

Company Registration No. 03943726 (England and Wales)

**SOUND IDEAS UK LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 MARCH 2011**

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# SOUND IDEAS UK LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	K D Andrews S M Godleman
<b>Secretary</b>	S M Godleman
<b>Company number</b>	03943726
<b>Registered office</b>	The Oast Perry Court London Road Faversham Kent
<b>Auditors</b>	Wilkins Kennedy FKC Stourside Place Station Road Ashford Kent
<b>Business address</b>	The Oast Perry Court London Road Faversham Kent
<b>Bankers</b>	Barclays Bank plc 66 High Street Ashford Kent
<b>Solicitors</b>	Fenwick Elliot 353 Strand London

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# **SOUND IDEAS UK LIMITED**

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# **SOUND IDEAS UK LIMITED**

## **DIRECTORS' REPORT**

### ***FOR THE PERIOD ENDED 31 MARCH 2011***

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The directors present their report and financial statements for the period ended 31 March 2011

#### **Principal activities and review of the business**

The principal activity of the company during the year was that of sound and lighting consultants and suppliers

The directors are happy with the growth and continued strength of the business in the year. They look forward to continuing this trend in the coming year.

#### **Liquidity Risk**

The company manages its cash and borrowing requirements in order to, where possible, minimise interest expense whilst ensuring the company has sufficient liquid resources to meet the operating needs of the business.

#### **Financial Position**

The financial position continues to strengthen in line with the directors' expectations. Gross assets have risen from £5,143,177 as at 31 March 2010 to £6,126,762 as at 31 March 2011.

#### **Financial Performance Indicators**

The directors consider profit before tax to be the key measure of performance of the business.

The results for the year ended 31 March 2011 show a profit before tax of £1,461,548.

#### **Results and dividends**

The results for the period are set out on pages 5 to 6.

#### **Directors**

The following directors have held office since 1 April 2010:

K D Andrews

S M Godleman

#### **Taxation status**

The company was a close company within the provisions of the Income and Corporation Taxes Act 1988 and this position has not changed since the end of the financial year.

#### **Auditors**

In accordance with the Company's Articles, a resolution proposing that Wilkins Kennedy FKC be reappointed as auditors of the company will be put to the Annual General Meeting.

# **SOUND IDEAS UK LIMITED**

## **DIRECTORS' REPORT (CONTINUED)**

**FOR THE PERIOD ENDED 31 MARCH 2011**

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### **Statement of directors' responsibilities**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

### **Statement of disclosure to auditors**

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



K D Andrews

Director

8 August 2011

# **SOUND IDEAS UK LIMITED**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF SOUND IDEAS UK LIMITED**

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We have audited the financial statements of Sound Ideas UK Limited for the period ended 31 March 2011 set out on pages 5 to 18. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 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 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 auditors**

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2011 and of its profit for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

# **SOUND IDEAS UK LIMITED**

## **INDEPENDENT AUDITORS' REPORT (CONTINUED)**

### **TO THE MEMBERS OF SOUND IDEAS UK LIMITED**

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#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Hugh Summerfield (Senior Statutory Auditor)  
for and on behalf of Wilkins Kennedy FKC

Chartered Accountants  
Statutory Auditor

10th August 2011

Stourside Place  
Station Road  
Ashford  
Kent

# SOUND IDEAS UK LIMITED

## PROFIT AND LOSS ACCOUNT

**FOR THE PERIOD ENDED 31 MARCH 2011**

		Year ended 31 March 2011 £	Year ended 31 March 2010 £
	Notes		
Turnover	2	8,903,325	7,668,305
Cost of sales		(6,295,170)	(5,652,408)
Gross profit		2,608,155	2,015,897
Administrative expenses		(1,106,153)	(1,132,356)
Operating profit	3	1,502,002	883,541
Other interest receivable and similar income	4	1,129	671
Amounts written off investments	5	(20,309)	(20,309)
Interest payable and similar charges	6	(21,274)	(24,589)
Profit on ordinary activities before taxation		1,461,548	839,314
Tax on profit on ordinary activities	7	(383,809)	(227,613)
Profit for the period	17	1,077,739	611,701

