

4437016

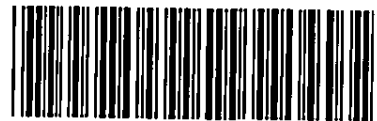
Registration number: 0184976⁸₁

Musicom Ltd

Unaudited Abbreviated Accounts
for the Year Ended 31 August 2008

Glover Stanbury & Co
CHARTERED ACCOUNTANTS

WEDNESDAY



A72X0ASI

A33

17/06/2009

90

COMPANIES HOUSE

MUSICOM LTD

CONTENTS

Accountants' report	1
Abbreviated balance sheet	2 to 3
Notes to the abbreviated accounts	4 to 8

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 8) have been prepared.

CHARTERED ACCOUNTANTS' REPORT TO THE DIRECTORS ON THE UNAUDITED FINANCIAL STATEMENTS OF MUSICOM LTD

In order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of the company which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement, and the related notes from the accounting records and information and explanations you have given to us.

This report is made to the Company's Board of Directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Company's Board of Directors that we have done so, and state those matters that we have agreed to state to them in this 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 Board of Directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the balance sheet as at 31 August 2008 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.

Glover Stanbury & Co

Glover Stanbury & Co
Chartered Accountants

Date: 9 June 2009

30 Bear Street
BARNSTAPLE
Devon
EX32 7DD

MUSICOM LTD

ABBREVIATED BALANCE SHEET AS AT 31 AUGUST 2008

		2008	2007
	Note	£	£
Fixed assets			
Intangible assets	3	33,891	17,999
Tangible assets	3	18,249	17,281
Investments	3	98	98
		<u>52,238</u>	<u>35,378</u>
Current assets			
Stocks		86,779	53,622
Debtors		18,930	32,192
Cash at bank and in hand		3,783	20,024
		<u>109,492</u>	<u>105,838</u>
Creditors: Amounts falling due within one year	4	<u>(89,230)</u>	<u>(145,962)</u>
Net current assets/(liabilities)		<u>20,262</u>	<u>(40,124)</u>
Total assets less current liabilities		72,500	(4,746)
Creditors: Amounts falling due after more than one year	4	<u>(365,837)</u>	<u>(271,165)</u>
Net liabilities		<u>(293,337)</u>	<u>(275,911)</u>
Capital and reserves			
Called up share capital	5	229,200	229,200
Share premium reserve		228,352	228,352
Profit and loss reserve		<u>(750,889)</u>	<u>(733,463)</u>
Shareholders' deficit		<u>(293,337)</u>	<u>(275,911)</u>

The notes on pages 4 to 8 form an integral part of these financial statements.

MUSICOM LTD

ABBREVIATED BALANCE SHEET AS AT 31 AUGUST 2008 (CONTINUED)

For the financial year ended 31 August 2008, the company was entitled to exemption from audit under section 249A(1) of the Companies Act 1985; and no notice has been deposited under section 249B(2) requesting an audit. The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 of the Act and preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the year and of its profit or loss for the financial year in accordance with the requirements of section 226 and which otherwise comply with the Companies Act 1985, so far as applicable to the company.

The abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Board on8./6./09 and signed on its behalf by:


Mr A S Koorlander
Director

MUSICOM LTD

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2008

1 FUNDAMENTAL ACCOUNTING CONCEPT

The accounts have been prepared under the going concern concept because the directors have agreed to provide continuing financial support to the company as necessary.

Debenture loans were issued to Mr Blyth and Mr Deakin deceased in December 1998 in order to repay the Bank Loan and overdraft. The debentures held against the company were restructured 14 April 1999 to pay interest at 12% with capital repayments to commence 31 December 2004 payable in 5 equal instalments. From October 2001 both Mr Blyth and Mr Deakin deceased waived their entitlement to the 12% interest in order to improve the working capital of the company. In April 2003 the company recommenced the payment of interest on the debentures at a new agreed rate of 8%. Mr Blyth and Mr Deakin deceased both waived their entitlement to receive loan interest during 2008.

