

CURRENT REPORT FOR ISSUERS SUBJECT TO THE  
1934 ACT REPORTING REQUIREMENTS

FORM 8-K/A

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): October 3, 2001

Gentner Communications Corporation

-----  
(Exact Name of Registrant as Specified in its Charter)

UTAH

17219

87-0398877

-----  
(State or Other Jurisdiction  
of Incorporation)

-----  
(Commission  
File Number)

-----  
(IRS Employer  
Identification Number)

1825 Research Way, Salt Lake City, Utah 84119

-----  
(Address of Principal Executive Offices) (Zip Code)

(801) 975-7200

-----  
(Registrant's Telephone Number, Including Area Code)

Not Applicable

-----  
(Former Name or Former Address, if Changed Since Last Report)

INFORMATION TO BE INCLUDED IN REPORT

Item 2. Acquisition or Disposition of Assets.

As previously reported in a Current Report on Form 8-K filed on October 18, 2001 (the "Original Filing"), Gentner Communications Corporation on October 3, 2001 caused its wholly owned subsidiary, Gentner Ventures, Inc., to purchase all of the issued and outstanding shares of Ivron Systems, Ltd., of Dublin, Ireland. The terms and conditions of the purchase are more fully described in the Original Filing.

We are amending the Original Filing to present revised Financial Statements of the business acquired, as set forth in Item 7(a) of Form 8-K.

Item 7. Financial Statements.

(a) Financial Statements of Business Acquired. Audited financial statements of Ivron Systems, Ltd. for fiscal years ended December 31, 1998, 1999, and 2000 and the unaudited condensed consolidated interim financial information of Ivron Systems, Ltd. for the nine month periods ended September 30, 2000 and 2001.

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(b) Pro Form Information

Unaudited pro forma information of Gentner Communications Corporation and Ivron Systems, Ltd as of and for the period from July 1, 2001 to September 30, 2001. The unaudited pro forma information as of and for the fiscal year ended June 30, 2001 of Gentner Communications Corporation and Ivron Systems, Ltd., was included in the Original Filing	PF-1
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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Gentner Communications Corporation  
(the Registrant)

By: Randall J. Wichinski

-----  
Randall J. Wichinski  
Vice President Chief Financial Officer  
(Duly authorized Officer and Principal  
Financial and Accounting Officer)

Dated: November 23, 2001

(a) Ivron Systems, Ltd., Audited Financial Statements for fiscal years ended December 31, 1998, 1999, and 2000.

Auditors' report to the Directors and Stockholders of Ivron Systems Limited

We have audited the accompanying consolidated balance sheets of Ivron Systems Limited and its subsidiary at 31 December 2000 and 1999 and the related consolidated profit and loss accounts and statements of consolidated cash flows for the years ended 31 December 2000, 1999 and 1998, all expressed in US Dollars. The financial statements are the responsibility of the directors of Ivron Systems Limited. Our responsibility is to express an opinion on those consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

The accompanying consolidated financial statements have been prepared assuming that Ivron Systems Limited and its subsidiary will continue as a going concern. As discussed in note 1 to the consolidated financial statements, Ivron Systems Limited and its subsidiary have suffered recurring negative cash flows and losses from operations since inception. As also discussed in note 1, Ivron Systems Limited and its subsidiary require additional funding to fund future operations. These issues raise substantial doubts about the ability of Ivron Systems Limited and its subsidiary to continue as a going concern. The directors plan in regard to these matters are also described in note 1. The consolidated financial statements do not include any adjustment that might result from the outcome of this uncertainty.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of Ivron Systems Limited and its subsidiary as of 31 December 2000 and 1999, results of operations and cash flows for each of the years ended 31 December 2000, 1999 and 1998 in conformity with accounting principles generally accepted in the Republic of Ireland.

Generally accepted accounting principles in Ireland vary in certain respects from generally accepted accounting principles in the United States. Application of generally accepted accounting principles in the United States would have affected results of operations and shareholders' equity as of and for the years ended 31 December 1999 and 31 December 2000 for Ivron Systems Limited to the extent summarized in note 26 to the consolidated financial statements.

KPMG  
Chartered Accountants  
Dublin, Ireland

27 July 2001

## Ivron Systems Limited

Ivron Systems Limited and its subsidiary (the group) has operations in Ireland and the United States. Ivron Systems Limited operates in Ireland and Ivron Systems Inc operates in the United States.

### ARTICLE 1 -- Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the consolidated financial statements of Ivron Systems Limited and its subsidiary.

#### Basis of preparation

The consolidated financial statements are presented in United States dollars (US\$) and prepared in accordance with Irish generally accepted accounting principles (GAAP) under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board. Significant differences between Irish GAAP and US GAAP are described in note 26.

#### Basis of consolidation

The consolidated financial statements include the audited financial statements of the company and its subsidiary. All significant intercompany profits, transactions and account balances have been eliminated on consolidation.

#### Turnover

Turnover represents the invoiced value of goods and services exclusive of Value Added Tax. Revenue is recognised at the point at which title passes.

#### Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation.

