

Company number:
02749258 (ENGLAND & WALES)

ACCESS TO MUSIC LIMITED
ABBREVIATED STATUTORY FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2006

**MOORE STEPHENS
REGISTERED AUDITOR
CHARTERED ACCOUNTANTS
RUTLAND HOUSE
MINERVA BUSINESS PARK
LYNCH WOOD
PETERBOROUGH
PE2 6PZ**

SATURDAY



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COMPANIES HOUSE

ACCESS TO MUSIC LIMITED

COMPANY INFORMATION

Company number:	02749258 (England & Wales)
Directors:	Mr J Ridgeon Ms L M Cummins
Secretary:	Ms L M Cummins
Registered office:	Lionel House 35 Millstone Lane Leicester Leics LE1 5JN
Auditors:	Moore Stephens Chartered Accountants Rutland House Minerva Business Park Lynch Wood Peterborough PE2 6PZ
Bankers:	Barclays Bank Plc Leicester Corporate Banking Centre Barclays House PO Box 1500 Dominus Way Meridian Business Park Leicester LE3 2RN
Solicitors:	Harvey Ingram Owston 20 New Walk Leicester LE1 6TX

ACCESS TO MUSIC LIMITED
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2006

CONTENTS

	Page
Independent Auditors' report	1
Directors' report	2
Abbreviated profit and loss account	5
Abbreviated balance sheet	6
Cash flow statement	7
Notes	8

INDEPENDENT AUDITORS' REPORT TO ACCESS TO MUSIC LIMITED

PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985.

We have examined the abbreviated financial statements on pages 5 to 20 together with the financial statements of Access To Music Limited for the year ended 31 August 2006, prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

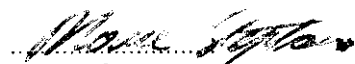
The directors are responsible for preparing the abbreviated accounts in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246A(3) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246A(3) Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with that provision.



Moore Stephens
Registered Auditor
Chartered Accountants
Rutland House
Minerva Business Park
Lynch Wood
Peterborough



ACCESS TO MUSIC LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2006

The directors present their report and the financial statements for the year ended 31 August 2006.

Principal activities

The principal activity of the company is the provision of music training and consultancy services.

There has not been any significant change in this activity during the year.

Review of business

The results for the year are set out in the Profit and Loss Account. The directors consider the profit achieved on ordinary activities before taxation to be particularly satisfactory given the current economic climate. Sales of £6,344,321 (2005 £6,781,978) were achieved with a gross profit of £2,377,202 (2005 £2,381,596) giving a gross profit of 37% (35%).

Future developments

The directors continue to improve the company's services, and identify new markets which will generate an acceptable level of profitability.

Donations

Political and charitable donations did not exceed £200 in the year.

Fixed assets

Changes in fixed assets during the year are set out in the notes to the financial statements.

Results and dividends

Dividends of £270,000 (2005 £240,000) have been paid out of the generated profits for the year.

Financial Instruments

The company does not actively use financial instruments as part of its financial risk management. It is exposed to the usual credit risk and cash flow risk associated with selling on credit and manages this through credit control procedures.

Directors' interests

The directors of the company during the year and their respective family interests in the share capital of the company as recorded in the register of directors' interests were as follows:

	2006	2005
	No.	of shares
Mr J Ridgeon	1	1
Ms L M Cummins	1	1

ACCESS TO MUSIC LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2006

No director has been granted a right to subscribe for additional shares or debentures.

The director retiring by rotation is Ms L M Cummins, who being eligible will offer herself for re-election at the forthcoming Annual General Meeting.

Responsibilities of the directors

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards, 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 which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Amounts are presented within items in the profit and loss account and balance sheet. The directors have had regard to the substance of the reported transaction or arrangement, in accordance with generally accepted accounting principles or practice. In the case of each of the persons who are directors at the time when the directors report is approved:

- so far as the directors are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- each director has taken all steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

ACCESS TO MUSIC LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2006

Auditors

The auditors, Messrs Moore Stephens (Chartered Accountants) have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the forthcoming Annual General Meeting.

On behalf of the board

L.M. Cummins
Ms L M Cummins
Director

Lionel House
35 Millstone Lane
Leicester
Leics
LE1 5JN

14/11/06
(Date)

ACCESS TO MUSIC LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2006

	Note	2006 £	2005 £
Gross Profit		2,377,202	2,381,596
Administrative expenses		1,538,006	1,873,544
Operating profit	2	<u>839,196</u>	<u>508,052</u>
Other interest receivable & similar income		63,271	47,580
Interest payable	5	(49,485)	(60,031)
Profit on ordinary activities before taxation		<u>852,982</u>	<u>495,601</u>
Tax on profit on ordinary activities	6	(254,370)	(209,181)
Retained profit for the year		<u><u>598,612</u></u>	<u><u>286,420</u></u>

The company has made no acquisitions nor discontinued any operations within the meaning of Financial Reporting Standard 3 during 2006 therefore turnover and operating profit derive entirely from continued operations.

