSETS**

£

Cost:

At 1st January 1995 and
31st December 1995

209,407

Amortisation:

At 1st January 1995
Charge for year

41,880

10,470

At 31st December 1995

52,350

Net book value at 31st December 1995

£157,057

Net book value at 31st December 1994

£167,527

4. **TANGIBLE FIXED ASSETS**

£

Cost:

At 1st January 1995
Additions

71,298

13,597

At 31st December 1995

84,895

Depreciation :

At 1st January 1995
Charge for year

51,349

17,137

At 31st December 1995

68,486

Net book value at
31st December 1995

£ 16,409

Net book value at
31st December 1994

£ 19,949

5. **SHARE CAPITAL**

Authorised Allotted, called-up
and fully paid

1995

1994

Ordinary shares of £1 each

£ 100

£ 100

£ 100