The charge for depreciation is calculated to write down the cost of tangible fixed assets over their expected useful lives on a straight-line basis at the following annual rate:

Equipment	33 1/3%
-----------	---------

#### Stocks

Stocks are valued at the lower of cost and net realisable value on an actual cost basis.

Cost includes all expenditure which has been incurred in the normal course of business in bringing the products to their present location and condition. In the case of finished goods, cost is defined as the aggregate cost of raw materials, direct labour and the attributable proportion of direct production overheads.

Net realisable value is the actual or estimated selling price net of trade discounts less all further costs to completion and all costs likely to be incurred in the realisation of such selling price.

## Ivron Systems Limited

### Statement of accounting policies (continued)

#### Taxation

Corporation tax is provided on profits should they arise.

Deferred tax assets and liabilities are recognised for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carry forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which these differences are expected to be recovered or settled.

#### Foreign currencies

Transactions arising in foreign currencies are recorded at the monthly average exchange rates. Monetary items denominated in foreign currencies are translated at the balance sheet rate and the exchange differences are dealt with in the profit and loss account.

The functional currency of Ivron Systems Limited and its US subsidiary is the US dollar. Transactions during the period in currencies other than the functional currency, for each of the entities, have been translated at the rate of exchange prevailing at the date of the transaction. The resulting monetary assets and liabilities denominated in currencies other than the functional currency are translated at the balance sheet rate and the exchange differences are dealt with in the profit and loss account.

#### Leased assets

Tangible fixed assets acquired under finance leases are included in the balance sheet at their fair value and depreciated over the shorter of the lease term and their useful lives. The corresponding liabilities are recorded as a creditor and the interest element of the finance lease rentals is charged to the profit and loss account during the lease term to reflect a constant rate of interest on the remaining balance of the obligation for each accounting period.

Operating lease rentals are charged to the profit and loss account on a straight line basis over the lease term.

#### Research and development

Expenditure on research and development of new products is written off fully in the year in which it is incurred.

#### Intangible fixed assets

Intangible fixed assets relate to software licenses and are being written off to the profit and loss account over three years.

#### Goodwill

Purchased goodwill arising on the acquisition of a business represents the excess of the acquisition cost over the fair value of the identifiable net assets when they were acquired. Purchased goodwill arising on the acquisition of a business is capitalised in the balance sheet and amortised over the estimated economic life of 10 years.

Ivron Systems Limited

Consolidated profit and loss accounts  
For the years ended 31 December

	Notes	2000 US\$	1999 US\$ (in thousands)	1998 US\$
Turnover -continuing operations		1,443	1,626	2,843
Cost of sales		(1,363)	(1,139)	(1,823)
		-----	-----	-----
Gross profit - continuing operations		80	487	1,020
Operating expenses	2	(2,385)	(2,282)	(2,635)
		-----	-----	-----
Operating loss - continuing operations		(2,305)	(1,795)	(1,615)
Interest receivable and similar income	3	3	1	7
Interest payable	4	(6)	(8)	(6)
		-----	-----	-----
Loss on ordinary activities before taxation		(2,308)	(1,802)	(1,614)
Tax on loss on ordinary activities	8	-	-	-
		-----	-----	-----
Retained loss for the financial year		(2,308)	(1,802)	(1,614)
		=====	=====	=====

There were no recognised gains or losses in the financial period other than those dealt with in the profit and loss account and accordingly neither consolidated movements on the profit and loss accounts nor a statement of total recognised gains and losses has been prepared.

The accompanying notes and accounting policies are an integral part of these financial statements.

Ivron Systems Limited

Consolidated balance sheets  
at 31 December

	Note	2000 US\$	1999 US\$ (in thousands)
Fixed assets			
Tangible assets	9	95	191
Intangible assets	10	52	62
Purchased goodwill	11	1,050	1,200
		-----	-----
		1,197	1,453
Current assets			
Stocks	13	440	172
Debtors	14	478	503
Cash at bank and in hand		987	83
		-----	-----
		1,905	758
Creditors: amounts falling due within one year	15	(685)	(841)
		-----	-----
Net current assets/(liabilities)		1,220	(83)
		-----	-----
Total assets less current liabilities		2,417	1,370
Creditors: amounts falling due after one year	16	(725)	(767)
		-----	-----
Net assets		1,692	603
		=====	=====
Capital and reserves			
Called up share capital	18	3,752	2,054
Share premium account	19	3,664	1,965
Profit and loss account	19	(5,724)	(3,416)
		-----	-----
Shareholders' funds - equity	20	1,692	603
		=====	=====

The accompanying notes and accounting policies are an integral part of these financial statements.