The company has no recognised gains or losses other than the profit for the financial year.

The annexed notes form part of these financial statements.

ACCESS TO MUSIC LIMITED
ABBREVIATED BALANCE SHEET
AT 31 AUGUST 2006

	Note	2006	2005
		£	£
Fixed assets			
Intangible assets	7	62,200	83,200
Tangible assets	8	698,846	871,309
		<u>761,046</u>	<u>954,509</u>
Current assets			
Stocks	9	26,791	15,760
Debtors	10	172,266	287,704
Cash at bank and in hand		1,877,347	1,946,701
		<u>2,076,404</u>	<u>2,250,165</u>
Creditors			
Amounts falling due within one year	11	(1,471,096)	(2,088,818)
Net current assets		<u>605,308</u>	<u>161,347</u>
Total assets less current liabilities		<u>1,366,354</u>	<u>1,115,856</u>
Creditors			
Amounts falling due after more than one year	12	(411,236)	(489,350)
Net assets		<u><u>955,118</u></u>	<u><u>626,506</u></u>
Capital and reserves			
Called up share capital	14	2	2
Profit and loss account	15	955,116	626,504
Shareholders' funds	16	<u><u>955,118</u></u>	<u><u>626,506</u></u>

The financial statements, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to medium-sized companies, were approved by the board on 14/11/06 and signed on its behalf.

L. M. Cummins
Ms L M Cummins
Director

The annexed notes form part of these financial statements.

ACCESS TO MUSIC LIMITED
CASHFLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2006

	Note	2006 £	2005 £
Net cash inflow from operating activities	17	670,654	1,427,885
Returns on investments and servicing of finance	18	13,786	(12,451)
Taxation		(257,531)	(129,833)
Capital expenditure	18	(196,375)	(490,529)
Equity dividends paid		(150,000)	(300,000)
		<u>80,534</u>	<u>495,072</u>
Financing	18	(149,888)	129,402
(Decrease)/increase in cash		<u>(69,354)</u>	<u>624,474</u>

ACCESS TO MUSIC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2006

1. Accounting policies

These financial statements have been prepared in accordance with applicable accounting standards.

Turnover

Turnover represents charges to external customers for services provided during the period, and is shown exclusive of Value Added Tax and trade discounts.

Depreciation of fixed assets

Depreciation has been computed to write off the cost of fixed assets over their expected useful lives at the following rates:-

Freehold property	50 years straight line
Leasehold premises	over the period of the lease
Goodwill	8-10 years straight line
Asset under finance lease	over the period of the lease
Fixtures and fittings	5 years straight line
Office equipment	3 years straight line
Instruments	5 years straight line
Motor vehicles	25% per annum reducing balance

A full year's depreciation is charged in the year of acquisition of an asset but none in the year of disposal.

Stocks

Stocks and work in progress are valued consistently at the lower of cost (on a first in, first out basis) or net realisable value. Cost, where appropriate, includes a proportion of directly attributable overheads.

Debtors

Debtors are shown after providing for any amounts which in the opinion of the directors may not be collected in full.

Deferred taxation

Deferred tax assets and liabilities have arisen from timing differences between the recognition of gains and losses in the financial statements and their recognition in a tax computation. Full provision has been made to the extent to which it is considered more likely than not to become payable/recoverable in the foreseeable future and at the rate eventually expected to be charged.

Leasing

Leasing rentals payable on agreements which transfer substantially all the risk and rewards associated with ownership of the lessee ("finance leases") are capitalised within fixed assets, and the obligation to pay future rentals included in creditors as a liability. The interest charges implicit in such a lease are written off to the profit and loss account in proportion to the balance outstanding during the year.

All other leasing rentals ("operating leases") are written off to the profit and loss account as incurred.

ACCESS TO MUSIC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2006

Goodwill

Goodwill is the difference between the amount paid on the acquisition of a business and the aggregate fair value of its separable net assets. It is being written off in equal annual instalments over its estimated economic life of 10 years.

Pension costs

The company operates a defined contribution pension scheme and pension contributions are charged to profit and loss account as they fall due.

Grants received

Grants related to capital expenditure on tangible assets are credited to the profit and loss account at the same rate as the depreciation on the assets to which the grants relate.

