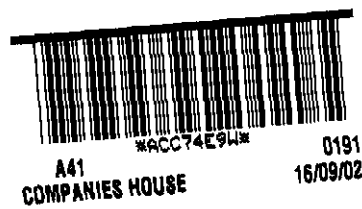


Registered number: 4170704

PHOENIX SOUND LIMITED

ABBREVIATED ACCOUNTS

for the period ended 31 December 2001



PHOENIX SOUND LIMITED

The following reproduces the text of the accountants' report in respect of the company's annual financial statements, from which the abbreviated accounts (set out on pages 2 to 4) have been prepared.

ACCOUNTANTS' REPORT TO THE DIRECTORS ON THE UNAUDITED FINANCIAL STATEMENTS OF PHOENIX SOUND LIMITED

As described on the balance sheet you are responsible for the preparation of the financial statements for the period ended 31 December 2001 set out on pages 2 to 4 and you consider that the company is exempt from an audit under section 249A(1) of the Companies Act 1985.

In accordance with your instructions, we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records of the company and from information and explanations supplied to us.



Alan Secker & Co

Chartered Accountants

Parkville House
16 Bridge Street
Pinner
Middlesex
HA5 3JD

5 September 2002

PHOENIX SOUND LIMITED

ABBREVIATED BALANCE SHEET

As at 31 December 2001

		31 December	
	Note	£	£
FIXED ASSETS			
Tangible fixed assets	2		169,642
CURRENT ASSETS			
Debtors		53,687	
Cash at Bank And In Hand		90,338	
		<u>144,025</u>	
CREDITORS: amounts falling due within one year		<u>(154,567)</u>	
NET CURRENT LIABILITIES			<u>(10,542)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>159,100</u>
CREDITORS: amounts falling due after more than one year	3		<u>(116,295)</u>
NET ASSETS			<u>: 42,805</u>
CAPITAL AND RESERVES			
Called up share capital	4		1,000
Share premium account			99,700
Profit and loss account			<u>(57,895)</u>
SHAREHOLDERS' FUNDS			<u>: 42,805</u>

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 249A(1) of the Companies Act 1985 and no notice requiring an audit has been deposited under section 249B(2) of the Act. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 December 2001 and of its loss for the period then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to the financial statements so far as applicable to the company.

The abbreviated accounts, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, were approved by the board on 5 September 2002 and signed on its behalf.



P J Fielder
Director

The notes on pages 3 to 4 and referred to above form an integral part of these financial statements.

PHOENIX SOUND LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

For the period ended 31 December 2001

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

1.2 Cash flow

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective March 2000).

1.3 Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, exclusive of Value Added Tax and trade discounts.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant and equipment	-	15% and 3 year straight line
Fixtures and fittings	-	15% straight line
Office equipment	-	15% straight line

1.5 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.6 Operating leases

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

PHOENIX SOUND LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

For the period ended 31 December 2001

2. TANGIBLE FIXED ASSETS

	£
Cost	
Additions	190,912
At 31 December 2001	<u>190,912</u>
Depreciation	
Charge for the period	21,270
At 31 December 2001	<u>21,270</u>
Net book value	
At 31 December 2001	<u>£ 169,642</u>

3. CREDITORS

The Company's borrowings are secured by a fixed and floating charge dated 12th October 2001 over all of the Company's assets in favour of National Westminster Bank Plc.

4. SHARE CAPITAL

	31 December 2001 £
Authorised	
1,000,000 Ordinary shares of £1 each	<u>£ 1,000,000</u>
Allotted, called up and fully paid	
1,000 Ordinary shares of £1 each	<u>£ 1,000</u>

During the period 1000 Ordinary £1 Shares were allotted for which full consideration was received.