Ivron Systems Limited

Consolidated cash flow statements  
for the years ended 31 December

	Note	2000 US\$	1999 US\$ (in thousands)	1998 US\$
Cash outflow from operating activities	23	(2,404)	(1,300)	(1,188)
Returns on investments and servicing of finance	24	(3)	(7)	1
Capital expenditure and financial investment	24	(58)	(77)	(158)
Acquisitions and disposals	24	-	-	(1,893)
Management of liquid resources		-	-	-
Financing activities	24	3,369	1,213	3,493
		-----	-----	-----
Increase/(decrease) in cash in the year		904	(171)	255
		=====	=====	=====

Reconciliation of net cash flow to movement in net funds  
for the years ended 31 December

	Note	2000 US\$	1999 US\$ (in thousands)	1998 US\$
Increase/(decrease) in cash for the year		904	(171)	255
Cash outflow/(inflow) from decrease/(increase) in debt and lease financing		27	63	(868)
		-----	-----	-----
Movement in net funds/(debt) in the year		931	(108)	(613)
Net debt at beginning of year		(721)	(613)	-
		-----	-----	-----
Net funds/(debt) at end of year	25	210	(721)	(613)
		-----	-----	-----

The accompanying notes and accounting policies are an integral part of these financial statements.

Ivron Systems Limited

Notes  
forming part of the financial statements

1 Financial support

These consolidated financial statements have been prepared on a going concern basis which contemplates the continuation and expansion of trading activities as well as the realisation of assets and liquidation of liabilities in the ordinary course of business. Ivron Systems Limited has generated negative cash flows and losses from operating activities.

The company has generated losses of US\$5.7 million since incorporation and the losses have been financed principally by shareholders' equity. The directors have prepared a business plan incorporating cash flow projections for the period through to 30 June 2002. The company's business plan envisages that additional finance will be required to fund the company's activities and certain directors and shareholders have indicated that they are willing to provide the necessary financial support for the foreseeable future to enable the company to trade at its projected level of operation. Accordingly, the directors consider it appropriate to prepare the financial statements on a going concern basis.

2 Operating expenses

	Year ended 31 December		
	2000 US\$	1999 US\$	1998 US\$
	(in thousands)		
Selling, general and administration expenses	1,602	1,165	1,419
Research and development expenses	783	1,117	1,216
	-----	-----	-----
	2,385	2,282	2,635
	=====	=====	=====

3 Interest receivable and similar income

	Year ended 31 December		
	2000 US\$	1999 US\$	1998 US\$
	(in thousands)		
Deposit interest received	3	1	7
	=====	=====	=====

Ivron Systems Limited

Notes (continued)

4 Interest payable	Year ended 31 December		
	2000 US\$	1999 US\$	1998 US\$
	(in thousands)		
Bank interest	2	3	4
Finance lease interest payable in respect of finance leases	4	5	2
	-----	-----	-----
	6	8	6
	=====	=====	=====

5 Statutory information	Year ended 31 December		
	2000 US\$	1999 US\$	1998 US\$
	(in thousands)		
Auditors' remuneration	16	13	13
	=====	=====	=====

6 Employees

The average weekly number of employees, analysed by category, were as follows:

	Year ended 31 December		
	2000 Number	1999 Number	1998 Number
	(in thousands)		
Sales and administration	5	3	3
Research and development	10	18	18
Manufacturing	5	3	5
	-----	-----	-----
	20	24	26
	=====	=====	=====

## 6 Employees (continued)

The aggregate payroll costs of these employees were as follows:

	Year ended 31 December		1998 US\$
	2000 US\$	1999 US\$	
	(in thousands)		
Wages and salaries	1,088	1,135	1,402
Social welfare costs	102	117	163
Pension cost	5	-	-
	-----	-----	-----
	1,195	1,252	1,565
	=====	=====	=====

## 7 Directors' remuneration and transactions

	Year ended 31 December		1998 US\$
	2000 US\$	1999 US\$	
	(in thousands)		
Directors' remuneration			
Fees	-	-	27
Other remuneration including pension contributions	200	-	-
	-----	-----	-----
	200	-	27
	=====	=====	=====

Details of directors' interests in shares are provided in the directors' report.

## 8 Tax on loss on ordinary activities

No corporation tax was payable on the loss on ordinary activities for the year.

Notes (continued)

9 Tangible fixed assets

Equipment  
US\$  
(in thousands)

Cost	
At 1 January 2000	378
Additions	36
	----
At 31 December 2000	414
	----
Depreciation	
At 1 January 2000	187
Depreciation	132
	----
At 31 December 2000	319
	=====
Net book value	
At 31 December 2000	95
	=====
At 31 December 1999	191
	=====

Ivron Systems Limited

Notes (continued)

10	Intangible fixed assets	Licences US\$
	(in thousands)	
	Cost	
	At beginning of year	96
	Additions in year	22
		-----
	At end of year	118
		=====
	Amortisation	
	At beginning of year	34
	Amortised during the year	32
		-----
	At end of year	66
		=====
	Net book value	
	At 31 December 2000	52
		=====
	At 31 December 1999	62
		=====
11	Goodwill	Purchased goodwill US\$
	(in thousands)	
	Cost	
	At beginning of year	1,500
	Additions in year	-
		-----
	At end of year	1,500
		=====
	Amortisation	
	At beginning of year	300
	Amortised during the year	150
		-----
	At end of year	450
		=====
	Net book value	
	At 31 December 2000	1,050
		=====
	At 31 December 1999	1,200
		=====

The goodwill relates to the acquisition of the Mentec Picturecom business on 6 March 1998.

