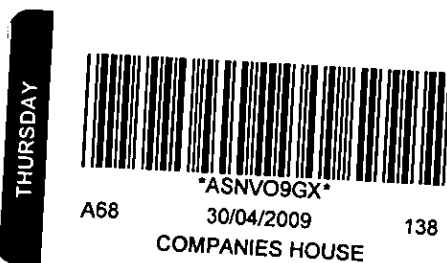


COMPANY NUMBER: 2357989

FOCUSRITE AUDIO ENGINEERING LIMITED

**DIRECTORS' REPORT AND
FINANCIAL STATEMENTS
YEAR TO 31 AUGUST 2008**



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Directors' report for the year ended 31 August 2008

The directors present their annual report and the audited financial statements for the year ended 31 August 2008.

1 Principal activities

The company continues to develop, manufacture and market professional audio equipment and also licences its intellectual property.

2 Business review and future developments

Focusrite Audio Engineering Ltd. develops digital and analogue hardware and software products for the music and recording industry under the Focusrite and Novation brands.

Manufacturing is predominantly conducted by three third-party contract manufacturers in China.

The Company's products are distributed globally through national distributors and specialist retailers. The Company also distributes the products of two third-party brands (loudspeakers and software) in the U.K. The company also operates a web-store for the distribution of software and accessories.

Revenues are in U.S. dollars, euros and pounds. Manufacturing costs are in dollars except for a small quantity of UK manufactured goods. Loudspeakers are purchased in dollars whilst software for resale is purchased in euros. The company thus benefits from a built-in hedge against currency fluctuation, up to a point.

The Company's turnover in the period was down compared to the prior year by 7.3% as a result of production difficulties at one of the contract manufacturers resulting in an estimated £1m loss of sales in the period. The company has since appointed a third vendor to spread the risk of such disruption and meanwhile the primary vendor has made significant management and organisational changes to improve its performance.

Operating profit (before tax and dividends) was £200,237 compared with £1,130,109 in the previous year, whilst the profit on ordinary activities decreased to £221,252 from £1,147,682, the decrease the result of the lower revenue and increased overhead expenditure related to the relocation of the business to new offices and increased research and development activity.

The company has been investing for significant growth capability going forward and has released a number of industry-leading products with which to achieve that growth. The profit after taxation was £257,260 ((£894,217), greater than the pre-tax profit as a result of the R&D tax credit.

In February 2008 the company implemented a plan to outsource its European warehouse to a logistics company close to the new headquarters building. This caused some short-term duplication in costs but the long term benefit is no fixed overhead and a variable cost dependant on the amount of storage space used, charged on a weekly basis. There are also efficiency, security and health and safety benefits and no capacity limitations.

The turnover and profit performance was significantly below budget but the Board is confident that with the investments in relocation and reorganisation Focusrite is well placed to manage the anticipated growth in our business.

Focusrite is a leading brand of audio interfaces in Europe, North America and Asia. These products are used by professional and amateur musicians, recording engineers and producers in conjunction with Digital Audio Workstation software running on Apple and PC computers and combine the

company's microphone preamplifier technology with state-of-the-art digital audio conversion and Firewire interface technology.

Focusrite also offers a unique technology in digital microphone preamplifiers and signal processing based on an exclusively licensed patented technology, which we have trade-marked Liquid. This provides emulations of classic analogue products much in demand but rarely available. These emulations are far more accurate than traditional digital modelling.

Focusrite Classic Analogue microphone preamplifiers, equalisers and dynamics processors continue to be in demand to discerning sound recordists.

The Novation brand was acquired in 2004 and has been developed to become the premium brand of MIDI keyboard controllers, designed to be used with music software running on Apple and PC computers. Novation's unique Automap software provides unequalled control of third-party software and is the first choice of professional keyboard players.

Focusrite was the recipient in 2008 of the Queen's Award for Technological Achievement in respect of the Novation ReMOTE SL with Automap, a unique software technology that greatly enhances the user experience and speeds workflow.