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

# **SOUND IDEAS UK LIMITED**

## **PROFIT AND LOSS ACCOUNT (CONTINUED)** **FOR THE PERIOD ENDED 31 MARCH 2011**

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### **Note of historical cost profits and losses**

	<b>Year ended 31 March 2011 £</b>	<b>Year ended 31 March 2010 £</b>
<b>Reported profit on ordinary activities before taxation</b>	1,461,548	839,314
Difference between an historical cost depreciation charge and the actual depreciation charge of the year calculated on the revalued amount	<u>3,340</u>	<u>3,340</u>
<b>Historical cost profit on ordinary activities before taxation</b>	<u><u>1,464,888</u></u>	<u><u>842,654</u></u>
<b>Historical cost profit/(loss) for the period retained after taxation, extraordinary items and dividends</b>	<u><u>1,081,079</u></u>	<u><u>(781,312)</u></u>

# SOUND IDEAS UK LIMITED

## BALANCE SHEET

AS AT 31 MARCH 2011

	Notes	2011 £	£	2010 £	£
<b>Fixed assets</b>					
Tangible assets	9	1,182,790		1,184,404	
Investments	10	365,570		385,879	
		<u>1,548,360</u>		<u>1,570,283</u>	
<b>Current assets</b>					
Stocks	11	1,041,187		979,657	
Debtors	12	1,681,416		642,447	
Cash at bank and in hand		1,855,799		1,950,790	
		<u>4,578,402</u>		<u>3,572,894</u>	
<b>Creditors: amounts falling due within one year</b>	13	<u>(3,353,761)</u>		<u>(2,826,010)</u>	
<b>Net current assets</b>		<u>1,224,641</u>		<u>746,884</u>	
<b>Total assets less current liabilities</b>		<u>2,773,001</u>		<u>2,317,167</u>	
<b>Creditors: amounts falling due after more than one year</b>	14	(768,671)		(1,406,443)	
<b>Provisions for liabilities</b>	15	(26,048)		(10,181)	
		<u>1,978,282</u>		<u>900,543</u>	
<b>Capital and reserves</b>					
Called up share capital	16	1,000		1,000	
Revaluation reserve	17	309,407		312,747	
Profit and loss account	17	1,667,875		586,796	
<b>Shareholders' funds</b>	18	<u>1,978,282</u>		<u>900,543</u>	

Approved by the Board and authorised for issue on 8 August 2011

  
S M Godleman  
Director

Company Registration No 03943726

# SOUND IDEAS UK LIMITED

## CASH FLOW STATEMENT

**FOR THE PERIOD ENDED 31 MARCH 2011**

	£	Year ended 31 March 2011 £	£	Year ended 31 March 2010 £
<b>Net cash inflow from operating activities</b>		977,443		1,603,085
<b>Returns on investments and servicing of finance</b>				
Interest received	1,129		671	
<b>Net cash inflow for returns on investments and servicing of finance</b>		1,129		671
<b>Taxation</b>		(356,481)		(186,388)
<b>Capital expenditure</b>				
Payments to acquire tangible assets	(143,194)		(121,197)	
Receipts from sales of tangible assets	61,412		-	
<b>Net cash outflow for capital expenditure</b>		(81,782)		(121,197)
<b>Equity dividends paid</b>		-		(1,396,353)
<b>Net cash inflow/(outflow) before management of liquid resources and financing</b>		540,309		(100,182)
<b>Financing</b>				
Other new long term loans	-		600,000	
Repayment of long term bank loan	(35,314)		(35,907)	
Repayment of other long term loans	(600,000)		-	
<b>Net cash (outflow)/inflow from financing</b>		(635,314)		564,093
<b>(Decrease)/increase in cash in the period</b>		(95,005)		463,911