Dividends

In accordance with Financial Reporting Standard 21, final dividends are only provided if they have been declared before the balance sheet date.

2. Operating profit

	2006 £	2005 £
This is stated after charging:		
Directors' emoluments	210,749	211,575
Company contributions to money purchase schemes in relation to directors' pensions	18,150	274,147
Total directors' emoluments	228,899	485,722
Auditors' remuneration	15,470	13,400
Depreciation and amortisation of owned assets	275,227	230,582
Depreciation of assets held under finance leases and hire purchase contracts	109,438	175,566
Pension costs	15,524	15,169

3. Directors' remuneration

	2006 £	2005 £
The remuneration of the highest paid director (excluding pension contributions) was		
Emoluments	111,192	112,014

The remuneration of the directors, including the above,
fell within the following ranges:

£ 95,001 - £100,000	1	1
£110,001 - £115,000	1	1

2 (2005 - 2) directors are accruing benefits under a money purchase scheme.

ACCESS TO MUSIC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2006

4. Staff costs

The average number of persons employed by the company, including directors, during the year was as follows:

	2006	2005
Management	30	27
Administration	43	30
Tutors	144	178
	<u>217</u>	<u>235</u>

The aggregate payroll costs of these persons were as follows:

	2006 £	2005 £
Wages and salaries	548,549	417,614
Social security	25,382	25,421
Other pension costs	33,674	289,316
	<u>607,605</u>	<u>732,351</u>

5. Interest payable

	2006 £	2005 £
Interest payable - bank loans and overdraft and other loans repayable within five years	27,281	20,967
Finance charges payable - finance leases and hire purchase contracts	22,204	39,064
	<u>49,485</u>	<u>60,031</u>

ACCESS TO MUSIC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2006

6. Taxation on profit on ordinary activities

	2006	2005
	£	£
Analysis of charge in period		
Current Tax:		
UK corporation tax on profits of the period	211,391	258,092
Adjustments in respect of previous period	(957)	(402)
	<u>210,434</u>	<u>257,690</u>
Total current tax	210,434	257,690
Deferred Tax:		
Origination and reversal of timing differences	43,936	(48,509)
	<u>254,370</u>	<u>209,181</u>
Tax on profit on ordinary activities	<u>254,370</u>	<u>209,181</u>

Factors affecting tax charge for year

The tax assessed for the year differs from the standard rate of corporation tax in the UK. The differences are explained below:

	2006	2005
	£	£
Profit on ordinary activities before tax	852,982	495,601
	<u>852,982</u>	<u>495,601</u>
Standard UK corporation tax rate:	30.00 %	30.00 %
Profit/(loss) on ordinary activities multiplied by standard UK corporation tax rate:	255,895	148,680
Effects of:		
Expenses not deductible for tax purposes	40	6,318
Capital allowances in excess of depreciation	65,675	52,064
Grant income	(14,326)	(7,500)
Adjustments in respect of previous period	(957)	(402)
Accrued pension contributions	(75,857)	79,512
Marginal relief	(20,036)	(16,114)
	<u>210,434</u>	<u>257,690</u>
Current tax charge for the year	<u>210,434</u>	<u>257,690</u>

ACCESS TO MUSIC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2006

7. Intangible Fixed Assets

	Patents £	Goodwill £	Total £
Cost:			
At 1 September 2005	28,000	171,200	199,200
	<hr/>	<hr/>	<hr/>
At 31 August 2006	28,000	171,200	199,200
	<hr/>	<hr/>	<hr/>
Amortisation:			
At 1 September 2005	14,000	102,000	116,000
Charge for the Year	3,500	17,500	21,000
	<hr/>	<hr/>	<hr/>
At 31 August 2006	17,500	119,500	137,000
	<hr/>	<hr/>	<hr/>
Net Book Value:			
At 31 August 2006	10,500	51,700	62,200
	<hr/>	<hr/>	<hr/>
At 31 August 2005	14,000	69,200	83,200
	<hr/>	<hr/>	<hr/>

ACCESS TO MUSIC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2006

8. Tangible fixed assets

	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
Cost:					
At 1 September 2005	1,073,471	209,586	613,966	73,975	1,970,968
Additions	67,481	11,915	116,981	-	196,377
Disposals	(12,155)	(9,811)	(43,534)	-	(65,500)
	<u>1,128,797</u>	<u>211,690</u>	<u>687,383</u>	<u>73,975</u>	<u>2,101,843</u>
Depreciation:					
At 1 September 2005	458,458	185,093	430,937	25,171	1,099,659
Charge for the year	171,044	15,334	165,087	12,200	363,665
On disposals	(10,185)	(7,752)	(42,388)	-	(60,325)
	<u>619,317</u>	<u>192,675</u>	<u>553,636</u>	<u>37,371</u>	<u>1,402,999</u>
Net book value:					
At 31 August 2006	<u>509,480</u>	<u>19,015</u>	<u>133,747</u>	<u>36,604</u>	<u>698,846</u>
At 31 August 2005	<u>615,013</u>	<u>24,493</u>	<u>182,999</u>	<u>48,804</u>	<u>871,309</u>

