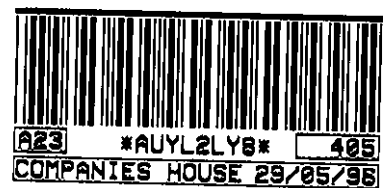


GENERAL MICRONETICS HOLDINGS LIMITED

ABBREVIATED ACCOUNTS

30 SEPTEMBER 1995

REGISTERED NUMBER: 893003



GENERAL MICRONETICS HOLDINGS LIMITED

CONTENTS

Page

1 Auditors' Report

3 Balance Sheet

4-5 Notes to the Abbreviated Financial Statements

GENERAL MICRONETICS HOLDINGS LIMITED

AUDITORS' REPORT TO GENERAL MICRONETICS HOLDINGS LIMITED PURSUANT TO PARAGRAPH 24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 3 to 5 together with the financial statements of General Micronetics Holdings Limited prepared under section 226 of the Companies Act 1985 for the year ended 30 September 1995.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors are responsible for preparing the abbreviated accounts in accordance with Schedule 8 to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statements on page 3 and whether the abbreviated accounts have been properly prepared in accordance with that Schedule.

BASIS OF OPINION

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

OPINION

In our opinion the company is entitled under sections 246, 247 and 249 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act, in respect of the year ended 30 September 1995 and the abbreviated accounts on pages 3 to 5 have been properly prepared in accordance with that Schedule.

OTHER INFORMATION

On 19 March 1996 we reported, as auditors of General Micronetics Holdings Limited, to the members on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 30 September 1995, and our audit report was as follows:

"We have audited the financial statements on pages 5 to 10.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described in the directors' report on page 2, 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.

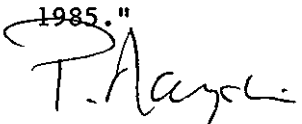
GENERAL MICRONETICS HOLDINGS LIMITED

AUDITORS' REPORT TO GENERAL MICRONETICS HOLDINGS LIMITED PURSUANT TO PARAGRAPH
24 OF SCHEDULE 8 TO THE COMPANIES ACT 1985 (Continued)

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.

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 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985."


A P MAYSTON FCA, ATII
Chartered Accountants
Registered Auditors

Little Puckmore
Much Marcle
Ledbury
Herefordshire
HR8 2PG

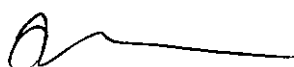
19 March 1996

GENERAL MICRONETICS HOLDINGS LIMITED

ABBREVIATED BALANCE SHEET
30 SEPTEMBER 1995

| | Notes | 30.9.95 £ | 30.9.94 £ |
|--|-------|--------------|--------------|
| FIXED ASSETS | | | |
| Tangible Assets | 5 | 110,669 | 112,380 |
| Investments | 4 | - | 22,864 |
| | | ----- | ----- |
| | | 110,669 | 135,244 |
| | | ----- | ----- |
| CURRENT ASSETS | | | |
| Debtors | | 1,410 | 1,410 |
| Bank balance | | 200,385 | 178,575 |
| | | ----- | ----- |
| | | 201,795 | 179,985 |
| CREDITORS | | | |
| Amounts falling due within one year | | (53,793) | (50,526) |
| | | ----- | ----- |
| NET CURRENT ASSETS | | 148,002 | 129,459 |
| | | ----- | ----- |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 258,671 | 264,703 |
| CREDITORS | | | |
| Amounts falling due after more than one year | 3 | - | (25,000) |
| PROVISION FOR LIABILITIES AND CHARGES | | (3,620) | (3,620) |
| | | ----- | ----- |
| | | £255,051 | £236,083 |
| | | ===== | ===== |
| CAPITAL AND RESERVES | | | |
| Called up Share Capital | 2 | 24,000 | 24,000 |
| Share Premium Account | | 6,000 | 6,000 |
| Profit and Loss Account | | 225,051 | 206,083 |
| | | ----- | ----- |
| | | £255,051 | £236,083 |
| | | ===== | ===== |

We have relied on the exemptions for individual financial statements contained in Sections 247 to 249 of the Companies act 1985 because, under the Act, the Company is entitled to benefit from these exemptions as a small Company.



A S DIXON - Director

19 March 1996

The notes on pages 4 and 5 form part of these accounts.

GENERAL MICRONETICS HOLDINGS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 30 SEPTEMBER 1995

1 ACCOUNTING POLICIES

a) ACCOUNTING CONVENTION

The accounts are prepared under the historical cost convention.

b) CONSOLIDATION

See Note 4 below.

c) TANGIBLE FIXED ASSETS

No depreciation has been provided on freehold property

d) TURNOVER

Turnover represents the amounts invoiced during the period net of credits, allowances and Value Added Tax.

e) DEFERRED TAXATION

Deferred taxation or accelerated by the effect of timing differences is accounted for to the extent that it is possible that a liability or asset will crystallise in the foreseeable future.

| 2 | SHARE CAPITAL | 1995 | 1994 |
|---|-------------------------------------|----------|---------|
| | Authorised: | | |
| | 25,000 £1 ordinary shares | £25,000 | £25,000 |
| | | ===== | ===== |
| | Allotted, issued and fully paid | | |
| | 24,000 £1 ordinary shares | £24,000 | £24,000 |
| | | ===== | ===== |
| 3 | CREDITORS | | |
| | Amounts falling due after one year: | | |
| | Amounts due to subsidiary companies | £- | £25,000 |
| | | ===== | ===== |
| 4 | FIXED ASSET INVESTMENTS | | |
| | Investment in subsidiary companies | | |
| | Shares at cost | 22,864 | 22,864 |
| | Less: Amount written off | (22,864) | - |
| | | ----- | ----- |
| | | £- | £22,864 |
| | | ===== | ===== |

The wholly owned subsidiary, Cassette Developments (Audiosonic) Limited, did not trading during the year and was dissolved and struck from the Register on 13 September 1995.

GENERAL MICRONETICS HOLDINGS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 30 SEPTEMBER 1995 (Continued)

| | | |
|---|-----------------------|----------|
| 5 | TANGIBLE FIXED ASSETS | TOTAL |
| | Cost: | £ |
| | At 1 October 1994 | 114,140 |
| | Additions | - |
| | Disposals | (3,471) |
| | At 30 September 1995 | £110,669 |
| | | ----- |
| | Depreciation: | |
| | At 1 October 1994 | 1,760 |
| | Charge for the year | - |
| | Disposals | (1,760) |
| | At 30 September 1995 | £- |
| | | ----- |
| | Net Book Value: | |
| | At 30 September 1995 | £110,669 |
| | | ===== |
| | Net Book Value: | |
| | At 30 September 1994 | £112,380 |
| | | ===== |