Forward expectations

All businesses have been affected by the global economic downturn in some way. The devaluation of the pound against the dollar has eroded the margin on sales in the UK though the volume of such sales has remained very buoyant to date (March 2009). The Company has since December 2008 set its prices to Europe in euros and restored margins that were eroded in 2008 by the declining pound. Prices in the UK were upwardly revised in December 2008 and March 2009 without any apparent effect on demand. The benefit of dollar denominated sales (N. America, Asia, Australasia) is greater with the stronger dollar, by a very significant factor.

In April 2009 the company will commence sales of its Focusrite-branded products direct to retailers in Germany, as has been the practice with Novation-branded goods since 2005. This will increase gross margins and, with the opening of a German sales and marketing office for both brands, will greatly improve market-share opportunity.

April 1st 2009 was the Company's 20th anniversary. On that day the Company launched a new range of Novation controllers and Focusrite audio interfaces, reinforcing the Company's position in the global market for these in-demand product categories.

The Board are confident that the business, which has no debt, is well poised to grow even during the recession and will be very well placed to benefit from recovery in markets that have experienced a downturn, notably North America.

At time of writing the Company is profitable and likely to produce similar results to those for 2007/8 notwithstanding greater overheads and R&D investment.

3 Dividends

During the year dividends of £204,262 (2007: £107,851) were paid in respect of Ordinary Shares.

4. Directors

The Directors who served during the year were as follows:

P S Dudderidge

J A Dudderidge

M J Johnson resigned 26th January 2009

R D Jenkins

C J Gooddie resigned 31st January 2009

G. Orford

5 Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

6 Auditors

In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By Order of the Board

A handwritten signature in black ink, appearing to read 'Philip D', with a long horizontal flourish extending to the right.

Philip Dudderidge

Director

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG LLP

Arlington Business Park
Theale
Reading
RG7 4SD
United Kingdom

Independent auditor's report to the members of Focusrite Audio Engineering Ltd

We have audited the financial statements of Focusrite Audio Engineering Ltd for the year ended 31st August 2008 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 4.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments 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 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.

Independent auditor's report to the members of Focusrite Audio Engineering Ltd
(continued))

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31st August 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

KPMG LLP

KPMG LLP
Chartered Accountants
Registered Auditor

28 April 2009

Profit and loss account for the year ended 31 August 2008

Note		2008 £	2007 £
2	Turnover	7,891,558	8,514,400
	Cost of sales	(4,418,150)	(4,599,232)
	Gross profit	3,473,408	3,915,168
	Administrative expenses	(3,289,781)	(2,785,059)
6	Other operating income	16,610	—
3-5	Operating profit	200,237	1,130,109
7	Interest receivable and similar income	32,555	41,098
8	Interest payable and similar charges	(11,540)	(23,525)
	Profit on ordinary activities before taxation	221,252	1,147,682
9	Tax on profit on ordinary activities	36,008	(253,465)
	Profit for the financial year	257,260	894,217


There are no gains or losses other than those reported above and as a result no separate statement of total recognised gains and losses is presented.

All turnover and operating results reported above are derived from continuing operations.

Balance sheet at 31 August 2008

Note		2008	2007
	£	£	£
	Fixed assets		
11	Intangible assets - Goodwill	503,236	531,193
10	Tangible assets	314,475	143,985
		<u>817,711</u>	<u>675,178</u>
	Current assets		
12	Stocks	1,316,316	899,265
13	Debtors	1,837,778	1,174,064
	Cash at bank and in hand	626,158	1,176,087
		<u>3,780,252</u>	<u>3,249,416</u>
14	Creditors		
	Amounts falling due within one year	(1,965,366)	(1,344,995)
		<u></u>	<u></u>
	Net current assets	1,814,886	1,904,421
	Net assets	<u>2,632,597</u>	<u>2,579,599</u>
		=====	=====
	Capital and reserves		
15	Called Up Share Capital	45,957	45,957
18	Capital Redemption Reserve	1,116,250	1,116,250
18	Share Premium	88,750	88,750
18	Profit and Loss Account	1,381,640	1,328,642
17	Shareholders' funds	<u>2,632,597</u>	<u>2,579,599</u>
		=====	=====

These financial statements were approved by the board of directors on 28 Aug 2009 and signed on its behalf by:


