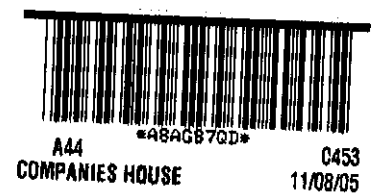


**PROTECTION RACKET LIMITED**  
**REPORT OF THE DIRECTORS AND**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH APRIL 2005**

*07/05/05*



**PROTECTION RACKET LIMITED**

**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 30TH APRIL 2005**

**DIRECTORS:**

D Bowdery  
N Nethercot  
T B Armstrong

**SECRETARY:**

N Nethercot

**REGISTERED OFFICE:**

Bess Park  
Trenant Industrial Estate  
Wadebridge  
Cornwall  
PL27 6HB

**REGISTERED NUMBER:**

4197826 (England and Wales)

**ACCOUNTANTS:**

K D Chapman & Co  
Accountants and Tax Consultants  
Winston House  
28-32 St Nicholas Street  
Bodmin  
Cornwall

**PROTECTION RACKET LIMITED**  
**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 30TH APRIL 2005**

The directors present their report with the financial statements of the company for the year ended 30th April 2005.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of the wholesaling of musical instrument cases.

**DIRECTORS**

The directors during the year under review were:

D Bowdery  
N Nethercot  
T B Armstrong

The beneficial interests of the directors holding office on 30th April 2005 in the issued share capital of the company were as follows:

	30.4.05	1.5.04
<b>Ordinary £1 shares</b>		
D Bowdery	333	333
N Nethercot	333	333
T B Armstrong	333	333

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

**ON BEHALF OF THE BOARD:**



N Nethercot - Secretary

8th July 2005

**PROTECTION RACKET LIMITED**

**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 30TH APRIL 2005**

		<u>2005</u>	<u>2004</u>
	Notes	£	£
<b>TURNOVER</b>		95,819	41,982
Cost of sales		<u>(20,976)</u>	<u>(896)</u>
<b>GROSS PROFIT</b>		74,843	41,086
Administrative expenses		<u>(12,585)</u>	<u>(21,249)</u>
<b>OPERATING PROFIT</b>	2	62,258	19,837
Interest receivable and similar income		<u>54</u>	<u>4</u>
		62,312	19,841
Interest payable and similar charges		<u>-</u>	<u>(4)</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		62,312	19,837
Tax on profit on ordinary activities	3	<u>(11,733)</u>	<u>-</u>
<b>PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION</b>		50,579	19,837
Dividends	4	<u>(54,180)</u>	<u>-</u>
		(3,601)	19,837
Retained profit/(deficit) brought forward		<u>9,926</u>	<u>(9,911)</u>
<b>RETAINED PROFIT CARRIED FORWARD</b>		<u><u>£6,325</u></u>	<u><u>£9,926</u></u>

The notes form part of these financial statements

**PROTECTION RACKET LIMITED**

**BALANCE SHEET**  
**30TH APRIL 2005**

		2005	2004
	Notes	£	£
<b>FIXED ASSETS:</b>			
Tangible assets	5	1,366	-
<b>CURRENT ASSETS:</b>			
Stocks		2,471	2,642
Debtors	6	18,747	11,843
Cash at bank		986	1,614
		<u>22,204</u>	<u>16,099</u>
<b>CREDITORS:</b> Amounts falling due within one year	7	(16,246)	(5,174)
<b>NET CURRENT ASSETS:</b>		<u>5,958</u>	<u>10,925</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>		<u>£7,324</u>	<u>£10,925</u>
<b>CAPITAL AND RESERVES:</b>			
Called up share capital	8	999	999
Profit and loss account		6,325	9,926
<b>SHAREHOLDERS' FUNDS:</b>		<u>£7,324</u>	<u>£10,925</u>

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 30th April 2005.

The members have not required the company to obtain an audit of its financial statements for the year ended 30th April 2005 in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

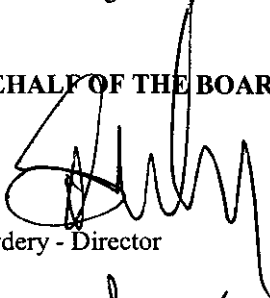
- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

**PROTECTION RACKET LIMITED**

**BALANCE SHEET**  
**30TH APRIL 2005**

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

**ON BEHALF OF THE BOARD:**



D Bowdery - Director



T B Armstrong - Director

Approved by the Board on 8th July 2005

**PROTECTION RACKET LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH APRIL 2005**

**1. ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

**Turnover**

Turnover represents net invoiced sales of goods, excluding value added tax.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery etc                      - 15% on reducing balance

**Stocks**

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

**2. OPERATING PROFIT**

The operating profit is stated after charging:

	2005 £	2004 £
Depreciation - owned assets	241	-
	<u>          </u>	<u>          </u>
Directors' emoluments and other benefits etc	1,200	3,500
	<u>          </u>	<u>          </u>

**3. TAXATION**

**Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows:

	2005 £	2004 £
Current tax:		
UK corporation tax	11,733	-
	<u>          </u>	<u>          </u>
Tax on profit on ordinary activities	11,733	-
	<u>          </u>	<u>          </u>

**4. DIVIDENDS**

	2005 £	2004 £
Interim - share type 1	54,180	-
	<u>          </u>	<u>          </u>

**PROTECTION RACKET LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30TH APRIL 2005**

**5. TANGIBLE FIXED ASSETS**

	Plant and machinery etc
	£
<b>COST:</b>	
Additions	1,607
At 30th April 2005	1,607
<b>DEPRECIATION:</b>	
Charge for year	241
At 30th April 2005	241
<b>NET BOOK VALUE:</b>	
At 30th April 2005	1,366

**6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2005 £	2004 £
Trade debtors	18,747	11,843

**7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2005 £	2004 £
Trade creditors	3,112	871
Other creditors	847	727
Social security & other taxes	554	3,576
Taxation	11,733	-
	16,246	5,174

**8. CALLED UP SHARE CAPITAL**

<b>Authorised:</b>				
Number:	Class:	Nominal value:	2005	2004
			£	£
1,000	Ordinary	£1	1,000	1,000
<b>Allotted, issued and fully paid:</b>				
Number:	Class:	Nominal value:	2005	2004
			£	£
999	Ordinary	£1	999	999

**9. RELATED PARTY DISCLOSURES**

The company purchased goods ,at arms length, net of VAT, at a cost of £19,262 from NBD Ltd, of which N Nethercot and D Bowdery are directors.