

ETHOS ACOUSTICS LIMITED  
(Registration Number: 2909295)

AUDITORS' REPORT AND ABBREVIATED FINANCIAL STATEMENTS  
FOR THE PERIOD FROM 17th MARCH 1994 to 31st MAY 1995



*JOHN R NORMAN & CO*

CERTIFIED ACCOUNTANTS

AUDITORS' REPORT TO THE DIRECTORS OF ETHOS ACOUSTICS LIMITED PURSUANT TO  
PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

We have examined the abbreviated financial statements on pages 5 to 8 together with the full financial statements of Ethos Acoustics Limited for the period ended 31st May 1995. The scope of our work for the purpose of this report was limited to confirming that the Directors are entitled to deliver abbreviated financial statements and that the abbreviated financial statements have been properly prepared from the full financial statements.

In our opinion, the Directors are entitled under Sections 246 and 247 of the Companies Act 1985 to deliver abbreviated financial statements in respect of the period ended 31st May 1995 and the abbreviated financial statements on pages 5 to 8 have been properly prepared in accordance with Schedule 8 to that Act.

On 14th August 1995, we reported as Auditors of Ethos Acoustics Limited, to the members on the full financial statements prepared under Section 226 of the Companies Act 1985 for the period ended 31st May 1995 and our audit report was as follows:-

"We have audited the financial statements on pages 5 to 8.

**RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND AUDITORS**

As described in the Directors' Report, 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 statements and to report our opinion to you.

**BASIS OF OPINION**

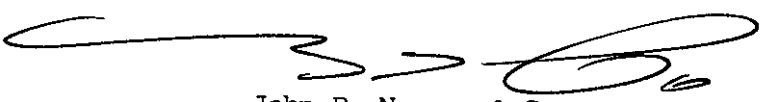
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements 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, reliable and relevant 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.

**OPINION**

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

Elm Park Court,  
Pinner, Middlesex  
14th August 1995



John R. Norman & Co.  
Certified Accountants  
Registered Auditors

## BALANCE SHEET AS AT 31st MAY 1995

	Notes	£	£
<b>FIXED ASSETS</b>			
Tangible Assets	5		5,610
<b>CURRENT ASSETS</b>			
Stocks	1 & 6	9,116	
Debtors	7	1,289	
Cash at Bank and in Hand		<u>1,701</u>	
		12,106	
<b>CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	8	<u>17,167</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(5,061)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>£ 549</u>
<b>CAPITAL AND RESERVES</b>			
Called up Share Capital			100
Profit and Loss Account			<u>449</u>
			<u>£549</u>

In preparing these financial statements, the Directors have taken advantage of the special exemptions applicable to small companies.

In preparing these abbreviated Financial Statements, we have relied upon the exemptions for individual Accounts under Sections 246 and 247 of the Companies Act 1985 on the grounds that the company is entitled to the benefit of these exemptions as a small company.

...G. Whitehead.....

.....D.J. Walker.....

G. Whitehead - Director

D.J. Walker - Director

Approved by the Board on 14th August 1995.

The notes form part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st MAY 1995

## 1. ACCOUNTING POLICIES

## (a) Accounting Convention

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

## (b) Cash Flow Statement

The company has taken advantage of the exemption, conferred by Financial Reporting Standard 1, from presenting a cash flow statement as it qualifies as a small company.

## (c) Tangible Fixed Assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures, Fittings, Plant and Equipment - 25% reducing balance

## (d) Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

## (e) Deferred Taxation

Provision is made, using the liability method, for timing differences between the treatment of certain items for taxation and accounting purposes to the extent that it is probable that a liability will crystallise in the foreseeable future.

## 2. TURNOVER

The turnover and profit before taxation are attributable to the principal activity of the company arising in the United Kingdom.

## 3. OPERATING PROFIT

The operating profit is stated after charging:

	£
Depreciation	1,869
Auditors' Remuneration	900
	<u>          </u>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st MAY 1995 (continued)

## 4. INTEREST RECEIVABLE

Bank Deposit Interest	£4
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## 5. TANGIBLE FIXED ASSETS

	Fixtures, Fittings Plant and Equipment £	Total £
<b>COST</b>		
Additions	7,479	7,479
Disposals	(-)	(-)
AT 31st May 1995	7,479	7,479
<b>DEPRECIATION</b>		
Charge for Year	1,869	1,869
Disposals	(-)	(-)
At 31st May 1995	1,869	1,869
<b>NET BOOK VALUE AT 31st MAY 1995</b>	<b>£5,610</b>	<b>£5,610</b>

## 6. STOCKS

Components and Part Built Goods	£9,116
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## 7. DEBTORS

	£
Trade Debtors	1,039
Prepayments and Accrued Income	250
	£1,289

## ETHOS ACOUSTICS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st MAY 1995 (continued)

8. CREDITORS: AMOUNTS FALLING DUE  
WITHIN ONE YEAR

	£
Trade Creditors	2,543
Corporation Tax	196
Other Creditors	4,180
Accrued Expenses	961
Directors and Other Loans	<u>9,287</u>
	<u>£17,167</u>

## 9. CALLED UP SHARE CAPITAL

	Authorised	Issued and Fully Paid
Ordinary Shares of £1 Each	100	100

On 21st March 1994, 98 Ordinary Shares of £1 each were issued for cash.

## 10. PROFIT AND LOSS ACCOUNT

	£
At 17th March 1994	Nil
Profit for the Year	<u>449</u>
At 31st May 1995	<u>£449</u>

All recognised gains and losses in 1995 have been included in the Profit and Loss Account.