Philip Dudderidge
Director

Cash flow statement for the year ended 31 August 2008

Note

	2008 £	2007 £
Reconciliation of operating profit to net cash flow from operating activities		
Operating profit	200,237	1,130,109
Depreciation charges	139,310	158,443
Amortisation charge	27,957	27,958
(Increase) / decrease in stocks	(417,051)	(138,720)
(Increase) / decrease in debtors	(597,759)	27,379
Increase / (decrease) in creditors	885,678	(125,989)
Net cash inflow from operating activities	238,372	1,079,180
	=====	=====
Cash flow statement		
Cash flow from operating activities	238,372	1,079,180
22 Returns on investments and servicing of finance	21,015	17,573
Taxation	(295,254)	(160,333)
22 Capital expenditure and financial investment	(309,800)	(151,827)
Equity dividends paid	(204,262)	(107,851)
Cash (outflow) / inflow before management of liquid resources and financing	(549,929)	676,742
22 Financing	-	(300,000)
(Decrease) / Increase in cash in the period	(549,929)	376,742
	=====	=====
Reconciliation of net cash flow to movement in net funds		
23 (Decrease) / Increase in cash in the period	(549,929)	376,742
Movement in net funds in the period	(549,929)	376,742
Net funds at the start of the period	1,176,087	799,345
Net funds at the end of the period	626,158	1,176,087
	=====	=====

**Notes to the financial statements for the year ended
31 August 2008**

1 Accounting policies

1.1 Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with applicable Accounting Standards.

1.2 Basis of preparation

The company is exempt by virtue of section 248 of the Companies Act 1985 from the requirement to prepare group accounts. These financial statements present information about the company as an individual undertaking and not about its group.

1.3 Depreciation

Depreciation is provided on all tangible fixed assets in use at rates calculated to write off the cost of each asset over its expected useful life as follows:-

Plant, equipment & tooling	Over 2-4 years
Computer equipment	Over 2 years
Motor vehicles	Over 4 years
Fixtures & fittings	Over 5 years
Leasehold improvements	Over 5 years

1.4 Goodwill

Purchased goodwill (representing the excess of the fair value of the consideration over the fair value of the separable net assets acquired) arising on business combinations is capitalised. Goodwill is amortised to nil by equal annual instalments over its estimated useful life of twenty years.

1.5 Stocks

Stock is stated at the lower of cost, replacement cost and net realisable value.

1.6 Leases

Assets used by the company which have been funded by finance leases are capitalised and the resulting lease obligations are included in creditors net of finance charges. Operating lease rentals are charged to the profit and loss account in the period in which they fall due.

1.7 Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS19.

1.8 Foreign currencies

Transactions during the period are translated at the rates of exchange in effect on the dates of the transaction. Translation differences are included in the results for the year. Foreign currency assets and liabilities are translated at the rate of exchange ruling at the Balance Sheet date.

1.9 Pensions

The company operates a defined contribution scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged against profits represents the contributions payable to the scheme in respect of the accounting period.

1.10 Research and development expenditure

Expenditure on research and development is written off against profits in the year in which it is incurred.

Notes to the financial statements (continued)**1 Accounting policies (continued)****1.11 Cash and liquid resources**

Cash, for the purpose of the cash flow statement, comprises cash in hand and deposits repayable on demand, less overdrafts payable on demand.

Liquid resources are current asset investments which are disposable without curtailing or disrupting the business and are either readily convertible into known amounts of cash at or close to their carrying values or traded in an active market. Liquid resources comprise term deposits of less than one year (other than cash) investments in money market managed funds.

1.12 Classification of financial instruments issued by the Company

Following the adoption of FRS 25, financial instruments issued by the Company are treated as equity (i.e. forming part of shareholders' funds) only to the extent that they meet the following two conditions:

a) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and

b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges. Finance payments associated with financial instruments that are classified as part of shareholders' funds (see dividends policy), are dealt with as appropriations in the reconciliation of movements in shareholders' funds.

1.13 Dividends on shares presented within shareholders' funds

Dividends unpaid at the balance sheet date are only recognised as a liability at that date to the extent that they are appropriately authorised and are no longer at the discretion of the Company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

2 Turnover

Turnover represents the invoiced amount of goods and services excluding value added tax and is all derived from the principal activities of the company and is analysed below.

