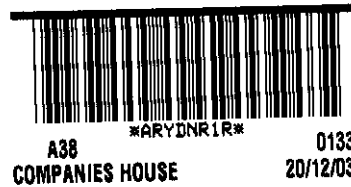


REGISTERED NUMBER: 1043215 (England and Wales)

ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2003

FOR

AUDIOTIME (UK) LIMITED



**AUDIOTIME (UK) LIMITED**  
**REPORT OF THE INDEPENDENT AUDITORS TO**  
**AUDIOTIME (UK) LIMITED**  
**UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts on pages three to four, together with the full financial statements of the company for the year ended 28 February 2003 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' 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, for our work, for this report, or for the opinions we have formed.

**Respective responsibilities of director and auditors**

The director is 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 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.

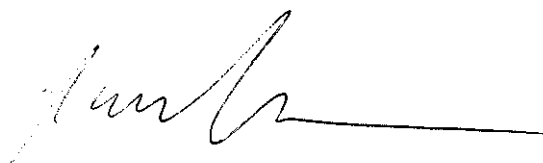
**Basis of opinion**

We have carried out the procedures we 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. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

**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 three to four are properly prepared in accordance with those provisions.

Passer Chevern & Co  
Chartered Accountants and Registered Auditors  
62 Haverstock Hill  
(Entrance at Prince of Wales Road)  
Chalk Farm  
LONDON  
NW3 2BJ



8 September 2003

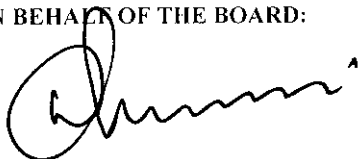
**AUDIOTIME (UK) LIMITED**

**ABBREVIATED BALANCE SHEET  
28 FEBRUARY 2003**

		2003		2002	
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	2		10,010		1,952
<b>CURRENT ASSETS</b>					
Stocks		112,197		120,796	
Debtors		67,880		49,201	
Cash at bank and in hand		156,370		190,930	
		<u>336,447</u>		<u>360,927</u>	
<b>CREDITORS</b>					
Amounts falling due within one year		<u>227,265</u>		<u>211,898</u>	
<b>NET CURRENT ASSETS</b>			<u>109,182</u>		<u>149,029</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>119,192</u>		<u>150,981</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	3		100		100
Profit and loss account			<u>119,092</u>		<u>150,881</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>119,192</u>		<u>150,981</u>

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

**ON BEHALF OF THE BOARD:**



Mr D J Masri - Director

Approved by the Board on 8 September 2003

# AUDIOTIME (UK) LIMITED

## NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2003

### 1. ACCOUNTING POLICIES

#### Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

#### Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

#### Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Long leasehold	- Over the period of the lease
Fixtures and fittings	- 15% on reducing balance
Computer equipment	- 15% on reducing balance

#### Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

### 2. TANGIBLE FIXED ASSETS

	Total £
<b>COST:</b>	
At 1 March 2002	55,411
Additions	10,381
Disposals	(1,617)
At 28 February 2003	64,175
<b>DEPRECIATION:</b>	
At 1 March 2002	53,459
Charge for year	1,639
Eliminated on disposal	(933)
At 28 February 2003	54,165
<b>NET BOOK VALUE:</b>	
At 28 February 2003	10,010
At 28 February 2002	1,952

### 3. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	2003 £	2002 £
100	Ordinary	£1	100	100