

Registration number 2064310

Mediability Limited
Abbreviated accounts
for the year ended 31 March 2003

Barlow Andrews
Chartered Accountants
Bolton



Mediability Limited

Contents

	Page
Director's report	1
Auditors' report	2
Abbreviated profit and loss account	3
Abbreviated balance sheet	4
Cash flow statement	5
Notes to the financial statements	6 - 12

Mediability Limited

Director's report for the year ended 31 March 2003

The director presents his report and the accounts for the year ended 31 March 2003.

Principal activity and review of the business

The principal activity of the company is that of an advertising agency.

Results, dividends and future developments

The results for the year are set out on page 3, and show that the company has maintained a satisfactory level of profitability notwithstanding a reduction in turnover. The director expects the next financial year to be very competitive but, with careful control of costs, the company is forecasting to return profits at a similar level for the current year.

The director has paid interim dividends amounting to £500,000 and he does not recommend payment of a final dividend.

Director and his interest

The director holding office during the year was Mr A Grundy and, together with other family members, he held all of the shares in the company at both year end dates.

Director's responsibilities

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

- select suitable accounting policies and apply them consistently;
- make judgements and 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 director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. He is 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.

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Barlow Andrews be reappointed as auditors of the company will be put to the Annual General Meeting.

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

This report was approved by the Board on 24 July 2003 and signed on its behalf by



Mrs A Grundy
Secretary

**Independent auditors' report to Mediability Limited
under Section 247B of the Companies Act 1985**

We have examined the abbreviated accounts set out on pages 3 to 12 together with the financial statements of Mediability Limited for the year ended 31 March 2003 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of director and auditors

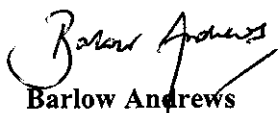
The director is responsible for preparing abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts 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 Section 246A(3) of the Companies Act 1985 in respect of the year ended 31 March 2003, and the abbreviated accounts on pages 3 to 12 are properly prepared in accordance with that provision.



**Barlow Andrews
Chartered Accountants and
Registered Auditors
Carlyle House
78 Chorley New Road
Bolton**

24 July 2003

Mediability Limited

Abbreviated profit and loss account for the year ended 31 March 2003

		2003	2002
	Notes	£	£
Gross profit		1,001,578	1,152,407
Administrative expenses		(672,182)	(610,436)
Operating profit	2	<u>329,396</u>	<u>541,971</u>
Other interest receivable and similar income	3	<u>50,355</u>	<u>78,162</u>
Profit on ordinary activities before taxation		379,751	620,133
Tax on profit on ordinary activities	5	(106,628)	(160,581)
Profit on ordinary activities after taxation		273,123	459,552
Dividends	6	(500,000)	(250,000)
(Loss)/retained profit for the year		<u>(226,877)</u>	<u>209,552</u>
Retained profit brought forward		494,739	285,187
Retained profit carried forward		<u><u>267,862</u></u>	<u><u>494,739</u></u>

The company had no acquisitions or discontinued operations in the above two financial years.

There are no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 6 to 12 form an integral part of these financial statements.

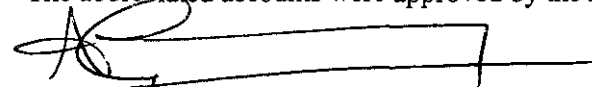
Mediability Limited

**Abbreviated balance sheet
as at 31 March 2003**

		2003		2002	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	7		49,527		81,577
Current assets					
Debtors	8	1,094,603		1,996,183	
Cash at bank and in hand		835,997		1,060,117	
		<u>1,930,600</u>		<u>3,056,300</u>	
Creditors: amounts falling due within one year	9	<u>(1,699,813)</u>		<u>(2,630,637)</u>	
Net current assets			<u>230,787</u>		<u>425,663</u>
Total assets less current liabilities			280,314		507,240
Provisions for liabilities and charges	10		<u>(2,452)</u>		<u>(2,501)</u>
Net assets			<u>277,862</u>		<u>504,739</u>
Capital and reserves					
Called up share capital	12		10,000		10,000
Profit and loss account			<u>267,862</u>		<u>494,739</u>
Equity shareholders' funds	13		<u>277,862</u>		<u>504,739</u>

The abbreviated accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies .

