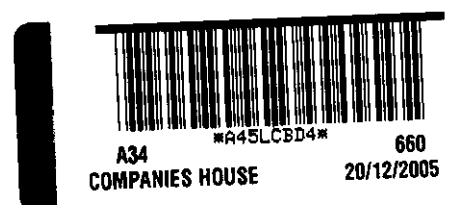


Registration number 2064310

Mediability Limited
Abbreviated accounts
for the year ended 31 March 2005

Barlow Andrews
Chartered Accountants
Bolton



Mediability Limited

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Mediability Limited

Director's report for the year ended 31 March 2005

The director presents his report and the accounts for the year ended 31 March 2005.

Principal activity and review of the business

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

The company has performed well in the year, increasing turnover by 3.8% and controlling its level of expenditure, so that profit before taxation has improved to £250,290. The outlook for the coming year is more challenging, but the director is putting a structure in place to secure the position of the business for the future.

Results and dividends

The results for the year are set out on page 3.

The director has paid an interim dividend amounting to £60,000 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 7 July 2005 and signed on its behalf by


Mrs A Grundy
Secretary

Carlyle House - 78 Chorley New Road - Bolton - Lancashire - BL1 4BY

**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 11 together with the financial statements of Mediability Limited for the year ended 31 March 2005 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 audit work has been undertaken so that we might state to the company's shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

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 2005, and the abbreviated accounts on pages 3 to 11 are properly prepared in accordance with that provision.



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

7 July 2005

Accountancy - Audit - Corporate Finance - Health Sector - Litigation Support - Taxation



INVESTOR IN PEOPLE

Partners Philip A. Riding FCA, MAE, J. Douglas Barden FCA, Gordon W. Leigh FCA, Alan G. Smith FCA, David A. Kay ACA, Mark R. C. Sheen FCA, ATII.
Consultant Joe Swift FCA, ATII, TEP **Corporate Finance Director** Nick Hulme ACA, **Senior Manager** Mark Pearson FCA

Registered by the Institute of Chartered Accountants in England and Wales to carry out Company audit work
Regulated by the Institute of Chartered Accountants in England and Wales for a range of investment business activities

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throughout the U.K and worldwide

Mediability Limited

Abbreviated profit and loss account for the year ended 31 March 2005

		Continuing operations	
		2005	2004
	Notes	£	£
Gross profit		837,661	869,066
Administrative expenses		(632,690)	(717,698)
Operating profit	2	<u>204,971</u>	<u>151,368</u>
Other interest receivable and similar income	3	<u>45,319</u>	<u>44,020</u>
Profit on ordinary activities before taxation		250,290	195,388
Tax on profit on ordinary activities	5	<u>(49,067)</u>	<u>(50,901)</u>
Profit on ordinary activities after taxation		201,223	144,487
Dividends	6	<u>(60,000)</u>	<u>-</u>
Retained profit for the year		141,223	144,487
Retained profit brought forward		<u>412,349</u>	<u>267,862</u>
Retained profit carried forward		<u><u>553,572</u></u>	<u><u>412,349</u></u>

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 11 form an integral part of these financial statements.

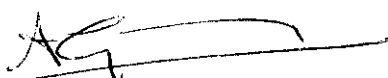
Mediability Limited

**Abbreviated balance sheet
as at 31 March 2005**

		2005		2004	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	7		45,894		33,499
Current assets					
Debtors	8	654,480		1,212,818	
Cash at bank and in hand		836,258		788,398	
		<u>1,490,738</u>		<u>2,001,216</u>	
Creditors: amounts falling due within one year	9	<u>(973,060)</u>		<u>(1,609,914)</u>	
Net current assets			<u>517,678</u>		<u>391,302</u>
Total assets less current liabilities			<u>563,572</u>		<u>424,801</u>
Provisions for liabilities and charges	10		-		(2,452)
Net assets			<u>563,572</u>		<u>422,349</u>
Capital and reserves					
Called up share capital	12		10,000		10,000
Profit and loss account			<u>553,572</u>		<u>412,349</u>
Equity shareholders' funds	13		<u>563,572</u>		<u>422,349</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 7 July 2005 and signed on its behalf by


Mr A Grundy
Director

The notes on pages 6 to 11 form an integral part of these financial statements.

Mediability Limited

Cash flow statement for the year ended 31 March 2005

	Notes	2005 £	2004 £
Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit		204,971	151,368
Depreciation		16,427	9,098
Decrease in debtors		558,338	(118,215)
(Decrease) in creditors		(640,355)	(31,291)
Net cash inflow from operating activities		<u>139,381</u>	<u>10,960</u>
Cash flow statement			
Net cash inflow from operating activities		139,381	10,960
Returns on investments and servicing of finance	14	45,319	44,020
Taxation	14	(48,017)	(109,509)
Capital expenditure	14	(28,823)	6,930
		<u>107,860</u>	<u>(47,599)</u>
Equity dividends paid		(60,000)	-
Increase in cash in the year		<u>47,860</u>	<u>(47,599)</u>
Reconciliation of net cash flow to movement in net funds (Note 15)			
Increase in cash in the year		47,860	(47,599)
Net funds at 1 April 2004		<u>788,398</u>	<u>835,997</u>
Net funds at 31 March 2005		<u>836,258</u>	<u>788,398</u>

Mediability Limited

Notes to the abbreviated financial statements for the year ended 31 March 2005

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

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2. Operating profit

	2005	2004
	£	£
Operating profit is stated after charging:		
Depreciation and other amounts written off tangible assets	16,427	16,138
Auditors' remuneration	6,500	5,170
	<u> </u>	<u> </u>
and after crediting:		
Profit on disposal of tangible fixed assets	-	7,040
	<u> </u>	<u> </u>