Ivron Systems Limited

Notes (continued)

12 Financial assets

Shares in subsidiary at cost

On 29 August 2000, Ivron Systems Limited established a wholly owned subsidiary (1 ordinary share at US\$1 each) of Ivron Systems Inc, a company incorporated in the United States. The activity of this company is similar in nature to that of Ivron Systems Limited. The registered office of Ivron Systems Inc is located at 110 Wild Basin Road, Suite 270, Austin TX 78746, USA.

13 Stocks

	31 December	
	2000	1999
	US\$	US\$
	(in thousands)	
Raw materials	329	124
Finished goods	111	48
	---	--
	440	172
	===	===

14 Debtors: amounts falling due within one year

	31 December	
	2000	1999
	US\$	US\$
	(in thousands)	
Trade debtors	326	369
Prepayments and accrued income	20	16
Other debtors	132	118
	---	---
	478	503
	===	===

Ivron Systems Limited

Notes (continued)

15 Creditors: amounts falling due within one year

	31 December	
	2000 US\$	1999 US\$
	(in thousands)	
Trade creditors	61	470
Obligations under finance leases (note 17)	52	37
Accruals and deferred income	500	278
PAYE/PRSI	72	56
	---	---
Total	685	841
	===	===

16 Creditors: amounts falling due after one year

	31 December	
	2000 US\$	1999 US\$
	(in thousands)	
Loan (note 17)	725	725
Obligations under finance lease (note 17)	-	42
	---	---
	725	767
	===	===

17 Details of borrowings

	Within one year US\$	Between	Between	Total US\$ 2000
		one and two years US\$	two and five years US\$	
	(in thousands)			
Repayable by instalments				
Obligations under finance leases	52	-	-	52
Loan from Mentec Limited	-	725	-	725
	---	---	---	---
At 31 December 2000	52	725	-	777
	===	===	===	===



## 18 Called up share capital

	2000 US\$	1999 US\$ (in thousands)	1998 US\$
Equity			
Authorised:			
150,000 "A" Ordinary Shares of US\$1 each	150	150	150
4,850,000 Ordinary Shares of US\$1 each	4,850	4,850	4,850
	-----	-----	-----
	5,000	5,000	5,000
	=====	=====	=====
Allotted, called up and fully paid:			
Opening share capital	2,054	1,416	-
Shares issued during the period:			
Ordinary Shares of US\$1 each	1,698	638	1,416
	-----	-----	-----
Closing share capital	3,752	2,054	1,416
	=====	=====	=====

On 27 February 1998, a special resolution was passed to convert the authorised share capital from IR(pound)100 to US\$5,000,000 by the creation of 150,000 "A" ordinary shares of US\$1 each and 4,850,000 ordinary shares of US\$1 each.

At 31 December 2000 the company had granted 290,000 options over ordinary shares at an exercise price of US\$2 per share, the market price of the company's shares on the date the options were granted, accordingly no compensation cost has been recognised.

Ivron Systems Limited

Notes (continued)

19 Reserves

	Share capital account US\$	Share premium account US\$	Profit and loss account US\$	Total US\$
	(in thousands)			
Opening balance	-	-	-	-
Movement during the year	1,416	1,327	(1,614)	1,129
	-----	-----	-----	-----
At 31 December 1998	1,416	1,327	(1,614)	1,129
Movement during the year	638	638	(1,802)	(526)
	-----	-----	-----	-----
At 31 December 1999	2,054	1,965	(3,416)	603
Movement during the year	1,698	1,699	(2,308)	1,089
	-----	-----	-----	-----
At 31 December 2000	<u>3,752</u>	<u>3,664</u>	<u>(5,724)</u>	<u>1,692</u>

20 Reconciliation of movement in shareholders' funds

	2000 US\$	31 December 1999 US\$	1998 US\$
	(in thousands)		
Shareholders' funds at beginning of year	603	1,129	-
Shares issued during year	3,397	1,276	2,743
Loss for financial year	(2,308)	(1,802)	(1,614)
	-----	-----	-----
Shareholders' funds at end of year	<u>1,692</u>	<u>603</u>	<u>1,129</u>

## 21 Commitments

	2000 US\$	1999 US\$ (in thousands)	1998 US\$
Capital commitments			
Authorised and contracted for	-	-	-
Authorised and not contracted for	-	-	-
	-----	-----	-----
	-	-	-
	=====	=====	=====

## Operating lease commitments

Annual commitments cost under non cancellable operating leases as follows:

	Land and Buildings IR(pound)	2000 Total IR(pound) (in thousands)	1999 Total IR(pound)	1998 Total IR(pound)
Expiring				
Within one year	52	52	61	-
Between two and five years	-	-	-	61
More than five years	-	-	-	-
	----	----	----	----
	52	52	61	61
	=====	=====	=====	=====

## 22 Related party transactions

Mentec Limited is a shareholder of Ivron Systems Limited.

