DONSOUND LIMITED

FINANCIAL STATEMENTS

FOR

31ST MARCH 2000

Company Registration Number 02216421

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COMPANIES HOUSE 09/12/00

C.R. THOMAS & CO.

Chartered Accountants

DONSOUND LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2000

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DONSOUND LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31ST MARCH 2000

The directors have pleasure in presenting their report and the unaudited financial statements of the company for the year ended 31st March 2000.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was the provision of audio services to the entertainment industry.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 31 March 2000	At 1 April 1999
D L Parks	99	99
M Jones	-	-

SMALL COMPANY PROVISIONS

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

Signed on behalf of the directors

D L Parks
Director

Approved by the directors on 4/12/00

DONSOUND LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31ST MARCH 2000

	Note	2000 £	1999 £
TURNOVER		37,390	27,609
Administrative expenses		(31,528)	(29,327)
OPERATING PROFIT/(LOSS)	**2**	5,862	(1,718)
Tax on profit/(loss) on ordinary activities	**3**	(864)	-
RETAINED PROFIT/(LOSS) FOR THE FINANCIAL YEAR		4,998	(1,718)
Balance brought forward		(2,635)	(917)
Balance carried forward		2,363	(2,635)

DONSOUND LIMITED

BALANCE SHEET

31ST MARCH 2000

	Note	2000		1999	
		£	£	£	£
FIXED ASSETS					
Tangible assets	4		4,280		1,974
CURRENT ASSETS					
Cash at bank		6,507		1,954	
CREDITORS: Amounts falling due within one year	5	(8,324)		(6,463)	
NET CURRENT LIABILITIES			(1,817)		(4,509)
TOTAL ASSETS LESS CURRENT LIABILITIES			2,463		(2,535)
CAPITAL AND RESERVES					
Called-up equity share capital	7		100		100
Profit and loss account			2,363		(2,635)
SHAREHOLDERS' FUNDS /(DEFICIENCY)			2,463		(2,535)

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the accounts for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The directors acknowledge their responsibilities for:

(i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, and

(ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial 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 requirements of the Act relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

These financial statements were approved by the directors on the 4/12/00, and are signed on their behalf by:

D L PARKS
Director

DONSOUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2000

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Equipment and Fixtures- 25% reducing balance basis

2. OPERATING PROFIT/LOSS

Operating profit/loss is stated after charging:

	2000	1999
	£	£
Directors' emoluments	20,000	19,656
Staff pension contributions	1,500	1,500
Depreciation	1,426	658

3. TAX ON PROFIT OR LOSS ON ORDINARY ACTIVITIES

	2000	1999
	£	£
In respect of the year:		
Corporation tax based on the results for the year at 20% (1999 - 21%)	1,130	-
Adjustment in respect of previous years:		
Corporation tax	(266)	-
	864	-

DONSOUND LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2000

7. SHARE CAPITAL *(continued)*

Allotted, called up and fully paid:

	2000	1999
	£	£
Ordinary share capital	100	100