The net book value of land and buildings at 31 August 2006 comprised:

	Cost and valuation £	Depreciation £	Total £
Freehold	382,271	15,290	366,981
Short leasehold	746,526	604,027	142,499
	<u>1,128,797</u>	<u>619,317</u>	<u>509,480</u>

Included within plant and machinery and fixtures and fittings are assets with a net book value of £41,700 (2005 £158,236) which are held under finance leases and hire purchase contracts.

9. Stocks

	2006 £	2005 £
Work in progress	<u>26,791</u>	<u>15,760</u>

ACCESS TO MUSIC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2006

10. Debtors

	2006	2005
	£	£
Due within one year:		
Trade debtors	79,906	143,572
Deferred taxation recoverable	9,751	53,687
Prepayments	82,609	72,945
	<u>172,266</u>	<u>270,204</u>
Due after one year:		
Prepayments	-	17,500
	<u>172,266</u>	<u>287,704</u>

11. Creditors - amounts falling due within one year

	2006	2005
	£	£
Bank loans and overdrafts	23,586	32,731
Trade creditors	160,499	207,075
Other creditors	1,942	1,939
Corporation tax	211,393	258,488
Other taxes and social security	91,295	104,708
Obligations under finance leases and hire purchase contracts	57,885	120,514
Accruals and deferred income	804,496	1,363,363
Proposed dividend	120,000	-
	<u>1,471,096</u>	<u>2,088,818</u>

Of the creditors falling due within one year £81,471 (2005 £153,245) is secured.

ACCESS TO MUSIC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2006

12. Creditors - amounts falling due after more than one year

	2006	2005
	£	£
Bank loan accounts	362,992	379,130
Directors current accounts	1,111	1,111
Obligations under finance leases and hire purchase contracts	47,133	109,109
	<u>411,236</u>	<u>489,350</u>

All the aforementioned bank loans are secured and are repayable by annual instalments with an interest rate of 7%.

The bank loans fall due as follows:-

	2006	2005
	£	£
Repayable between one and two years	25,189	29,769
Repayable between two and five years	86,308	99,628
Repayable in five years or more	251,495	249,733
	<u>362,992</u>	<u>379,130</u>

The finance lease and hire purchase creditors fall due as follows:-

	2006	2005
	£	£
Repayable between one and two years	41,872	62,458
Repayable between two and five years	5,261	46,561
	<u>47,133</u>	<u>109,109</u>

Finance lease and hire purchase creditors are secured on the assets concerned.

Of the creditors falling due after more than one year £410,125 (2005 £488,239) is secured.

ACCESS TO MUSIC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2006

13. Provisions for liabilities

	Deferred taxation			
	£			
Balance at 1 September 2005			(53,687)	
Charged for the year in profit and loss account			43,936	
			<u></u>	
Balance at 31 August 2006			(9,751)	
			<u></u>	
	Provided		Maximum potential liability	
	2006	2005	2006	2005
	£	£	£	£
Accelerated capital allowances	(7,664)	(3,557)	(7,664)	(3,557)
Accrued pension contributions	(2,087)	(50,130)	(2,087)	(50,130)
	<u></u>	<u></u>	<u></u>	<u></u>
	(9,751)	(53,687)	(9,751)	(53,687)
	<u></u>	<u></u>	<u></u>	<u></u>

The net deferred tax asset has been included with debtor balances.

14. Share capital

	2006	2005
	£	£
Authorised		
Ordinary shares of £1 each	100	100
	<u></u>	<u></u>
	£	£
Allotted, called up and fully paid		
Ordinary shares of £1 each	2	2
	<u></u>	<u></u>

15. Profit and loss account

	2006
	£
At 1 September 2005	626,504
Profit for the year	598,612
Dividends	(270,000)
	<u></u>
At 31 August 2006	955,116
	<u></u>

ACCESS TO MUSIC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2006

16. Reconciliation of movements in shareholders' funds

	2006 £	2005 £
Profit for the financial year	598,612	286,420
Dividends	(270,000)	(240,000)
Net addition to shareholders' funds	<u>328,612</u>	<u>46,420</u>
Shareholders' funds at 1 September 2005	<u>626,506</u>	<u>580,086</u>
Shareholders' funds at 31 August 2006	<u><u>955,118</u></u>	<u><u>626,506</u></u>