The company's material related parties as defined by FRS 8 - Related Party Disclosures and the extent of transactions are summarised below:

	2000 Mentec Limited US\$	1999 Mentec Limited US\$	1998 Mentec Limited US\$
	(in thousands)		
Cost of goods/services supplied to Ivron Systems Limited on normal trading terms	57 ===	7 ===	476 ===
Amounts due from/(to) related parties at arising from:			
Trading activities	(40) ===	(7) ===	(12) ===
Maximum amount outstanding during the year	40 ===	7 ===	427 ===

Mentec Limited provided an interest bearing loan to Ivron Systems Limited for US\$750,000. The terms of the loan required repayment of US\$375,000 on 31 March 2000 and 30 September 2000. The interest on the loan is DIBOR plus 3.5% for 3 months funds from the repayment dates. This loan will be repaid to Mentec Limited at a date which is yet to be determined.

Dr. M. Pierce, a director of the company, is a shareholder and director of Mentec Limited and Mr. M. Horgan is also a director of Mentec Limited. Mr. J. Tracey, a director of the company, is a director of Trinity Venture Capital, a company having a shareholding in Ivron Systems Limited.

Ivron Systems Limited

Notes (continued)

23 Reconciliation of operating profit to net cash inflow from operating activities

	Year ended 31 December		
	2000	1999	1998
	US\$	US\$	US\$
	(in thousands)		
Operating profit	(2,305)	(1,795)	(1,615)
Depreciation charges	132	130	57
Goodwill amortised	150	150	150
Intangible fixed assets amortised	32	27	7
(Increase)/decrease in stock	(268)	(86)	186
Decrease/(increase) in debtors	26	35	(538)
(Decrease)/increase in creditors	(171)	239	565
	----	---	---
Cash outflow from operating activities	(2,404)	(1,300)	(1,188)
	=====	=====	=====

24 Gross cash flows

	Year ended 31 December		
	2000	1999	1998
	US\$	US\$	US\$
	(in thousands)		
Returns on investments and servicing of finance			
Interest received	3	1	7
Interest paid	(6)	(8)	(6)
	----	---	---
Net cash (outflow)/inflow from returns on investments and servicing of finance	(3)	(7)	1
	====	===	===

## Ivron Systems Limited

## Notes (continued)

24	Gross cash flows (continued)	Year ended 31 December		
		2000 US\$	1999 US\$ (in thousands)	1998 US\$
	Capital expenditure and financial investment			
	Payments to acquire tangible fixed assets	(36)	(19)	(120)
	Payments to acquire intangible fixed assets	(22)	(58)	(38)
		---	---	---
	Net cash outflow from investing activities	<u>(58)</u>	<u>(77)</u>	<u>(158)</u>
	Acquisitions and disposals			
	Acquisition of Mentec Picturecom Limited	-	-	(1,893)
		===	===	====
	Financing			
	Capital element of finance lease rentals	(27)	(38)	-
	Shares issued for cash	3,396	1,276	2,743
	Mentec loan drawdown	-	-	750
	Repayment of Mentec loan	-	(25)	-
		-----	-----	-----
	Net cash inflow from financing	<u>3,369</u>	<u>1,213</u>	<u>3,493</u>
		=====	=====	=====

Ivron Systems Limited

Notes (continued)

25 Analysis of changes in net funds

	At 31 December 1999 US\$	Cash flow US\$ (in thousands)	At 31 December 2000 US\$
Cash at bank and in hand	83	904	987
Long term loan	(725)	-	(725)
Finance leases	(79)	27	(52)
	-----		-----
Total	(721) =====		210 =====

26 Reconciliation between Irish and U.S. Accounting Principles

The consolidated financial statements of Ivron Systems Limited have been prepared in accordance with generally accepted accounting principles applicable in Ireland ("Irish GAAP") which differ in certain significant respects from those applicable in the U.S. ("U.S. GAAP"). There are no material differences between net loss and shareholders' equity as reported under Irish and US GAAP as they apply to the financial statements of the company.

(a) Financial statement format

The format of the financial statements and certain note disclosures under U.S. GAAP differ from those under Irish GAAP. The company has not presented the disclosure under US GAAP in these financial statements.

(b) Forward - looking statements

To the extent any statement made in these financial statements with information that is not historical, these statements are necessarily forward - looking. As such, they are subject to the occurrence of many events outside of Ivron's control and are subject to various risk factors that would cause our results to differ materially from those expressed in any forward - looking statement.

26 Reconciliation between Irish and U.S. Accounting Principles (continued)

(c) Cash flows

In accordance with UK and Irish GAAP, the group complies with Financial Reporting Standard No. 1 - "Cash flow statements" (FRS 1). Its objective and principles are similar to those set out in SFAS No. 95 "Statement of Cash Flows". The principal difference between the standards is in respect of classification. Under FRS 1, the group presents its cash flows for (a) operating activities; (b) returns on investments and servicing of finance; (c) taxation; (d) capital expenditure; (e) acquisitions and disposals; and (f) financing activities. SFAS No. 95 requires only three categories of cash flow activity (a) operating; (b) investing; and (c) financing.

Cash flows arising from taxation and returns on investments and servicing of finance under FRS 1 are included as operating activities under SFAS No. 95. In addition, under FRS 1, cash and liquid resources include short term borrowings repayable on demand. SFAS No. 95 requires movements in such borrowings to be included in financing activities.

