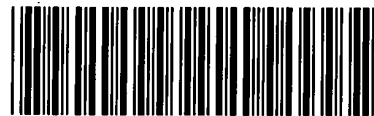


Registration number: 03413208

ACOUSTIC GROUP LIMITED

Unaudited Financial Statements
for the Year Ended 31 October 2017

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COMPANIES HOUSE

BREBNERS
Chartered Accountants
130 Shaftesbury Avenue
London
W1D 5AR

ACOUSTIC GROUP LIMITED

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ACOUSTIC GROUP LIMITED

Company Information

Directors	M C Headlam-Morley
Registered office	1st Floor 1 Suffolk Way Sevenoaks Kent TN13 1YL
Accountants	Brebners Chartered Accountants 130 Shaftesbury Avenue London W1D 5AR

ACOUSTIC GROUP LIMITED

Director's Report for the Year Ended 31 October 2017

The director presents his report and the financial statements for the year ended 31 October 2017.

Director of the company

The director who held office during the year was as follows:

M C Headlam-Morley

Principal activity

The principal activity of the company is that of an investment holding company. The principal activity of the company's trading subsidiary during the year continued to be that of hire and resale of professional sound equipment.

Small companies provision statement

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board on 11/01/18 and signed on its behalf by:



M C Headlam-Morley
Director

ACOUSTIC GROUP LIMITED

Statement of Income and Retained Earnings for the Year Ended 31 October 2017

	Note	2017 £	2016 £
Turnover		-	-
Administrative expenses		(79,016)	(111,407)
Other operating income		<u>245,000</u>	<u>245,000</u>
Operating profit		<u>165,984</u>	<u>133,593</u>
Other interest receivable and similar income		-	2,369
Amounts written off investments		(10,000)	-
Interest payable and similar charges		<u>(46,988)</u>	<u>(164,739)</u>
		<u>(56,988)</u>	<u>(162,370)</u>
Profit/(loss) before tax	4	108,996	(28,777)
Taxation		<u>(20,011)</u>	<u>4,156</u>
Profit/(loss) for the financial year		88,985	(24,621)
Retained earnings brought forward		<u>1,736,417</u>	<u>1,761,038</u>
Retained earnings carried forward		<u>1,825,402</u>	<u>1,736,417</u>

The notes on pages 6 to 15 form an integral part of these financial statements.

ACOUSTIC GROUP LIMITED

Statement of Financial Position as at 31 October 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	5	64,548	88,298
Investment property	6	2,500,000	2,500,000
Investments	7	<u>16,756</u>	<u>26,756</u>
		<u>2,581,304</u>	<u>2,615,054</u>
Current assets			
Debtors	8	1,069,217	1,086,992
Cash at bank and in hand		<u>13</u>	<u>1,587</u>
		1,069,230	1,088,579
Creditors: Amounts falling due within one year	9	<u>(188,789)</u>	<u>(224,116)</u>
Net current assets		<u>880,441</u>	<u>864,463</u>
Total assets less current liabilities		3,461,745	3,479,517
Creditors: Amounts falling due after more than one year	9	(1,428,195)	(1,526,643)
Provisions for liabilities		<u>(208,128)</u>	<u>(216,437)</u>
Net assets		<u>1,825,422</u>	<u>1,736,437</u>
Capital and reserves			
Called up share capital		20	20
Profit and loss account		<u>1,825,402</u>	<u>1,736,417</u>
Total equity		<u>1,825,422</u>	<u>1,736,437</u>

The notes on pages 6 to 15 form an integral part of these financial statements.

ACOUSTIC GROUP LIMITED

Statement of Financial Position as at 31 October 2017

For the financial year ending 31 October 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Approved and authorised by the director on 11/01/18



M C Headlam-Morley
Director

Company registration number: 03413208

The notes on pages 6 to 15 form an integral part of these financial statements.

ACOUSTIC GROUP LIMITED

Notes to the Financial Statements for the Year Ended 31 October 2017

1 GENERAL INFORMATION

The company is a private company limited by share capital incorporated in England and Wales.

The address of its registered office is:

1st Floor
1 Suffolk Way
Sevenoaks
Kent
TN13 1YL

The company continued to act solely as a holding company during the year. The principal activity of the company's trading subsidiary during the year continued to be that of hire and resale of professional sound equipment.

2 ACCOUNTING POLICIES

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except any items disclosed in the accounting policies as being shown at fair value and are presented in sterling, which is the functional currency of the entity.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1st November 2015. Details of how FRS 102 has affected the reported financial position and financial performances is given in note 10.

Group accounts not prepared

In the opinion of the director, the company and its subsidiary undertakings comprise a small group. The company has therefore taken advantage of the exemption provided by Section 398 of the Companies Act 2006 not to prepare group accounts..