**17. Reconciliation of operating profit
to net cash inflow from operating activities**

	2006 £	2005 £
Operating profit	839,196	508,052
Depreciation charges	363,665	385,148
Amortisation	21,000	21,000
Loss on sale of tangible fixed assets	5,175	7,380
Increase in stocks	(11,031)	(385)
Decrease in debtors	71,502	28,452
(Decrease)/Increase in creditors	<u>(618,853)</u>	<u>478,238</u>
Net cash flow from operating activities	<u><u>670,654</u></u>	<u><u>1,427,885</u></u>

ACCESS TO MUSIC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2006

18. **Gross cash flows**

	2006 £	2006 £	2005 £
Returns on investments and servicing of finance			
Interest received	63,271		47,580
Interest paid	(27,281)		(20,967)
Interest element of finance lease rental payments	(22,204)		(39,064)
	<u> </u>	13,786	<u> </u>
		<u> </u>	<u> </u>
Capital expenditure			
Payments to acquire tangible fixed assets	(196,375)		(517,529)
Receipts from fixed assets disposals	-		27,000
	<u> </u>	(196,375)	<u> </u>
		<u> </u>	<u> </u>
Financing			
Repayment of loans	(25,283)		(19,900)
New loans	-		296,000
Capital element of finance lease rental repayments	(124,605)		(146,698)
	<u> </u>	(149,888)	<u> </u>
		<u> </u>	<u> </u>

ACCESS TO MUSIC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2006

19. **Reconciliation of net cash flow to movement in net debt**

	2006 £	2006 £	2005 £
(Decrease)/Increase in cash in the year	(64,830)		124,474
Cash outflow from decrease in debt and lease financing	149,888		(133,926)
	<hr/>		<hr/>
Change in net funds resulting from cash flows		85,058	490,548
		<hr/>	<hr/>
Movement in net funds in the year		85,058	490,548
		<hr/>	<hr/>
Net funds at 1 September 2005		1,300,693	810,145
		<hr/>	<hr/>
Net funds at 31 August 2006		1,385,751	1,300,693
		<hr/> <hr/>	<hr/> <hr/>

20. **Analysis of net fund**

	Opening balance £	Cash flows £	Other changes £	Closing balance £
Net cash:				
Cash at bank	1,945,283	(69,722)	-	1,875,561
Cash in hand	5,942	(4,156)	-	1,786
	<hr/>	<hr/>	<hr/>	<hr/>
	1,951,225	(73,878)	-	1,877,347
Bank overdraft	(4,524)	4,524	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	1,946,701	(69,354)	-	1,877,347
Debts due within one year:				
Bank loans	(37,255)	29,807	(16,138)	(23,586)
Finance leases	(120,514)	124,605	(61,976)	(57,885)
	<hr/>	<hr/>	<hr/>	<hr/>
	(157,769)	154,412	(78,114)	(81,471)
Debts due after one year:				
Bank loans	(379,130)	-	16,138	(362,992)
Finance leases	(109,109)	-	61,976	(47,133)
	<hr/>	<hr/>	<hr/>	<hr/>
	(488,239)	-	78,114	(410,125)
	<hr/>	<hr/>	<hr/>	<hr/>
Net fund/(debt)	1,300,693	85,058	-	1,385,751
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

ACCESS TO MUSIC LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2006

21. Leasing commitments

At 31 August 2006 the company had annual commitments under non-cancellable operating leases as detailed below:

	Land and buildings 2006 £	Land and buildings 2005 £
Operating leases which expire:		
Within one year	63,174	-
Between two and five years	33,650	96,826
After five years	152,000	176,225
	<u>248,824</u>	<u>273,051</u>

22. Capital commitments

Commitments for capital expenditure at the end of the year not provided for in these financial statements were as follows:

	2006 £	2005 £
Contracted for but not provided in these financial statements	<u>77,747</u>	<u>32,574</u>

23. Pension costs

The company operated separate defined contribution schemes in respect of the directors and selected employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge in the profit and loss account represents contributions payable by the company to the fund and amounted to £33,674 (2005 £289,316).

At the balance sheet date £10,985 (2005 £263,840) remained outstanding.

24. Transactions with directors and officers

During the year, an amount of £3,332 (2005 £6,043) was paid to Mr J Ridgeon and Ms L M Cummins in respect of rent relating to office premises owned by them.

25. Ultimate controlling party

The company is under the control of the directors. There is no one overall controlling party.