(d) New Accounting Pronouncements

In 1998, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standard No. 133, "Accounting for Derivative Instruments and Hedging Activities" (SFAS No. 133). This is effective for the Company's financial statements beginning 1 January, 2001. SFAS No. 133 requires a Company to recognise all derivative instruments as assets or liabilities in its balance sheet and measure them at fair value. The Company does not expect that the adoption of this statement will have any material effect on the Company's financial statements.

In December 1999, the SEC issued Staff Accounting Bulletin No. 101 "Revenue Recognition in Financial Statements" (SAB 101). SAB 101 provides guidance on revenue recognition and related disclosures in financial statements. The SEC issued guidance on October 12, 2000 with respect to the interpretation of SAB 101. The adoption of SAB 101 did not have any material effect on the Company's financial statements.

In July 2001, the FASB issued Statement Number 141, Business Combinations, and Statement No. 142, Goodwill and Other Intangible Assets. Statement 142 will require that goodwill and intangible assets with indefinite useful lives will no longer be amortised, but instead tested for impairment, at least annually, in accordance with the provisions of Statement 142. The company is required to adopt the provisions of Statement 141 immediately, and Statement 142 effective January 1, 2002.

Statement 141 will require upon adoption of Statement 142, that the company evaluate its existing intangible assets and goodwill that were acquired in a prior purchase business combination, and to make any necessary reclassifications in order to conform with the new criteria in Statement 141 for recognition apart from goodwill. Upon adoption of Statement 142, the company will be required to reassess the useful lives and residual values of all intangible assets acquired in purchase business combinations, and make any necessary amortisation period adjustments by the end of the first interim period after adoption.



26 Reconciliation between Irish and U.S. Accounting Principles (continued)

Because of the extensive effort needed to comply with adopting Statements 141 and 142, it is not practicable to reasonably estimate the impact of adopting the standards on the company's financial statements at the date of this report, including whether any transitional impairment losses will be required to be recognised as the cumulative effect of the change in accounting principle.

In June 2001, the FASB issued Statement 143, Accounting for Asset Retirement Obligations. This standard requires entities to record the fair value of a liability for an asset retirement obligation in the period in which it is incurred. The company does not expect that the adoption of this standard will have any material effect on the company's financial statements.

In August 2001, the FASB issued Statement 144, Accounting for the Impairment or Disposal of Longlife Assets. The company is required to adopt Statement 144 no later than the year beginning after December 15, 2001. The company does not expect that the adoption of Statement 144 will have a material impact on the company's financial statements because the impairment assessment under Statement 144 is largely unchanged from Statement 121.

Unaudited Condensed Consolidated Interim Financial Information of Ivron Systems, Ltd., for the nine month periods ended September 30, 2000 and 2001.

Ivron Systems Limited

Consolidated profit and loss accounts (Unaudited)

	Nine month period ended 30 September 2001 US\$ (in thousands)	Nine month period ended 30 September 2000 US\$
Turnover -continuing operations	152	1,186
Cost of sales	(531)	(997)
	-----	-----
Gross (loss)/profit - continuing operations	(379)	189
Operating expenses	(2,604)	(1,682)
	-----	-----
Operating loss - continuing operations	(2,983)	(1,493)
Interest receivable and similar income	2	2
Interest payable	(128)	(3)
	-----	-----
Loss on ordinary activities before taxation	(3,109)	(1,494)
Tax on loss on ordinary activities	-	-
	-----	-----
Retained loss for the financial year	(3,109) =====	(1,494) =====

## Ivron Systems Limited

## Consolidated balance sheets

	30 September 2001 (Unaudited) US\$ (in thousands)	31 December 2000 US\$
Fixed assets		
Tangible assets	21	95
Intangible assets	2	52
Purchased goodwill	937	1,050
	-----	-----
	960	1,197
Current assets		
Stocks	651	440
Debtors	132	478
Cash at bank and in hand	460	987
	-----	-----
	1,243	1,905
Creditors: amounts falling due within one year	(391)	(685)
	-----	-----
Net current assets	852	1,220
	-----	-----
Total assets less current liabilities	1,812	2,417
Creditors: amounts falling due after one year	-	(725)
	-----	-----
Net assets	1,812	1,692
	-----	-----
Capital and reserves		
Called up share capital	5,367	3,752
Share premium account	5,278	3,664
Profit and loss account	(8,833)	(5,724)
	-----	-----
Shareholders' funds - equity	1,812	1,692
	=====	=====

Ivron Systems Limited

Consolidated cash flow statements (unaudited)

	Nine month period ended 30 September 2001 US\$ (in thousands)	Nine month period ended 30 September 2000 US\$ (in thousands)
Cash outflow from operating activities	(2,869)	(1,922)
Returns on investments and servicing of finance	(126)	(1)
Capital expenditure and financial investment	8	(34)
Acquisitions and disposals	-	-
Management of liquid resources	-	-
Financing activities	2,460	2,437
	-----	-----
Increase/(decrease) in cash in the period	(527)	480
	=====	=====

1. Basis of Preparation

The unaudited consolidated financial statements included herein have been prepared by Ivron Systems Limited without audit. Certain information and footnote disclosures normally included in the financial statements prepared in accordance with US GAAP have been omitted. These unaudited financial statements should be read in conjunction with the 2000 audited financial statements and notes thereto.