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

ACOUSTIC GROUP LIMITED

Notes to the Financial Statements for the Year Ended 31 October 2017

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Motor Vehicles	straight line over 4 years

Investment property

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

Investments

Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

ACOUSTIC GROUP LIMITED

Notes to the Financial Statements for the Year Ended 31 October 2017

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

ACOUSTIC GROUP LIMITED

Notes to the Financial Statements for the Year Ended 31 October 2017

Related parties

For the purposes of these financial statements, a party is considered to be related to the company if:

- (i) the party has the ability, directly or indirectly, through one or more intermediaries, to control the company or exercise significant influence over the company in making financial and operating policy decisions, or has joint control over the company;
- (ii) the company and the party are subject to common control;
- (iii) the party is an associate of the company or a joint venture in which the company is a venturer;
- (iv) the party is a member of key management personnel of the company or the company's parent, or a close family member of such an individual, or is an entity under the control, joint control or significant influence of such individuals;
- (v) the party is a close family member of a party referred to in (i) or is an entity under the control, joint control or significant influence of such individuals;
- (vi) the party is a post-employment benefit plan which is for the benefit of employees of the company or of any entity that is a related party of the company; or
- (vii) the party, or any member of a group of which it is part, provides key management personnel services to the company or its parent.

Close family members of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity.

3 STAFF NUMBERS

The average number of persons employed by the company during the year, was 1 (2016 - 1).

4 PROFIT/LOSS BEFORE TAX

Arrived at after charging/(crediting)

	2017 £	2016 £
Depreciation expense	<u>23,750</u>	<u>6,702</u>

ACOUSTIC GROUP LIMITED

Notes to the Financial Statements for the Year Ended 31 October 2017

5 TANGIBLE ASSETS

	Motor vehicles £	Total £
Cost or valuation		
At 1 November 2016	<u>95,000</u>	<u>95,000</u>
At 31 October 2017	<u>95,000</u>	<u>95,000</u>
Depreciation		
At 1 November 2016	6,702	6,702
Charge for the year	<u>23,750</u>	<u>23,750</u>
At 31 October 2017	<u>30,452</u>	<u>30,452</u>
Carrying amount		
At 31 October 2017	<u><u>64,548</u></u>	<u><u>64,548</u></u>
At 31 October 2016	<u><u>88,298</u></u>	<u><u>88,298</u></u>

6 INVESTMENT PROPERTIES

	2017 £
At 1 November 2016 and 31 October 2017	<u><u>2,500,000</u></u>

The company's investment property was valued by the director at open market value at 31st October 2017 at an amount £2,500,000.

ACOUSTIC GROUP LIMITED

Notes to the Financial Statements for the Year Ended 31 October 2017

7 INVESTMENTS

	2017 £	2016 £
Investments in subsidiaries	<u>16,756</u>	<u>26,756</u>
Subsidiaries		£
Cost or valuation		
At 1 November 2016		26,820
Provision		
At 1 November 2016		64
Provision		<u>10,000</u>
At 31 October 2017		<u>10,064</u>
Carrying amount		
At 31 October 2017		<u><u>16,756</u></u>
At 31 October 2016		<u><u>26,756</u></u>

8 DEBTORS

	Note	2017 £	2016 £
Amounts owed by group undertakings		1,030,621	1,042,568
Other debtors		<u>38,596</u>	<u>44,424</u>
		<u><u>1,069,217</u></u>	<u><u>1,086,992</u></u>

9 CREDITORS

	Note	2017 £	2016 £
Due within one year			
Loans and borrowings	10	91,245	84,879
Trade creditors		-	10,800
Amounts owed to group undertakings		65	65
Taxation and social security		62,656	112,851
Other creditors		<u>34,823</u>	<u>15,521</u>
		<u><u>188,789</u></u>	<u><u>224,116</u></u>
Due after one year			
Loans and borrowings	10	<u><u>1,428,195</u></u>	<u><u>1,526,643</u></u>

ACOUSTIC GROUP LIMITED

Notes to the Financial Statements for the Year Ended 31 October 2017

10 LOANS AND BORROWINGS

	2017 £	2016 £
Current loans and borrowings		
Bank borrowings	<u>91,245</u>	<u>84,879</u>

	2017 £	2016 £
Non-current loans and borrowings		
Bank borrowings	<u>1,428,195</u>	<u>1,526,643</u>

Bank borrowings

The bank loan is secured by a debenture incorporating a fixed and floating charge held over the assets and undertakings of the company.

11 RESERVES

The profit and loss account reserve records retained earnings and accumulated losses. Of the amounts standing to the credit of the profit and loss account an amount of £1,466,690 (2016: £1,458,381) is undistributable in accordance with Companies Act 2006.