The abbreviated accounts were approved by the Board on 24 July 2003 and signed on its behalf by


Mr A Grundy
Director

The notes on pages 6 to 12 form an integral part of these financial statements.

Mediability Limited

Cash flow statement for the year ended 31 March 2003

	Notes	2003 £	2002 £
Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit		329,396	541,971
Depreciation		27,617	18,874
Decrease in debtors		901,580	(155,582)
(Decrease) in creditors		(879,719)	534,927
Net cash inflow from operating activities		<u>378,874</u>	<u>940,190</u>
Cash flow statement			
Net cash inflow from operating activities		378,874	940,190
Returns on investments and servicing of finance	15	50,355	78,162
Taxation	15	(157,782)	(108,965)
Capital expenditure	15	4,433	(20,850)
		<u>275,880</u>	<u>888,537</u>
Equity dividends paid		(500,000)	(250,000)
Decrease in cash in the year		<u>(224,120)</u>	<u>638,537</u>
Reconciliation of net cash flow to movement in net debt (Note 16)			
Decrease in cash in the year		(224,120)	638,537
Net funds at 1 April 2002		<u>1,060,117</u>	<u>421,580</u>
Net funds at 31 March 2003		<u>835,997</u>	<u>1,060,117</u>

Mediability Limited

Notes to the abbreviated financial statements for the year ended 31 March 2003

1. Accounting policies

1.1. Accounting convention

The accounts are prepared under the historical cost convention .

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

1.3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Fixtures, fittings and equipment	- 20% Straight Line
Motor vehicles	- 25% Straight Line

1.4. Deferred taxation

Full provision is made for deferred taxation on all timing differences which have arisen but have not reversed at the balance sheet date. The deferred tax balance has not been discounted.

1.5. Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Profit and Loss account.

2. Operating profit

	2003 £	2002 £
Operating profit is stated after charging:		
Depreciation and other amounts written off tangible assets	27,874	28,857
Auditors' remuneration	3,900	5,200
	<u> </u>	<u> </u>
and after crediting:		
Profit on disposal of tangible fixed assets	257	9,983
Profit on foreign currencies	-	123
	<u> </u>	<u> </u>

3. Interest receivable and similar income

	2003 £	2002 £
Bank interest	50,355	78,162
	<u> </u>	<u> </u>

Mediability Limited

Notes to the abbreviated financial statements for the year ended 31 March 2003

4. Employees

Number of employees

The average monthly numbers of employees
(including the director) during the year were:

2003	2002
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9	9
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9	9
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Employment costs

2003	2002
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£	£
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£	£
---	---

Wages and salaries

454,459	396,632
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454,459	396,632
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Social security costs

56,233	41,350
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56,233	41,350
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510,692	437,982
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510,692	437,982
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4.1. Director's emoluments

2003	2002
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2003	2002
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£	£
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£	£
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Remuneration and other emoluments

267,671	209,372
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267,671	209,372
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Mediability Limited

Notes to the abbreviated financial statements for the year ended 31 March 2003

5. Tax on profit on ordinary activities

Analysis of charge in period	2003 £	2002 £
Current tax		
UK corporation tax at 27.44% (2002 - 26.26%)	106,646	157,751
Prior period adjustments	31	329
	<u>106,677</u>	<u>158,080</u>
Total current tax charge	<u>106,677</u>	<u>158,080</u>
Deferred tax		
Timing differences, origination and reversal	(49)	2,501
Total deferred tax	<u>(49)</u>	<u>2,501</u>
Tax on profit on ordinary activities	<u>106,628</u>	<u>160,581</u>

Factors affecting tax charge for period

The tax assessed for the period is lower than the standard rate of corporation tax in the UK (27%). The differences are explained below:

	2003 £	2002 £
Profit on ordinary activities before taxation	<u>379,751</u>	<u>620,133</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 27% (31 March 2002 : 26%)	104,213	162,835
Expenses not deductible for tax purposes	(2,863)	(4,336)
Capital allowances for period in excess of depreciation	430	9,420
Adjustments to tax charge in respect of previous periods	(31)	(329)
Current tax charge for period	<u>106,677</u>	<u>158,080</u>

