

GEOACOUSTICS LIMITED

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 30TH APRIL 1997



A19 *AR93P2NR* 247

COMPANIES HOUSE 07/01/98

1999 *AKBL324S* 21

COMPANIES HOUSE 19/12/97

AUDITOR'S REPORT TO GEOACOUSTICS LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 8 together with the accounts of the company for the year ended 30th April 1997 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver the abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited accounts, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full accounts.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985 and the abbreviated accounts on pages 2 to 8 are properly prepared in accordance with those provisions.

17 December 1997
Havenbridge House
North Quay, Great Yarmouth


LOVEWELL BLAKE

REGISTERED AUDITOR
Chartered Accountants

GEOACOUSTICS LIMITED

ABBREVIATED BALANCE SHEET

30TH APRIL 1997

	Notes	1997 £	1996 £
FIXED ASSETS			
Intangible assets	2	381,456	411,951
Tangible assets	3	<u>708,844</u>	<u>630,708</u>
		1,090,300	<u>1,042,659</u>
CURRENT ASSETS			
Stocks		262,587	308,011
Debtors due within one year		359,256	412,332
Cash at bank and in hand		<u>301,936</u>	<u>945</u>
		923,779	721,288
CREDITORS: Amounts falling due within one year	4	<u>(564,114)</u>	<u>(692,769)</u>
NET CURRENT ASSETS		<u>359,665</u>	<u>28,519</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,449,965	1,071,178
CREDITORS: Amounts falling due after more than one year	5	(320,894)	(336,663)
PROVISIONS FOR LIABILITIES AND CHARGES		<u>(124,830)</u>	<u>(43,800)</u>
		<u>1,004,241</u>	<u>690,715</u>
CAPITAL AND RESERVES			
Called-up share capital	6	1,000	1,000
Revaluation reserve		258,420	264,430
Other reserves		305,181	305,181
Profit and loss account		<u>439,640</u>	<u>120,104</u>
		<u>1,004,241</u>	<u>690,715</u>

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies ACT 1985 relating to small companies.

Approved by the board on 3 December 1997

D.R. STONE



Directors

S.E. JERMY



The notes set out on pages 4 to 8 form an integral part of these accounts

GEOACOUSTICS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

AT 30TH APRIL 1997

1 ACCOUNTING POLICIES

(a) Basis of accounting

These accounts have been prepared under the historical cost convention as modified by the revaluation of certain assets and in accordance with applicable accounting standards.

(b) Depreciation

Depreciation is calculated to write off the cost, less estimated residual values, of tangible fixed assets (excluding freehold land) over their estimated useful lives to the business. The annual depreciation rates and methods are as follows:

Buildings	straight line over fifty years
Motor vehicles, plant and machinery	20% - 25% straight line

The cost or valuation, less estimated residual value, of intangible fixed assets is amortised over their estimated useful lives to the business. The rates and methods used are as follows:

Development costs	5 years
-------------------	---------

(c) Stock and Work in Progress

Stock is valued at the lower of cost and net realisable value. Cost is determined on a first-in, first-out basis. Net realisable value is based on estimated selling price, less any further costs of realisation.

Work in progress is valued at the lower of cost and net realisable value. Cost consists of direct materials, labour and attributable overheads. Net realisable value is based on estimated selling price, less any further costs of realisation.

(d) Hire purchase and leasing

Assets held under hire purchase and finance leases are capitalised and depreciated and the resultant obligations are included in creditors. Operating lease rentals are charged to the profit and loss account over the period of the lease.

(e) Deferred taxation

Provision is made for deferred taxation except where, in the opinion of the directors, it is not likely to be payable in the foreseeable future.

GEOACOUSTICS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

AT 30TH APRIL 1997

(f) Pension scheme

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 charge in the profit and loss account represents the contributions payable by the company to the fund for the year.

(g) Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling on the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Significant differences arising due to exchange fluctuations have been reflected in the profit and loss account.

(h) Development expenditure

Development expenditure relating to specific projects intended for commercial exploitation is capitalised. Such expenditure is amortised over the period during which the benefit is expected to arise. Expenditure on pure and applied research is written off as incurred.