ACOUSTIC GROUP LIMITED

Notes to the Financial Statements for the Year Ended 31 October 2017

12 TRANSITION TO FRS 102

Statement of Financial Position at 1 November 2015

	Note	As originally reported £	Effect of transition £	As restated £
Fixed assets				
Tangible assets		564,934	(564,934)	-
Investment property		-	2,500,000	2,500,000
Investments		26,755	-	26,755
		<u>591,689</u>	<u>1,935,066</u>	<u>2,526,755</u>
Current assets				
Debtors		946,674	-	946,674
Cash at bank and in hand		354	-	354
		<u>947,028</u>	<u>-</u>	<u>947,028</u>
Creditors: Amounts falling due within one year		(297,467)	-	(297,467)
Net current assets		<u>649,561</u>	<u>-</u>	<u>649,561</u>
Total assets less current liabilities		1,241,250	1,935,066	3,176,316
Creditors: Amounts falling due after more than one year		(1,194,665)	-	(1,194,665)
Provisions for liabilities		-	(220,593)	(220,593)
Net assets		<u>46,585</u>	<u>1,714,473</u>	<u>1,761,058</u>
Capital and reserves				
Called up share capital		20	-	20
Profit and loss account		46,565	1,714,473	1,761,038
Total equity		<u>46,585</u>	<u>1,714,473</u>	<u>1,761,058</u>

ACOUSTIC GROUP LIMITED

Notes to the Financial Statements for the Year Ended 31 October 2017

Statement of Financial Position at 31 October 2016

	Note	As originally reported £	Effect of transition £	As restated £
Fixed assets				
Tangible assets		644,626	(556,328)	88,298
Investment property		-	2,500,000	2,500,000
Investments		26,756	-	26,756
		<u>671,382</u>	<u>1,943,672</u>	<u>2,615,054</u>
Current assets				
Debtors		1,086,992	-	1,086,992
Cash at bank and in hand		1,587	-	1,587
		<u>1,088,579</u>	<u>-</u>	<u>1,088,579</u>
Creditors: Amounts falling due within one year		(224,116)	-	(224,116)
Net current assets		<u>864,463</u>	<u>-</u>	<u>864,463</u>
Total assets less current liabilities		1,535,845	1,943,672	3,479,517
Creditors: Amounts falling due after more than one year		(1,526,643)	-	(1,526,643)
Provisions for liabilities		-	(216,437)	(216,437)
Net assets		<u>9,202</u>	<u>1,727,235</u>	<u>1,736,437</u>
Capital and reserves				
Called up share capital		20	-	20
Profit and loss account		9,182	1,727,235	1,736,417
Total equity		<u>9,202</u>	<u>1,727,235</u>	<u>1,736,437</u>

ACOUSTIC GROUP LIMITED

Notes to the Financial Statements for the Year Ended 31 October 2017

Profit and Loss Account for the year ended 31 October 2016

	Note	As originally reported £	Effect of transition £	As restated £
Turnover		-	-	-
Administrative expenses		(120,013)	8,606	(111,407)
Other operating income		<u>245,000</u>	<u>-</u>	<u>245,000</u>
Operating profit		<u>124,987</u>	<u>8,606</u>	<u>133,593</u>
Other interest receivable and similar income		2,369	-	2,369
Interest payable and similar expenses		<u>(164,739)</u>	<u>-</u>	<u>(164,739)</u>
		<u>(162,370)</u>	<u>-</u>	<u>(162,370)</u>
(Loss)/profit before tax		(37,383)	8,606	(28,777)
Taxation		<u>-</u>	<u>4,156</u>	<u>4,156</u>
(Loss)/profit for the financial year		<u>(37,383)</u>	<u>12,762</u>	<u>(24,621)</u>

These are the first financial statements that comply with FRS 102. The company has restated the comparative prior year amounts as a result of a change in accounting policies, detailed below. The company transitioned to FRS 102 on 1st November 2015.

No optional exemptions were taken on transition.

Investment properties

Under FRS 102 property held to earn rentals rather than for use in the production or supply of goods or services is required to be stated at fair value and disclosed as investment property, whereas previous UK GAAP precluded such treatment.

The impact on the company is an increase in non current assets at 1st November 2015 of £1,935,066. Additionally, depreciation previously charged in 2016 of £16,665 is reversed on transition in addition to a change in fair value in the prior year of £8,059.

Deferred taxation

Under FRS 102 deferred taxation must be recognised in respect of all timing differences including where fair value adjustments are made to the profit or loss account whereas previous UK GAAP did not require deferred tax to be provided on property revaluations. The impact on the company is for a deferred tax provision to be recognised at 1st November 2015 of £220,593 in respect of investment property. The movement in deferred tax provision in the prior year was £4,156.