Mediability Limited

**Notes to the abbreviated financial statements
for the year ended 31 March 2005**

3. Interest receivable and similar income	2005	2004
	£	£
Bank interest	45,254	44,020
Other interest	65	-
	<u>45,319</u>	<u>44,020</u>
 4. Employees		
Number of employees	2005	2004
The average monthly numbers of employees (including the director) during the year were:		
	<u>8</u>	<u>9</u>
 Employment costs	2005	2004
	£	£
Wages and salaries	443,110	525,066
Social security costs	46,395	59,785
	<u>489,505</u>	<u>584,851</u>
 4.1. Director's emoluments	2005	2004
	£	£
Remuneration and other emoluments	<u>193,038</u>	<u>321,960</u>

Mediability Limited

Notes to the abbreviated financial statements for the year ended 31 March 2005

5. Tax on profit on ordinary activities

Analysis of charge in period	2005	2004
	£	£
Current tax		
UK corporation tax at 19.00% (2004 - 23.20%)	51,540	48,038
Adjustments in respect of previous periods	(21)	2,863
	<u>51,519</u>	<u>50,901</u>
Total current tax charge	<u>51,519</u>	<u>50,901</u>
Deferred tax		
Timing differences, origination and reversal	(2,452)	-
Total deferred tax	<u>(2,452)</u>	<u>-</u>
Tax on profit on ordinary activities	<u>49,067</u>	<u>50,901</u>

Factors affecting tax charge for period

The tax assessed for the period is higher than the standard rate of corporation tax in the UK (19 per cent). The differences are explained below:

	2005	2004
	£	£
Profit on ordinary activities before taxation	<u>250,290</u>	<u>195,388</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (31 March 2004 : 23%)	47,555	45,327
Effects of:		
Expenses not deductible for tax purposes	2,516	1,962
Capital allowances for period in excess of depreciation	1,469	749
Adjustments to tax charge in respect of previous periods	(21)	2,863
Current tax charge for period	<u>51,519</u>	<u>50,901</u>

6. Dividends

	2005	2004
	£	£
Dividends on equity shares:		
Ordinary shares - interim paid	<u>60,000</u>	<u>-</u>

Mediability Limited

**Notes to the abbreviated financial statements
for the year ended 31 March 2005**

7. Tangible fixed assets	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£
Cost			
At 1 April 2004	72,854	24,000	96,854
Additions	1,503	27,320	28,823
At 31 March 2005	<u>74,357</u>	<u>51,320</u>	<u>125,677</u>
Depreciation			
At 1 April 2004	52,855	10,500	63,355
Charge for the year	8,721	7,707	16,428
At 31 March 2005	<u>61,576</u>	<u>18,207</u>	<u>79,783</u>
Net book values			
At 31 March 2005	<u>12,781</u>	<u>33,113</u>	<u>45,894</u>
At 31 March 2004	<u>19,999</u>	<u>13,500</u>	<u>33,499</u>

8. Debtors	2005	2004
	£	£
Trade debtors	584,629	1,117,995
Other debtors	618	-
Prepayments and accrued income	69,233	94,823
	<u>654,480</u>	<u>1,212,818</u>

9. Creditors: amounts falling due within one year	2005	2004
	£	£
Trade creditors	574,124	797,182
Corporation tax	51,539	48,038
Other taxes and social security costs	13,803	38,717
Director's accounts	1,296	1,297
Accruals and deferred income	332,298	724,680
	<u>973,060</u>	<u>1,609,914</u>

Mediability Limited

**Notes to the abbreviated financial statements
for the year ended 31 March 2005**

10. Provisions for liabilities and charges

	Deferred taxation (Note 11) £	Total £
At 1 April 2004	2,452	2,452
Movements in the year	2,452	2,452
	<u> </u>	<u> </u>
At 31 March 2005	-	-
	<u> </u>	<u> </u>

11. Provision for deferred taxation

	2005 £	2004 £
Accelerated capital allowances	-	2,452
	<u> </u>	<u> </u>
Provision at 1 April 2004	2,452	
Deferred tax charge in profit and loss account	(2,452)	
	<u> </u>	
Provision at 31 March 2005	-	
	<u> </u>	

12. Share capital

	2005 £	2004 £
Authorised		
10,000 Ordinary shares of £1 each	10,000	10,000
	<u> </u>	<u> </u>
Allotted, called up and fully paid		
10,000 Ordinary shares of £1 each	10,000	10,000
	<u> </u>	<u> </u>

Mediability Limited

Notes to the abbreviated financial statements for the year ended 31 March 2005

13. Reconciliation of movements in shareholders' funds	2005 £	2004 £
Profit for the year	201,223	144,487
Dividends	(60,000)	-
	<u>141,223</u>	<u>144,487</u>
Opening shareholders' funds	422,349	277,862
Closing shareholders' funds	<u>563,572</u>	<u>422,349</u>

14. Gross cash flows

	2005 £	2004 £
Returns on investments and servicing of finance		
Interest received	<u>45,319</u>	<u>44,020</u>
Taxation		
Corporation tax paid	<u>(48,017)</u>	<u>(109,509)</u>
Capital expenditure		
Payments to acquire tangible assets	(28,823)	(110)
Receipts from sales of tangible assets	-	7,040
	<u>(28,823)</u>	<u>6,930</u>

15. Analysis of changes in net funds

	Opening balance £	Cash flows £	Closing balance £
Cash at bank and in hand	788,398	47,860	836,258
Net funds	<u>788,398</u>	<u>47,860</u>	<u>836,258</u>