# SOUND IDEAS UK LIMITED

## NOTES TO THE CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 MARCH 2011

1	Reconciliation of operating profit to net cash inflow from operating activities	2011	2010
		£	£
	Operating profit	1,502,002	883,541
	Depreciation of tangible assets	82,112	81,122
	Loss on disposal of tangible assets	1,284	-
	Increase in stocks	(61,530)	(87,947)
	Increase in debtors	(1,038,969)	(99,026)
	Increase in creditors within one year	492,544	825,395
	<b>Net cash inflow from operating activities</b>	<b>977,443</b>	<b>1,603,085</b>

2	Analysis of net funds	1 April 2010	Cash flow	Other non-cash changes	31 March 2011
		£	£	£	£
	Net cash				
	Cash at bank and in hand	1,950,790	(94,991)	-	1,855,799
	Bank overdrafts	-	(14)	-	(14)
		<u>1,950,790</u>	<u>(95,005)</u>	<u>-</u>	<u>1,855,785</u>
	Bank deposits	-	-	-	-
	Debt				
	Debts falling due within one year	(33,297)	(2,458)	-	(35,755)
	Debts falling due after one year	(1,406,443)	637,772	-	(768,671)
		<u>(1,439,740)</u>	<u>635,314</u>	<u>-</u>	<u>(804,426)</u>
	<b>Net funds</b>	<b>511,050</b>	<b>540,309</b>	<b>-</b>	<b>1,051,359</b>

3	Reconciliation of net cash flow to movement in net funds	2011	2010
		£	£
	(Decrease)/increase in cash in the period	(95,005)	463,911
	Cash outflow/(inflow) from decrease/(increase) in debt	635,314	(564,093)
	<b>Movement in net funds in the period</b>	<b>540,309</b>	<b>(100,182)</b>
	Opening net funds	511,050	611,232
	<b>Closing net funds</b>	<b>1,051,359</b>	<b>511,050</b>

# **SOUND IDEAS UK LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2011**

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### **1 Accounting policies**

#### **1.1 Accounting convention**

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings

#### **1.2 Compliance with accounting standards**

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

#### **1.3 Turnover**

Turnover represents amounts receivable for goods and services net of VAT and trade discounts

#### **1.4 Research and development**

Research expenditure is written off to the profit and loss account in the year in which it is incurred. Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the company is expected to benefit.

#### **1.5 Tangible fixed assets and depreciation**

Tangible fixed assets other than freehold land are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Freehold	1% Straight line basis
Computer equipment	33 1/3 % Straight line basis
Fixtures and fittings	15% Reducing balance basis
Motor vehicles	15/25% Reducing balance basis

The part of the annual depreciation charge on revalued assets which relates to the revaluation surplus is transferred from the revaluation reserve to the profit and loss account.

#### **1.6 Leasing**

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

#### **1.7 Investments**

Fixed asset investments are stated at cost less provision for diminution in value.

The investment included in the accounts is being written down over 20 years.

#### **1.8 Stock and work in progress**

Stock and work in progress are valued at the lower of cost and net realisable value.

#### **1.9 Long term contracts**

Amounts recoverable on long term contracts, which are included in debtors, are stated at the net sales value of the work done after provision for contingencies and anticipated future losses on contracts, less amounts received as progress payments on account. Excess progress payments are included in creditors as payments on account.

# SOUND IDEAS UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2011

### 1 Accounting policies

(continued)

#### 1 10 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

### 2 Turnover

The total turnover of the company for the period has been derived from its principal activity wholly undertaken in the United Kingdom.

### 3 Operating profit

	2011 £	2010 £
Operating profit is stated after charging		
Depreciation of tangible assets	82,112	81,122
Loss on disposal of tangible assets	1,284	-
Research and development	173,188	128,832
Operating lease rentals		
- Plant and machinery	80,055	82,350
- Other assets	53,684	33,759
Auditors' remuneration (including expenses and benefits in kind)	12,000	12,000

### 4 Investment income

	2011 £	2010 £
Bank interest	1,129	665
Other interest	-	6
	1,129	671

### 5 Amounts written off investments

	2011 £	2010 £
Amounts written off fixed asset investments		
- permanent diminution in value	20,309	20,309