In the opinion of the company's management, the accompanying unaudited consolidated financial statements have been prepared on a basis substantially consistent with the audited financial statements and contain adjustments, all of which are of a normal recurring nature, necessary to present fairly its financial position as of September 30, 2001 and its results of operations and cash flows for the 9 months ended September 30, 2001 and 2001. Interim results are not necessarily indicative of results for the fiscal year.

2. Differences between US and Irish Accounting Principles

The financial statements presented herein have been prepared in accordance with Irish GAAP. Such principles vary in certain respect from US GAAP. There are no material differences between net loss and shareholders equity as reported under Irish and US GAAP as they apply to the unaudited financial statements presented herein.

Pro Forma Financial Information  
Gentner Communications Corporation and Ivron Systems, Ltd.  
Unaudited Pro Forma Condensed Combined Financial Information

The following unaudited pro forma condensed combined financial information gives effect to the share purchase transaction of Ivron Systems, Ltd. ("Ivron") by Gentner using the purchase method of accounting. The unaudited pro forma condensed combined balance sheet as of September 30, 2001 gives effect to the acquisition as if the acquisition had occurred on that date. The unaudited pro forma condensed combined statement of operations for the quarter ended September 30, 2001 gives effect to the acquisition as if the acquisition had occurred on July 1, 2001. The unaudited pro forma condensed combined statement of operations presented for the quarter ended September 30, 2001 includes the historical unaudited financial results of Gentner for its first quarter ended September 30, 2001 and Ivron for its third quarter ended September 30, 2001.

The unaudited pro forma condensed combined balance sheet as of June 30, 2001 and the unaudited pro forma condensed combined statement of operations including the historical audited financial results of Gentner for the year ended June 30, 2001 and unaudited financial results of Ivron for the fiscal year ended June 30, 2001, comprising the last six months of operations of Ivron for the year ended December 31, 2000 and the first six months of operations of Ivron for the year ended December 31, 2001 were included in the Original Filing. As discussed in the Original Filing, Ivron's year end is December 31; therefore, Ivron's financial results included in the pro forma information in such Original Filing did not reflect Ivron's fiscal year ended December 31 as set forth in the accompanying audited financial statements.

Unaudited pro forma combined financial information is presented for illustrative purposes only and is not necessarily indicative of the financial position or results of operations that would have actually been reported had the purchase occurred at the beginning of the period presented, nor is it necessarily indicative of future financial position or results of operations. These unaudited pro forma combined financial statements are based on the respective historical financial statements of Gentner and Ivron and do not incorporate, nor do they assume, any benefits from cost savings or synergies of operations of the combined company.

Unaudited Pro Forma Financial Information  
Pro Forma Condensed Combined Balance Sheet  
As of September 30, 2001  
(Historical)

	Gentner Communications (in `000s)	Ivron Systems, Ltd. (in `000s)	Pro Forma Adjustments (in `000s)	Pro Forma Combined (in `000s)
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	\$ 7,921	\$ 460	\$ (6,666) A	\$ 1,715
Accounts receivable, net	8,849	132		8,981
Note receivable - current portion	164			164
Inventory	3,741	651		4,392
Deferred taxes	247			247
Other current assets	693			693
	-----	-----	-----	-----
<b>Total current assets</b>	<b>21,615</b>	<b>1,243</b>	<b>(6,666)</b>	<b>16,192</b>
Property and equipment, net	3,811	21		3,832
Goodwill and other intangibles, net	2,748	939	(939) B	-
			5,793 D	8,541
Note receivable - long-term portion	1,662			1,662
Deposits and other assets	73			73
	-----	-----	-----	-----
<b>Total assets</b>	<b>\$ 29,909</b>	<b>\$ 2,203</b>	<b>\$ (1,812)</b>	<b>\$ 30,300</b>
	=====	=====	=====	=====

Unaudited Pro Forma Financial Information  
Pro Forma Condensed Combined Balance Sheet  
As of September 30, 2001  
(Historical)

	Gentner Communications (in `000s)	Ivron Systems, Ltd. (in `000s)	Pro Forma Adjustments (in `000s)	Pro Forma Combined (in `000s)
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>				
<b>Current liabilities</b>				
Accounts payable	\$ 583	\$ 90		\$ 673
Accrued expenses	2,352	301		2,653
Current portion of capital lease obligations	136			136
	-----	-----	-----	-----
<b>Total current liabilities</b>	<b>3,071</b>	<b>391</b>		<b>3,462</b>
Capital lease obligations	31			31
Deferred tax liability	746			746
	-----	-----	-----	-----
<b>Total liabilities</b>	<b>3,848</b>	<b>391</b>		<b>4,239</b>
<b>Shareholders' equity</b>				
Common stock	9	5,367	\$(5,367) C	9
Additional paid-in capital	9,110	5,278	(5,278) C	9,110
Retained earnings (accumulated deficit)	16,942	(8,833)	8,833 C	16,942
	-----	-----	-----	-----
<b>Total shareholders' equity</b>	<b>26,061</b>	<b>1,812</b>	<b>(1,812) C</b>	<b>26,061</b>
	-----	-----	-----	-----
<b>Total liabilities and shareholders' equity</b>	<b>\$ 29,909</b>	<b>\$ 2,203</b>	<b>\$ (1,812)</b>	<b>\$ 30,300</b>
	=====	=====	=====	=====