2 INTANGIBLE FIXED ASSETS

	Development costs
COST	£
At 1st May 1996	486,022
Additions	<u>53,914</u>
At 30th April 1997	<u>539,936</u>
AMORTISATION	
At 1st May 1996	74,071
Charge for the year	<u>84,409</u>
At 30th April 1997	<u>158,480</u>
NET BOOK VALUE	
At 30th April 1997	<u>381,456</u>
At 30th April 1996	<u>411,951</u>

GEOACOUSTICS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

AT 30TH APRIL 1997

3 TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Motor vehicles, plant and machinery £	Total £
COST OR VALUATION			
At 1st May 1996	540,000	319,294	859,294
Additions at cost	-	179,419	179,419
Applicable to disposals	-	(80,494)	(80,494)
At 30th April 1997	<u>540,000</u>	<u>418,219</u>	<u>958,219</u>
DEPRECIATION			
At 1st May 1996	9,565	219,021	228,586
Charge for the year	9,565	66,491	76,056
Released by disposals	-	(55,267)	(55,267)
At 30th April 1997	<u>19,130</u>	<u>230,245</u>	<u>249,375</u>
NET BOOK VALUE			
At 30th April 1997	<u>520,870</u>	<u>187,974</u>	<u>708,844</u>
At 30th April 1996	<u>530,435</u>	<u>100,273</u>	<u>630,708</u>

Details of fixed assets held under finance leases and hire purchase contracts, which are included in the relevant headings in the table above, are as follows:

	1997 £	1996 £
Net book value at 30th April 1997	<u>85,497</u>	<u>1,001</u>
Depreciation charge for the year	<u>9,642</u>	<u>2,001</u>

The company's freehold land and buildings were revalued in 1995 on a market value with existing use basis. The value of depreciable assets included in land and buildings at 30th April 1997 was £450,000 (1996: £450,000).

For assets which have been revalued, a comparison between the present book values and the book values at which the assets would have been carried if they were on a historical cost basis is set out below:

	Revalued Amount 1997 £	Historic Cost Amount 1997 £	Revalued Amount 1996 £	Historic Cost Amount 1996 £
Land and buildings				
Cost or valuation	540,000	283,060	540,000	283,060
Depreciation to date	<u>19,130</u>	<u>27,565</u>	<u>9,565</u>	<u>24,010</u>
Net book value	<u>520,870</u>	<u>255,495</u>	<u>530,435</u>	<u>259,050</u>

Included within tangible fixed assets are assets with a cost of £124,386 and a net book value of £53,330 held for the purpose of hire under operating leases.

GEOACOUSTICS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

AT 30TH APRIL 1997

4	CREDITORS: Amounts falling due within one year	1997 £	1996 £
	The following secured amounts fall due within one year:		
	Bank loans:		
	secured by a fixed and floating charge over the assets and a first legal charge over the	65,030	82,440
	Finance lease and hire purchase contracts:		
	secured on the assets concerned	<u>25,529</u>	<u>690</u>
		<u>90,559</u>	<u>83,130</u>
5	CREDITORS: Amounts falling due after more than one year	1997 £	1996 £
	Bank loans	271,515	336,663
	Net obligations under finance leases and hire purchase contracts	<u>49,379</u>	<u>-</u>
		<u>320,894</u>	<u>336,663</u>
		1997 £	1996 £
	Finance lease and hire purchase contracts		
	One to five years	<u>49,379</u>	<u>-</u>
		1997 £	1996 £
	Amounts payable by instalments between one and two years hence:		
	Bank loans	<u>62,530</u>	<u>65,030</u>
		1997 £	1996 £
	Amounts payable by instalments between two and five years hence:		
	Bank loans	<u>95,998</u>	<u>132,589</u>
		1997 £	1996 £
	Amounts payable by instalments more than five years hence:		
	Bank loans	<u>112,987</u>	<u>139,044</u>
		1997 £	1996 £
	Secured creditors included above are as follows:		
	Bank loans:		
	secured by a fixed and floating charge over the assets and a first legal charge over the	271,515	336,663
	Finance lease and hire purchase contracts:		
	secured on the assets concerned	<u>49,379</u>	<u>-</u>
		<u>320,894</u>	<u>336,663</u>

Bank loan of £197,226 at the year end is subject to interest at 3% over base and is repayable in monthly instalments over 10 years.

GEOACOUSTICS LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

AT 30TH APRIL 1997

6 SHARE CAPITAL				
	Value 1997	Number 1997 £	Value 1996	Number 1996 £
Authorised:				
Ordinary shares of £1 each	100,000	100,000	99,700	99,700
'A' Ordinary shares of £1 each	-	-	300	300
	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>
Issued and fully paid:				
Ordinary shares of £1 each	700	700	700	700
'A' Ordinary shares of £1 each	-	-	300	300
	<u>700</u>	<u>700</u>	<u>1,000</u>	<u>1,000</u>

On 10th March 1997 the company altered its Articles of association in order to allow the redemption and reclassification of its 'A' Ordinary shares of £1 each. The company then redeemed 300 'A' Ordinary shares of £1 each (representing the entirety of this class of share and 30% of the total share capital in issue) for £100,000. This was done in order to simplify the control procedures within the company, with the redeemed shares being reclassified as £1 ordinary shares ranking equally with the remainder of the company's share capital.