3 Operating profit

Operating profit is stated after charging:-	2008	2007
	£	£
Depreciation of owned assets	139,310	158,443
Amortisation of goodwill	27,957	27,958
Auditors remuneration	16,000	16,500
Amounts paid in respect of operating leases	43,128	57,504
Exchange loss	38,128	20,886
R & D Expenditure	396,453	310,451

Notes to the financial statements (continued)

4 Staff costs (including directors)	2008	2007
	£	£
Wages and Salaries	1,506,938	1,386,226
Social security costs	162,893	146,307
Other pension costs	12,999	36,580
	<u>1,682,830</u>	<u>1,569,113</u>
	=====	=====

The average number of employees during the year (excluding directors) was 39 (2007: 37).

5 Directors' emoluments	2008	2007
	£	£
Management remuneration and fees	399,721	475,030
Pension contributions	12,999	36,580
Benefits	4,933	8,660
	<u>417,653</u>	<u>520,270</u>
	=====	=====

The aggregate of emoluments of the highest paid director was £122,000 (2007: £112,222), and company pension contributions of £12,999 (2007: £25,114) were made to a money purchase scheme on his behalf.

Retirement benefits are accruing to two directors under money purchase pension schemes.

6 Other operating income	2008	2007
	£	£
Rent received	16,610	-
	<u> </u>	<u> </u>
7 Interest receivable and similar income		
Bank interest	32,555	41,098
	<u> </u>	<u> </u>
8 Interest payable and similar charges		
Finance costs on shares classified as liabilities	11,540	23,525
	<u> </u>	<u> </u>

Notes to the financial statements (continued)

9 Taxation

Analysis of charge in period

	2008 £	2007 £
UK corporation tax		
Current tax on income for the period	(65,955)	253,465
Adjustments in respect of prior periods	29,947	-
	<u>(36,008)</u>	<u>253,465</u>

Factors affecting the tax charge for the period

The current tax charge for the period is lower (2007: lower) than the standard rate of corporation tax in the UK 30%/28% (2007 30%). The differences are explained below.

	2008 £	2007 £
Current tax reconciliation		
Profit on ordinary activities before tax	<u>221,252</u>	<u>1,147,682</u>
Current tax at 30%/28% (2007: 30%)	64,532	344,305
Expenses not deductible for tax purposes	2,738	3,113
Depreciation in excess of capital allowances for period	(6,929)	14,724
Research and development credit	(125,025)	(99,809)
Marginal relief	(1,271)	(15,925)
Dividends on shares classified as debt	-	7,057
Adjustments in respect of prior periods	<u>29,947</u>	<u>-</u>
	<u>(36,008)</u>	<u>253,465</u>
	=====	=====
Total current tax charge (see above)	(36,008)	253,465

The company has an unrecognised deferred tax asset of £11,563 (2007: asset £8,371) in relation to the difference between the tax written down value of tangible fixed assets and the book value of those assets. This deferred tax asset is not recognised as the directors consider the amount involved to be immaterial in the context of these financial statements.

Notes to the financial statements (continued)

10 Tangible assets

	Plant & equipment	Fixtures, fittings & leasehold improvements	Computer equipment	Total
	£	£	£	£
Cost				
1 September 2007	580,902	116,053	197,096	894,051
Additions	43,640	167,736	98,424	309,800
31 August 2008	<u>624,542</u>	<u>283,789</u>	<u>295,520</u>	<u>1,203,851</u>
	=====	=====	=====	=====
Depreciation				
1 September 2007	496,240	114,033	139,793	750,066
Charge for the year	58,944	6,803	73,563	139,310
31 August 2008	<u>555,184</u>	<u>120,836</u>	<u>213,356</u>	<u>889,376</u>
	=====	=====	=====	=====
Net book value				
31 August 2008	<u>69,358</u>	<u>162,953</u>	<u>82,164</u>	<u>314,475</u>
	=====	=====	=====	=====
31 August 2007	<u>84,662</u>	<u>2,020</u>	<u>57,303</u>	<u>143,985</u>
	=====	=====	=====	=====

11 Intangible fixed assets

	Goodwill
	£
Cost	
At beginning of year	531,193
Charge for the year	(27,957)
At end of year	<u>503,236</u>
	=====

