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**SCV ELECTRONICS LIMITED**

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**UNAUDITED**

**ABBREVIATED ACCOUNTS**

**FOR THE YEAR ENDED  
31 DECEMBER 2005**

WEDNESDAY



A05

\*ANTLLGGS\*  
21/06/2006  
COMPANIES HOUSE

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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 6) have been prepared.

**ACCOUNTANTS' REPORT TO THE DIRECTOR  
ON THE UNAUDITED FINANCIAL STATEMENTS OF SCV ELECTRONICS LIMITED**

*In accordance with the engagement letter dated 27 September 2005, and 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 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 director, 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 director 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 director, 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 the financial statements.

You have acknowledged on the balance sheet for the year ended 31 December 2005 your duty to ensure that the company has kept proper accounting records and to prepare the 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.



**Haslers**

Chartered Accountants

Old Station Road  
Loughton  
Essex  
IG10 4PL

13 April 2006

**ABBREVIATED BALANCE SHEET**  
As at 31 December 2005

	Note	2005	2004
		£	£
<b>FIXED ASSETS</b>			
Intangible fixed assets	2	120,801	170,040
Tangible fixed assets	3	194,434	238,343
Investments	4	35,000	35,000
		<u>350,235</u>	<u>443,383</u>
<b>CURRENT ASSETS</b>			
Stocks		599,954	596,389
Debtors		415,068	417,776
Cash at bank and in hand		3,360	-
		<u>1,018,382</u>	<u>1,014,165</u>
<b>CREDITORS:</b> amounts falling due within one year		<u>(569,167)</u>	<u>(663,676)</u>
<b>NET CURRENT ASSETS</b>		<u>449,215</u>	<u>350,489</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>799,450</u>	<u>793,872</u>
<b>CREDITORS:</b> amounts falling due after more than one year	5	(10,859)	(35,372)
<b>PROVISIONS FOR LIABILITIES AND CHARGES</b>			
Deferred taxation		(33,000)	(33,000)
<b>NET ASSETS</b>		<u>£ 755,591</u>	<u>£ 725,500</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	6	630,000	630,000
Share premium account		34,154	34,154
Profit and loss account		91,437	61,346
<b>SHAREHOLDERS' FUNDS</b>		<u>£ 755,591</u>	<u>£ 725,500</u>

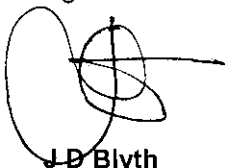
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**ABBREVIATED BALANCE SHEET**  
**As at 31 December 2005**

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The director considers 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 members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 249B(2) of the Act. The director acknowledges his responsibility 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 2005 and of its profit for the year 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 13 April 2006 and signed on its behalf.



**J.D. Blyth**  
Director

The notes on pages 4 to 6 form part of these financial statements.

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**NOTES TO THE ABBREVIATED ACCOUNTS**  
**For the year ended 31 December 2005**

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**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 January 2005).

**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 January 2005).

**1.3 Turnover**

Turnover represents amounts receivable for goods and services net of Value Added Tax and trade discounts.

**1.4 Trademarks**

The outstanding term with respect to the exclusive rights to use the name L.A. Audio and its designs is written off over the remaining term of the agreement.

**1.5 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:

Freehold property	-	Nil
L/Term Leasehold Property	-	Over period of lease
Plant & Machinery	-	20% Reducing balance, 15% Reducing balance/ 25% Straight line, 25% Reducing balance/ 20% Straight line

**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 on the straight line basis over the lease term.

**1.7 Investment**

Fixed assets investment are stated at cost less provision for diminution in value.

**1.8 Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account..

**NOTES TO THE ABBREVIATED ACCOUNTS**  
For the year ended 31 December 2005

**2. INTANGIBLE FIXED ASSETS**

	£
<b>Cost</b>	
At 1 January 2005 and 31 December 2005	<u>482,489</u>
<b>Amortisation</b>	
At 1 January 2005	312,449
Charge for the year	<u>49,239</u>
At 31 December 2005	<u>361,688</u>
<b>Net book value</b>	
At 31 December 2005	£ <u>120,801</u>
At 31 December 2004	£ <u>170,040</u>

**3. TANGIBLE FIXED ASSETS**

	£
<b>Cost</b>	
At 1 January 2005	662,412
Additions	31,646
Disposals	<u>(47,193)</u>
At 31 December 2005	<u>646,865</u>
<b>Depreciation</b>	
At 1 January 2005	424,069
Charge for the year	55,495
On disposals	<u>(27,133)</u>
At 31 December 2005	<u>452,431</u>
<b>Net book value</b>	
At 31 December 2005	£ <u>194,434</u>
At 31 December 2004	£ <u>238,343</u>

The depreciation charge in respect of such assets amounted to £21,224 (2004: £23,945) for the year.

**4. FIXED ASSET INVESTMENTS**

	£
<b>Cost</b>	
At 1 January 2005 and 31 December 2005	£ <u>35,000</u>

**NOTES TO THE ABBREVIATED ACCOUNTS**  
For the year ended 31 December 2005

**5. CREDITORS**

Creditors include amounts not wholly repayable within 5 years as follows:

	2005	2004
	£	£
Other creditors	£ -	£ 12,672

**?** Secured liabilities

**6. SHARE CAPITAL**

	2005	2004
	£	£
<b>Authorised</b>		
700,000 Ordinary shares of £1 each	700,000	700,000
300,000 6% Preference shares of £1 each	300,000	300,000
	<u>£ 1,000,000</u>	<u>£ 1,000,000</u>
<b>Allotted, called up and fully paid</b>		
330,000 Ordinary shares of £1 each	330,000	330,000
300,000 6% Preference shares of £1 each	300,000	300,000
	<u>£ 630,000</u>	<u>£ 630,000</u>

On 20 January 2006, a Special resolution was passed to divide the £1,000,000 authorised share capital of the company into 1,000,000 shares of £1 each, of which 700,000 shall be classified as Ordinary shares and 300,000 shall be classified as Cumulative Redeemable Preference shares. The Cumulative Redeemable Preference shares shall confer the right to a fixed preferential dividend at the rate of 6% per annum.

The Company may, subject to the provisions of the Companies Act 1985, at any time redeem the whole or any part of the redeemable preference shares upon giving to the Shareholders, whose shares are to be redeemed, not less than three months' notice in writing before the fixed date for redemption. The Company shall not be entitled to redeem any redeemable preference shares unless it is a fully paid share.

No premium is payable on redemption by the Company.

On 20 January 2006, an Ordinary resolution was passed to reclassify the 300,000 Ordinary Preference shares in issue, and held by J D Blyth and S Quinzan-Blyth equally, as 6% Cumulative Redeemable Preference shares of £1 each.