# SOUND IDEAS UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2011

<b>6</b>	<b>Interest payable</b>	<b>2011</b>	<b>2010</b>
		<b>£</b>	<b>£</b>
	On loans repayable after five years	20,351	21,971
	On overdue tax	923	2,618
		<u>21,274</u>	<u>24,589</u>
<b>7</b>	<b>Taxation</b>	<b>2011</b>	<b>2010</b>
		<b>£</b>	<b>£</b>
	<b>Domestic current year tax</b>		
	U K corporation tax	367,000	206,000
	Adjustment for prior years	942	1,331
	<b>Total current tax</b>	<u>367,942</u>	<u>207,331</u>
	<b>Deferred tax</b>		
	Deferred tax charge	15,867	20,282
		<u>383,809</u>	<u>227,613</u>
	<b>Factors affecting the tax charge for the period</b>		
	Profit on ordinary activities before taxation	<u>1,461,548</u>	<u>839,314</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 28.00% (2010 - 28.00%)	<u>409,233</u>	<u>235,008</u>
	Effects of		
	Non deductible expenses	10,518	11,177
	Depreciation add back	23,351	22,714
	Capital allowances	(36,376)	(22,333)
	Adjustments to previous periods	942	1,331
	Other tax adjustments	(39,726)	(40,566)
		<u>(41,291)</u>	<u>(27,677)</u>
	<b>Current tax charge for the period</b>	<u>367,942</u>	<u>207,331</u>
<b>8</b>	<b>Dividends</b>	<b>2011</b>	<b>2010</b>
		<b>£</b>	<b>£</b>
	Ordinary interim paid	<u>-</u>	<u>1,396,353</u>

# SOUND IDEAS UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE PERIOD ENDED 31 MARCH 2011

#### 9 Tangible fixed assets

	Land and buildings Freehold	Computer equipment	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£	£
<b>Cost or valuation</b>					
At 1 April 2010	1,067,349	150,033	96,898	172,763	1,487,043
Additions	-	39,601	9,991	93,602	143,194
Disposals	-	(44,198)	(12,361)	(79,500)	(136,059)
At 31 March 2011	1,067,349	145,436	94,528	186,865	1,494,178
<b>Depreciation</b>					
At 1 April 2010	56,772	122,024	55,941	67,902	302,639
On disposals	-	(40,327)	(8,098)	(24,938)	(73,363)
Charge for the period	10,673	29,037	7,002	35,400	82,112
At 31 March 2011	67,445	110,734	54,845	78,364	311,388
<b>Net book value</b>					
At 31 March 2011	999,904	34,702	39,683	108,501	1,182,790
At 31 March 2010	1,010,577	28,009	40,957	104,861	1,184,404

The freehold land and buildings were valued on an open market basis on 22 September 2006 by a firm of independent Chartered Surveyors

If the property was sold for the revalued amount it would be necessary to replace it with similar property, and rollover relief against tax on the gain would be available. Accordingly, no timing differences arise and no provision has been made for deferred tax in respect of the revaluation

#### Comparable historical cost for the land and buildings included at valuation

	£
<b>Cost</b>	
At 1 April 2010 & at 31 March 2011	315,942
<b>Depreciation based on cost</b>	
At 1 April 2010	31,285
Charge for the period	3,159
At 31 March 2011	34,444
<b>Net book value</b>	
At 31 March 2011	281,498
At 31 March 2010	284,657

# SOUND IDEAS UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2011

### 10 Fixed asset investments

	Unlisted investments £
<b>Cost or valuation</b>	
At 1 April 2010 & at 31 March 2011	406,188
<b>Provisions for diminution in value</b>	
At 1 April 2010	20,309
Charge for the period	20,309
At 31 March 2011	40,618
<b>Net book value</b>	
At 31 March 2011	365,570
At 31 March 2010	385,879

The above investment represents the company's capital introduced into The Sound Ideas Partnership  
The fellow partners associated with The Sound Ideas Partnership being S M Godleman and K D Andrews

11 Stocks and work in progress	2011 £	2010 £
Work in progress	328,467	432,228
Finished goods and goods for resale	712,720	547,429
	<u>1,041,187</u>	<u>979,657</u>