12 Stocks

	2008	2007
	£	£
Raw materials	375,729	278,203
Finished goods	940,587	621,062
	<u>1,316,316</u>	<u>899,265</u>
	=====	=====

Notes to the financial statements (continued)

13 Debtors

	2008	2007
	£	£
Trade debtors	1,628,100	1,039,955
Corporation Tax	65,955	-
Other debtors	33,395	54,612
Prepayments and accrued income	110,328	79,497
	<u>1,837,778</u>	<u>1,174,064</u>
	=====	=====

14 Creditors: Amounts falling due within one year

	2008	2007
	£	£
Trade creditors	1,686,770	714,542
Corporation tax	-	265,307
Other taxes and social security costs	75,408	89,307
Accruals	203,188	275,839
	<u>1,965,366</u>	<u>1,344,995</u>
	=====	=====

15 Share capital

	2008	2007
	£	£
Authorised:		
Equity		
Ordinary shares of £1 each	100,000	100,000
Non equity share capital		
0% Red. Pref. Shares of £1 each	705,000	705,000
10% Cum. Pref. Shares of £1 each	400,000	400,000
	<u>1,205,000</u>	<u>1,205,000</u>
	=====	=====
Allotted, called-up and fully-paid:		
Equity		
Ordinary shares of £1 each	45,957	45,957
	<u>45,957</u>	<u>45,957</u>
	=====	=====

Notes to the financial statements (continued)

16 Operating lease commitments

The company is committed to making annual payments in respect of operating leases:

	2008	2007
	£	£
Land and buildings leases which expires within 5 years	166,100	57,500
	=====	=====

17 Reconciliation of movements in shareholders' funds

	2008	2007
	£	£
Profit for the financial year	257,260	894,217
Dividends on shares classified in shareholders' funds	(204,262)	(107,851)
Purchase of own ordinary shares	-	(300,000)
Retained profit	52,998	486,366
Net addition to shareholders' funds	52,998	486,366
Opening shareholders' funds	2,579,599	2,093,233
Closing shareholders' funds	2,632,597	2,579,599
	=====	=====

18 Share capital and reserves

	Called up share capital	Profit and loss account	Share premium	Capital redemption reserve	Total
	£	£	£	£	£
At 1 September 2007	45,957	1,328,642	88,750	1,116,250	2,579,599
Profit for the financial year	-	257,260	-	-	257,260
Dividends on shares classified in shareholders' funds	-	(204,262)	-	-	(204,262)
At 31 August 2008	45,957	1,381,640	88,750	1,116,250	2,632,597
	=====	=====	=====	=====	=====

All of the shares at 31 August 2008 are classified as shareholders' funds.

Notes to the financial statements (continued)**19 Capital commitments**

There were no capital commitments authorised or contracted for as at 31 August 2008.

20 Directors' transactions

The business premises of the company at 19 Lincoln Road, Cressex, High Wycombe, Buckinghamshire, are owned by Mr. P S Dudderidge and City Trustees Limited and leased to the company at an annual rent of £57,500 (2007:£57,500). These premises were vacated on 9th June 2008 when the company moved to Windsor House, Turnpike Road, High Wycombe, Buckinghamshire.

21 Pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the fund and amounted to £12,999 (2007: £36,580). Amounts outstanding at the year end totalled £3,249. (2007: £nil).

22 Analysis of cash flows

	2008 £	2008 £	2007 £	2007 £
Returns on investment and servicing of finance				
Interest received	32,555		41,098	
Interest paid	(11,540)		(23,525)	
	<u> </u>	21,015	<u> </u>	17,573
Capital expenditure and financial investment				
Purchase of tangible fixed assets	(309,800)		(151,827)	
	<u> </u>	(309,800)	<u> </u>	(151,287)
Financing				
Purchase back of ordinary shares	-		(300,000)	
	<u> </u>	-	<u> </u>	(300,000)
		=====		=====

23 Analysis of net funds

	At beginning of year £	Cash flow £	At end of year £
Cash at bank and in hand	1,176,087	(549,929)	626,158
Total	<u>1,176,087</u>	<u>(549,929)</u>	<u>626,158</u>
	=====	=====	=====