See accompanying notes to unaudited pro forma condensed combined financial statements



Unaudited Pro Forma Condensed Combined Statement of Operations  
For the quarter ended September 30, 2001  
(Historical)

	Gentner Communications (in `000s)	Ivron Systems, Ltd. (in `000s)	Pro Forma Adjustments (in `000s)	Pro Forma Combined (in `000s)
Net sales	\$ 11,220	\$ 47		\$ 11,267
Cost of goods sold	4,582	343		4,925
	-----	-----	-----	-----
Gross profit	6,638	(296)		6,342
Operating expenses				
Marketing and selling	2,469	304		2,773
General and administrative	1,280	695		1,975
Research and product development	752	116		868
	-----	-----	-----	-----
Total operating expenses	4,501	1,115		5,616
Operating income (loss)	2,137	(1,411)		726
Other income (expense)				
Interest income	108	2		110
Interest expense	(5)	(128)		(133)
Other, net	42			42
	-----	-----	-----	-----
Total other income (expense)	145	(126)		19
	-----	-----	-----	-----
Income (loss) before income taxes	2,282	(1,537)		745
Provision for income taxes	(870)			(870)
	-----	-----	-----	-----
Net income (loss)	<u>\$ 1,412</u>	<u>\$ (1,537)</u>		<u>\$ (125)</u>
Basic earnings per common share	0.16			(0.01)
Diluted earnings per common share	0.16			(0.01)
Weighted average shares outstanding:				
Basic	8,608,479			8,608,479
Diluted	9,060,312			9,060,312

See accompanying notes to unaudited pro forma condensed combined financial statement

NOTES TO UNAUDITED PRO FORMA CONDENSED  
COMBINED FINANCIAL STATEMENTS

NOTE 1.

On October 3, 2001, Gentner executed its share purchase agreement with Ivron. Under the terms of the agreement, Gentner purchased the cash, accounts receivable, fixed assets, inventory, certain other assets, and technological infrastructure, including patents, of Ivron. Gentner also assumed the accounts payable and accrued expenses. Gentner issued cash of \$6,000,000 for all issued and outstanding shares of Ivron, cash of \$650,000 for all outstanding options to purchase common shares of Ivron, and incurred acquisition costs of \$16,000 in the transaction. The following is a summary of the purchase price allocation (in thousands):

Cash	\$ 460
Accounts receivable	132
Fixed assets	21
Inventory	651
Goodwill and other intangible assets	5,793
Accounts payable	(90)
Accrued expenses	(301)
	-----
Total	\$6,666

NOTE 2.

The unaudited pro forma condensed combined balance sheet includes the adjustments necessary to give effect to the Ivron purchase as if it had occurred at September 30, 2001 as noted above. The unaudited pro forma condensed combined statement of operations includes the adjustments necessary to give effect to the Ivron purchase as if it had occurred on July 1, 2001, and includes Ivron operations for its third quarter ended September 30, 2001.

Adjustments included in the pro forma condensed combined financial statements are summarized as follows:

- (A) Cash outlay for acquisition includes:
  - o \$6,000,000 - Cash paid to purchase all of the issued and outstanding shares of Ivron as specified in the share purchase agreement.
  - o \$650,000 - Cash consideration paid to cancel all outstanding options to purchase shares of Ivron.
  - o \$16,000 - Cash paid for costs associated with the acquisition.
- (B) Elimination of goodwill and other intangibles that were not purchased as part of the acquisition.
  - o \$937,000 - Goodwill from the acquisition of the Mentec Picturecom business purchased by Ivron on March 6, 1998.
  - o \$2,000 - Intangibles consisting of software.
- (C) Elimination of the equity of Ivron.
- (D) Amount represents goodwill of \$5,777,000 and capitalized acquisition costs of approximately \$16,000. (E)
- (E) Acquired intangible assets, including goodwill. As required under recently released FASB Statement No. 141 (FAS No. 141), Business Combinations, Gentner is required to allocate a portion of the purchase price to recognize goodwill and intangible assets apart from goodwill. Gentner, in conjunction with its advisors, is evaluating the

new criteria established in FAS No. 141 to properly determine the value of each intangible asset that should be recognized apart from goodwill. In addition, as required under recently released FASB Statement No. 142 (FAS No. 142), Goodwill and Other Intangible Assets, a portion of the acquired intangible assets may be subject to amortization. Such potential amortization has not been reflected in the accompanying pro forma condensed combined statements of operations. If the amount reported is subsequently determined to be materially incorrect, revised pro forma financial statements will be issued.