

# The Rhythm House Ltd

Unaudited Abbreviated Accounts

for the Year Ended 30 September 2011

Marshall + Co Accountants LLP  
St Mary's House  
Crewe Road  
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Stoke on Trent  
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# The Rhythm House Ltd

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The following reproduces the text of the accountants' report in respect of the company's annual financial statements, from which the abbreviated accounts (set out on pages 2 to 6) have been prepared.

**Chartered Accountants' Report to the Director on the Preparation of the Unaudited Statutory  
Accounts of  
The Rhythm House Ltd  
for the Year Ended 30 September 2011**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of The Rhythm House Ltd for the year ended 30 September 2011 set out on pages from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at [icaew.com/membershandbook](http://icaew.com/membershandbook).

This report is made solely to the Board of Directors of The Rhythm House Ltd, as a body, in accordance with the terms of our engagement letter dated 23 September 2010. Our work has been undertaken solely to prepare for your approval the accounts of The Rhythm House Ltd and state those matters that we have agreed to state to them, as a body, in this report in accordance with AAF 2/10 as detailed at [icaew.com/compilation](http://icaew.com/compilation). To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Rhythm House Ltd and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that The Rhythm House Ltd has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and loss of The Rhythm House Ltd. You consider that The Rhythm House Ltd is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of The Rhythm House Ltd. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

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20 June 2012

**The Rhythm House Ltd**  
**(Registration number: 05546092)**  
**Abbreviated Balance Sheet at 30 September 2011**

	Note	2011 £	2010 £
<b>Fixed assets</b>			
Intangible fixed assets		9,180	9,180
Tangible fixed assets		3,694	4,886
		<hr/>	<hr/>
		12,874	14,066
		<hr/>	<hr/>
<b>Current assets</b>			
Stocks		8,950	12,250
Debtors		7,903	104
Cash at bank and in hand		15,544	11,454
		<hr/>	<hr/>
		32,397	23,808
Creditors: Amounts falling due within one year		(83,450)	(51,938)
		<hr/>	<hr/>
Net current liabilities		(51,053)	(28,130)
		<hr/>	<hr/>
Total assets less current liabilities		(38,179)	(14,064)
Creditors: Amounts falling due after more than one year		-	(4,225)
		<hr/>	<hr/>
Net liabilities		(38,179)	(18,289)
		<hr/> <hr/>	<hr/> <hr/>
<b>Capital and reserves</b>			
Called up share capital	3	1	1

	Profit and loss account	(38,180)	(18,290)
		<hr/>	<hr/>
Shareholders' deficit		(38,179)	(18,289)
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 4 to 6 form an integral part of these financial statements.

**The Rhythm House Ltd**  
**(Registration number: 05546092)**  
**Abbreviated Balance Sheet at 30 September 2011**  
*..... continued*

For the year ending 30 September 2011 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the director on 20 June 2012

.....  
Mr N G Ogden  
Director

The notes on pages 4 to 6 form an integral part of these financial statements.

**The Rhythm House Ltd**  
**Notes to the Abbreviated Accounts for the Year Ended 30 September 2011**  
**..... continued**

**1            Accounting policies**

**Basis of preparation**

The full financial statements, from which these abbreviated accounts have been extracted, have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

**Turnover**

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers.

**Goodwill**

Positive goodwill is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

**Amortisation**

Goodwill, being the amount paid in connection with the acquisition of a business in 0, is being amortised evenly over its estimated useful life of nil years.

<b>Asset class</b>	<b>Amortisation method and rate</b>
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Goodwill	No amortisation
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**Depreciation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
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Fixtures and fittings	20% Reducing balance method
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Motor vehicles	25% Reducing balance method
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**Stock**

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs.

## **Deferred tax**

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by the FRSSE. Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.



**The Rhythm House Ltd**  
**Notes to the Abbreviated Accounts for the Year Ended 30 September 2011**  
*..... continued*

**Hire purchase and leasing**

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. The capital elements of future obligations under the leases are included as liabilities in the balance sheet. The interest element of the rental obligation is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. Assets held under hire purchase agreements are capitalised as tangible fixed assets and are depreciated over the shorter of the lease term and their useful lives. The capital element of future finance payments is included within creditors. Finance charges are allocated to accounting periods over the length of the contract and represent a constant proportion of the balance of capital repayments outstanding.

**Financial instruments**

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

**2 Fixed assets**

	Intangible assets £	Tangible assets £	Total £
<b>Cost</b>			
At 1 October 2010	9,180	8,954	18,134
	<hr/>	<hr/>	<hr/>
At 30 September 2011	9,180	8,954	18,134
	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>			
At 1 October 2010	-	4,068	4,068
Charge for the year	-	1,192	1,192
	<hr/>	<hr/>	<hr/>
At 30 September 2011	-	5,260	5,260
	<hr/>	<hr/>	<hr/>
<b>Net book value</b>			

At 30 September 2011	9,180	3,694	12,874
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At 30 September 2010

<u>                    </u>	<u>                    </u>	<u>                    </u>
9,180	4,886	14,066
<u>                    </u>	<u>                    </u>	<u>                    </u>

**The Rhythm House Ltd**  
**Notes to the Abbreviated Accounts for the Year Ended 30 September 2011**  
*..... continued*

**3 Share capital**

**Allotted, called up and fully paid shares**

	<b>2011</b>		<b>2010</b>	
	<b>No.</b>	<b>£</b>	<b>No.</b>	<b>£</b>
Ordinary shares of £1 each	1	1	1	1

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.