

REFLEX AUDIO VISUAL LIMITED
FINANCIAL STATEMENTS
31 DECEMBER 2005



HURST MORRISON THOMSON LLP
Chartered Accountants & Registered Auditors
5 Fairmile
Henley-on-Thames
Oxfordshire
RG9 2JR

REFLEX AUDIO VISUAL LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2005

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REFLEX AUDIO VISUAL LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

A Brymer
R Dreesden
W Jepps

Company secretary

W Jepps

Registered office

1 Bennet Court
Bennet Road
Reading
Berkshire
RG2 0QX

Auditor

Hurst Morrison Thomson LLP
Chartered Accountants
& Registered Auditors
5 Fairmile
Henley-on-Thames
Oxfordshire
RG9 2JR

REFLEX AUDIO VISUAL LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2005

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 December 2005.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was that of a holding company.

On the 29 July 2005 the entire share capital of the company was acquired by Reflex 2005 Limited

THE DIRECTORS AND THEIR INTERESTS IN THE SHARES OF THE PARENT COMPANY

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

		At	At
	Class of share	31 December 2005	1 January 2005
A Brymer	A Ordinary	-	35,000
R Dreesden	A Ordinary	-	5,000
W Jepps	A Ordinary	-	5,000

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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

- select suitable accounting policies, as described on page 8, and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; 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 that 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. The directors 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.

AUDITOR

A resolution to re-appoint Hurst Morrison Thomson LLP as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

REFLEX AUDIO VISUAL LIMITED

THE DIRECTORS' REPORT *(continued)*

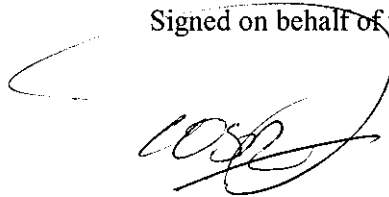
YEAR ENDED 31 DECEMBER 2005

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.

Registered office:
1 Bennet Court
Bennet Road
Reading
Berkshire
RG2 0QX

Signed on behalf of the directors



W Jepps
Company Secretary

Approved by the directors on 03-10-2006

REFLEX AUDIO VISUAL LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF REFLEX AUDIO VISUAL LIMITED

YEAR ENDED 31 DECEMBER 2005



HURST MORRISON THOMSON

5 Fairmile Henley-on-Thames
Oxfordshire RG9 2JR
telephone: 01491 579866
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www.hmtgroup.com

We have audited the financial statements of Reflex Audio Visual Limited for the year ended 31 December 2005 on pages 6 to 12 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005) and on the basis of the accounting policies set out on page 8.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

REFLEX AUDIO VISUAL LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF REFLEX AUDIO VISUAL LIMITED *(continued)*

YEAR ENDED 31 DECEMBER 2005

OPINION

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31 December 2005 and of its profit for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.



HURST MORRISON THOMSON LLP
Chartered Accountants
& Registered Auditors

5 Fairmile
Henley-on-Thames
Oxfordshire
RG9 2JR

12th October, 2006

REFLEX AUDIO VISUAL LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2005

	Note	2005 £	2004 (restated) £
TURNOVER		—	—
Administrative expenses		—	—
OPERATING PROFIT	2	—	—
Income from shares in group undertakings	3	30,661	29,750
Amounts written off investments	4	—	(500)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>30,661</u>	<u>29,250</u>
PROFIT FOR THE FINANCIAL YEAR		<u>30,661</u>	<u>29,250</u>

The notes on pages 8 to 12 form part of these financial statements.

REFLEX AUDIO VISUAL LIMITED

BALANCE SHEET

31 DECEMBER 2005

	Note	2005 £	2004 (restated) £
FIXED ASSETS			
Investments	6	<u>1,823,184</u>	<u>1,923,184</u>
CREDITORS: Amounts falling due within one year	7	<u>1,688,029</u>	<u>1,823,184</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>135,155</u>	<u>100,000</u>
CAPITAL AND RESERVES			
Called-up equity share capital	9	49,500	45,000
Share premium account	10	85,655	55,000
SHAREHOLDERS' FUNDS		<u>135,155</u>	<u>100,000</u>

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 January 2005).

These financial statements were approved by the directors on the 31.12.05... and are signed on their behalf by:



Director

The notes on pages 8 to 12 form part of these financial statements.

REFLEX AUDIO VISUAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2005

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 January 2005).

Consolidation

The company was, at the end of the period, a wholly owned subsidiary of another company incorporated in the EEC and in accordance with Section 228 of the Companies Act 1985, is not required to produce, and has not published, consolidated accounts.