6. Dividends

	2003 £	2002 £
Dividends on equity shares:		
Ordinary shares - interim paid	<u>500,000</u>	<u>250,000</u>

Mediability Limited

Notes to the abbreviated financial statements for the year ended 31 March 2003

7. Tangible fixed assets	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost			
At 1 April 2002	68,676	84,150	152,826
Additions	4,067	24,000	28,067
Disposals	-	(60,800)	(60,800)
At 31 March 2003	<u>72,743</u>	<u>47,350</u>	<u>120,093</u>
Depreciation			
At 1 April 2002	29,470	41,779	71,249
On disposals	-	(28,557)	(28,557)
Charge for the year	13,246	14,628	27,874
At 31 March 2003	<u>42,716</u>	<u>27,850</u>	<u>70,566</u>
Net book values			
At 31 March 2003	<u>30,027</u>	<u>19,500</u>	<u>49,527</u>
At 31 March 2002	<u>39,206</u>	<u>42,371</u>	<u>81,577</u>

8. Debtors	2003 £	2002 £
Trade debtors	1,061,773	1,677,447
Other debtors	-	262,690
Prepayments and accrued income	32,830	56,046
	<u>1,094,603</u>	<u>1,996,183</u>

9. Creditors: amounts falling due within one year	2003 £	2002 £
Trade creditors	967,001	1,635,569
Corporation tax	106,646	157,751
Other taxes and social security costs	75,209	20,445
Director's accounts	1,483	-
Accruals and deferred income	549,474	816,872
	<u>1,699,813</u>	<u>2,630,637</u>

Mediability Limited

Notes to the abbreviated financial statements for the year ended 31 March 2003

10 Provisions for liabilities and charges

	Deferred taxation (Note 11) £	Total £
At 1 April 2002	2,501	2,501
Movements in the year	(49)	(49)
At 31 March 2003	<u>2,452</u>	<u>2,452</u>

11. Provision for deferred taxation

	2003 £	2002 £
Accelerated capital allowances	<u>2,452</u>	<u>2,501</u>
Undiscounted provision for deferred tax	<u>2,452</u>	<u>2,501</u>
Provision at 1 April 2002	2,501	
Deferred tax charge in profit and loss account	(49)	
Provision at 31 March 2003	<u>2,452</u>	

12. Share capital

	2003 £	2002 £
Authorised equity		
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>
Allotted, called up and fully paid equity		
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

Mediability Limited

Notes to the abbreviated financial statements for the year ended 31 March 2003

13. Reconciliation of movements in shareholders' funds	2003	2002
	£	£
Profit for the year	273,123	459,552
Dividends	(500,000)	(250,000)
	<u>(226,877)</u>	<u>209,552</u>
Opening shareholders' funds	504,739	295,187
Closing shareholders' funds	<u><u>277,862</u></u>	<u><u>504,739</u></u>

14. Transactions with director

The following director had interest free loans during the year. The movements on these loans are as follows:

	Amount owing	Maximum
	2003	in year
	£	£
Mr A Grundy	<u><u>-</u></u>	<u><u>1,087</u></u>

15. Gross cash flows

	2003	2002
	£	£
Returns on investments and servicing of finance		
Interest received	<u>50,355</u>	<u>78,162</u>
Taxation		
Corporation tax paid	<u>(157,782)</u>	<u>(108,965)</u>
Capital expenditure		
Payments to acquire tangible assets	(28,067)	(33,245)
Receipts from sales of tangible assets	<u>32,500</u>	<u>12,396</u>
	<u><u>4,433</u></u>	<u><u>(20,849)</u></u>

Mediability Limited

**Notes to the abbreviated financial statements
for the year ended 31 March 2003**

16. Analysis of changes in net funds

	Opening balance	Cash flows	Closing balance
	£	£	£
Cash at bank and in hand	1,060,117	(224,120)	835,997
Net funds	<u>1,060,117</u>	<u>(224,120)</u>	<u>835,997</u>