On 2 November 2008 Mr Deakin sadly passed away. The £163,810 debenture has been assigned to the Deakin Charitable Trust and interest of 2.5% will be charged on the debenture from 2 November 2008.

Further loans from Mr Blyth were made in the year amounting to £94,671. These amounts are repayable when the company's cashflow permits.

2 ACCOUNTING POLICIES

Basis of preparation

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 January 2007).

Going concern

Going concern

These financial statements have been prepared on a going concern basis.

Turnover

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers.

Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Research and development	Over life of project
--------------------------	----------------------

MUSICOM LTD

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2008

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Property improvements	25 % pa reducing balance
Plant and machinery	25 % pa reducing balance
Fixtures and fittings	25 % pa reducing balance
Research and development equipment	25 % pa reducing balance

Research and development expenditure

Development expenditure incurred on an individual project is carried forward when its future recoverability can reasonably be regarded as assured. Any expenditure carried forward is amortised in line with the expected future sales from the related project.

Fixed asset investments

Fixed asset investments are stated at historical cost less provision for any diminution in value.

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

Work in progress

Work in progress is valued at selling price.

Operating leases

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Pensions

The company operates a defined contribution pension scheme. Contributions are charged in the profit and loss account as they become payable in accordance with the rules of the scheme.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

MUSICOM LTD

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2008

3 FIXED ASSETS

	Intangible assets £	Tangible assets £	Investments £	Total £
Cost				
As at 1 September 2007	371,846	269,025	98	640,969
Additions	29,925	7,051	-	36,976
As at 31 August 2008	<u>401,771</u>	<u>276,076</u>	<u>98</u>	<u>677,945</u>
Depreciation				
As at 1 September 2007	353,847	251,744	-	605,591
Charge for the year	14,033	6,083	-	20,116
As at 31 August 2008	<u>367,880</u>	<u>257,827</u>	<u>-</u>	<u>625,707</u>
Net book value				
As at 31 August 2008	<u>33,891</u>	<u>18,249</u>	<u>98</u>	<u>52,238</u>
As at 31 August 2007	<u>17,999</u>	<u>17,281</u>	<u>98</u>	<u>35,378</u>

The company holds more than 20% of the share capital of the following company:

	Country of incorporation	Principal activity	Class	%
Subsidiary undertakings				
Musicom Research Ltd	United Kingdom	Dormant	Ordinary	98
		Capital & reserves £	Profit/(loss) for the period £	
Subsidiary undertakings				
Musicom Research Ltd		100		-

MUSICOM LTD

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2008

4 CREDITORS

Creditors includes the following liabilities, on which security has been given by the company:

	2008 £	2007 £
Amounts falling due after more than one year	<u>245,810</u>	<u>245,810</u>

5 SHARE CAPITAL

	2008 £	2007 £
Authorised		
Equity		
250,000 Ordinary shares of £1 each	<u>250,000</u>	<u>250,000</u>
Allotted, called up and fully paid		
Equity		
229,200 Ordinary shares of £1 each	<u>229,200</u>	<u>229,200</u>

MUSICOM LTD

NOTES TO THE ABBREVIATED ACCOUNTS FOR THE YEAR ENDED 31 AUGUST 2008

6 RELATED PARTIES

Controlling entity

The company was under the control of Mr G Blyth throughout the current and previous year.

Related party transactions

The executors of Mr Deakin Deceased, a shareholder, owned 8% debentures to the value of £163,810 on which he received interest of £nil during the year.

Mr Blyth also holds £82,000 8% debentures on which he received interest of £nil during the year.

During 2006 an interest bearing loan of £7,500 was made to the company by Mr Blyth. In the current year, Mr Blyth injected a total of £94,671 into the company on which he received interest of £nil during the year. These loans are to be repaid when the company is in a financial position to do so.

Director's loan account

The following balance owed by the director was outstanding at the year end:

	Maximum Balance £	2008 £	2007 £
A S Koorlander	282	282	188

No interest is charged in respect of this balance.