12 Debtors	2011 £	2010 £
Trade debtors	1,597,095	590,249
Other debtors	46,546	12,471
Prepayments and accrued income	37,775	39,727
	<u>1,681,416</u>	<u>642,447</u>

# SOUND IDEAS UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2011

13 Creditors' amounts falling due within one year	2011 £	2010 £
Bank loans and overdrafts	35,769	33,297
Payments received on account	1,613,133	1,395,523
Trade creditors	871,444	546,847
Corporation tax	367,916	356,455
Other taxes and social security costs	194,147	257,470
Directors' current accounts	232,259	200,000
Other creditors	3,851	2,015
Accruals and deferred income	35,242	34,403
	<u>3,353,761</u>	<u>2,826,010</u>
Debt due in one year or less	<u>35,755</u>	<u>33,297</u>

The company's borrowings are secured by legal charges dated 22 August 2000 and 26 February 2009 over the freehold property. The bank also holds a debenture dated 18 May 2000.

14 Creditors' amounts falling due after more than one year	2011 £	2010 £
Bank loans	768,671	806,443
Other loans	-	600,000
	<u>768,671</u>	<u>1,406,443</u>
<b>Analysis of loans</b>		
Wholly repayable within five years	804,426	1,439,740
	<u>804,426</u>	<u>1,439,740</u>
Included in current liabilities	(35,755)	(33,297)
	<u>768,671</u>	<u>1,406,443</u>
<b>Loan maturity analysis</b>		
In more than one year but not more than two years	36,669	34,568
In more than two years but not more than five years	115,726	111,825
In more than five years	616,276	660,050
	<u>768,671</u>	<u>1,406,443</u>

The bank loans are secured by a fixed and floating charge over the assets of the company.

# SOUND IDEAS UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2011

### 15 Provisions for liabilities

	Deferred tax liability £
Balance at 1 April 2010	10,181
Profit and loss account	15,867
	<u>26,048</u>
Balance at 31 March 2011	<u>26,048</u>

The deferred tax liability is made up as follows:

	2011 £	2010 £
Accelerated capital allowances	<u>26,048</u>	<u>10,181</u>

### 16 Share capital

	2011 £	2010 £
Allotted, called up and fully paid 1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

### 17 Statement of movements on reserves

	Revaluation reserve £	Profit and loss account £
Balance at 1 April 2010	312,747	586,796
Profit for the period	-	1,077,739
Transfer from revaluation reserve to profit and loss account	<u>(3,340)</u>	<u>3,340</u>
Balance at 31 March 2011	<u>309,407</u>	<u>1,667,875</u>

# SOUND IDEAS UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2011

<b>18 Reconciliation of movements in shareholders' funds</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Profit for the financial period	1,077,739	611,701
Dividends	-	(1,396,353)
Net addition to/(depletion in) shareholders' funds	1,077,739	(784,652)
Opening shareholders' funds	900,543	1,685,195
Closing shareholders' funds	1,978,282	900,543

### 19 Financial commitments

At 31 March 2011 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 March 2012

	<b>Other</b>	<b>2010</b>
	<b>2011</b>	<b>£</b>
	<b>£</b>	
Operating leases which expire		
Within one year	17,958	24,835
Between two and five years	51,745	33,893
	69,703	58,728

<b>20 Directors' remuneration</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Remuneration for qualifying services	24,000	24,000

# SOUND IDEAS UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE PERIOD ENDED 31 MARCH 2011**

### 21 Employees

#### Number of employees

The average monthly number of employees (including directors) during the period was

2011 Number	2010 Number
74	66

#### Employment costs

	2011 £	2010 £
Wages and salaries	2,139,474	1,981,218
Social security costs	249,902	232,657
	<u>2,389,376</u>	<u>2,213,875</u>

### 22 Control

The company is controlled by the directors K Andrews and S Godleman

### 23 Related party relationships and transactions

As at 31 March 2011, Sound Ideas UK Limited owed the following amounts to the directors in respect of their current accounts

K D Andrews	£116,362 (2010 £400,000)
S M Godleman	£115,897 (2010 £400,000)