2. OPERATING PROFIT

Operating profit is stated after charging:

	2005	2004 (restated)
	£	£
Directors' emoluments	—	—
Auditor's fees	—	—
	<u>—</u>	<u>—</u>

3. INCOME FROM SHARES IN GROUP UNDERTAKINGS

	2005	2004 (restated)
	£	£
Income from group undertakings	<u>30,661</u>	<u>29,750</u>

4. AMOUNTS WRITTEN OFF INVESTMENTS

	2005	2004 (restated)
	£	£
Amount written off investments	100,000	500
Amount written off owed to group undertakings	<u>(100,000)</u>	<u>—</u>
	<u>—</u>	<u>500</u>

REFLEX AUDIO VISUAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2005

5. DIVIDENDS

Dividends on equity shares

	2005	2004
	£	(restated)
		£
Paid		
Equity dividends	<u>30,661</u>	<u>—</u>
Proposed		
Proposed equity dividends (not recognised as a liability)	<u>—</u>	<u>29,250</u>

6. INVESTMENTS

	Group
	undertakings
	£
COST	
At 1 January 2005 and 31 December 2005	<u>1,923,684</u>
AMOUNTS WRITTEN OFF	
At 1 January 2005	500
Written off in year	<u>100,000</u>
At 31 December 2005	<u>100,500</u>
NET BOOK VALUE	
At 31 December 2005	<u>1,823,184</u>
At 31 December 2004	<u>1,923,184</u>

REFLEX AUDIO VISUAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2005

6. INVESTMENTS *(continued)*

	Country of Incorporation	Share Holding	Proportion of voting rights and shares held	Nature of business
All held by the company:				
Reflex Limited				Sale, installation, hire and maintenance of business presentation equipment
	England	Ordinary shares	100%	
Claimgrange Limited	England	Ordinary shares	100%	Dormant
Reflex Care Limited		Ordinary shares		
	England	Ordinary shares	100%	Dormant
Classroom Displays Limited	England	Ordinary shares	100%	Dormant
Reflex Home Limited	England	Ordinary shares	100%	Sale, installation of home presentation equipment

Aggregate capital and reserves

Reflex Limited	1,671,263	1,070,992
Claimgrange Limited	—	98,271
Reflex Care Limited	1	2
Classroom Displays Limited	2	1
Reflex Home Limited	(90,764)	—

Profit and (loss) for the year

Reflex Limited	600,271	425,851
Claimgrange Limited	(98,271)	(1,729)
Reflex Care Limited	—	—
Classroom Displays Limited	—	—
Reflex Home Limited	(3,512)	—

Under the provision of section 248 of the Companies Act 1985 the company is exempt from preparing consolidated accounts and has not done so, therefore the accounts show information about the company as an individual entity.

REFLEX AUDIO VISUAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2005

7. CREDITORS: Amounts falling due within one year

	2005	2004 (restated)
	£	£
Amounts owed to group undertakings	<u>1,688,029</u>	<u>1,823,184</u>

8. RELATED PARTY TRANSACTIONS

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard for Smaller Entities.

9. SHARE CAPITAL

Authorised share capital:

	2005	2004 (restated)
	£	£
45,000 A Ordinary shares of £1 each	45,000	45,000
5,000 B Non Voting shares of £1 each	5,000	5,000
	<u>50,000</u>	<u>50,000</u>

Allotted, called up and fully paid:

	2005		2004	
	No	£	No	£
A Ordinary shares of £1 each	45,000	45,000	45,000	45,000
B Non Voting shares of £1 each	4,500	4,500	-	-
	<u>49,500</u>	<u>49,500</u>	<u>45,000</u>	<u>45,000</u>

During the year the company issued 4,500 "B" Ordinary shares of £1 each for a total consideration of £35,155. This resulted in an increase in the share premium by £30,655.

10. RESERVES

	Share premium account £	Profit and loss account £
Balance brought forward	55,000	-
Profit for the year	-	30,661
Equity dividends	-	(30,661)
Other movements		
New equity share capital subscribed	30,655	-
Balance carried forward	<u>85,655</u>	<u>-</u>

The increase in the share premium of £30,655 was a result of 4,500 "B" Ordinary shares of £1 each being issued for a total consideration of £35,155.

REFLEX AUDIO VISUAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2005

11. ULTIMATE PARENT COMPANY

The ultimate parent undertaking of the smallest and largest group is Reflex 2005 Limited, a company incorporated in England. Group consolidated accounts are available from Companies House.