

Fone Mania Limited

Company Information:

REVISED ACCOUNTS

Director:

R.M. Brummitt

Secretary:

A.K. Cripps

Company Number:

3538821

Registered Office:

7 Oak Industrial Estate
Chelmsford Road
Great Dunmow
Essex
CM6 1XN

Auditors:

Michael Bell & Co.
56 St. James's Street
Walthamstow
E17 7PE

Bankers:

National Westminster Bank
10 St. Peters Street
St. Albans
Herts
AL1 3LY



Fone Mania Limited

Directors Report for the period ended 31st August 2001

The Director presents his Report and the Financial Statements for the period ended 31st August 2001.

Principal Activities and review of the business:

The company's principal activity continues to be that of wholesale of mobile telephones.

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

The director considers the profit achieved on ordinary activities before taxation to be satisfactory.

Adequate finance has been obtained to take advantage of business opportunities and the director considers the state of affairs to be satisfactory

Dividends:

The director recommends a final dividend of 0.30p per shares (2000 = 0.00p).

Fixed Assets:

These are set out in Note 6.

Directors:

The director who served during the year and his beneficial interests in the company's issued ordinary share capital was:-

R.M. Brummitt	450,000
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Directors' 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 affairs of the company and of the profit and loss of the company for that period. In preparing those financial statements, the director is required to:-

- * select suitable accounting policies and then apply them consistently;
- * make judgements and estimates that are reasonable and prudent;
- * state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- * 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 them 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.

Fone Mania plc

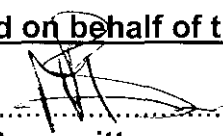
Directors' Report (continued)

Auditors:

The auditors, Michael Bell & Co, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

This Report was approved by the Board of Directors on 7 NOV 2003, taking advantage of the Special Exemptions available to small companies conferred by Part II of Schedule 8 of the Companies Act 1985.

Signed on behalf of the Board of Directors:


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R.M. Brummitt

Independent Auditors' Report

To the Shareholders of Fone Mania Limited

We have audited the financial statements of Fone Mania Limited for the period ended 31st August 2001 which comprise the Profit and Loss Account, Balance Sheet and the related notes.

These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report.

We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Auditors Report (continued)

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st August 2001 and of its result for the period then ended, and have been properly prepared in accordance with the Companies Act 1985.



Michael Bell & Co.

Registered Auditors/Chartered Accountants

56 St. James's Street

E17 7PE

..... 7/11/ 2002

Profit and Loss Account for the period ended 31st August 2001

		<u>2001</u> £	<u>2000</u> £
<u>Turnover:</u>	Note 2	22,358,951	4,777,931
Cost of sales		21,657,889	4,611,070
<u>Gross Profit:</u>		701,062	166,861
Administrative expenses		372,396	104,765
<u>Operating (Loss)/Profit:</u>		328,666	62,096
Interest received		24,259	12,223
Operating Profit/ (Loss) before interest payable		352,925	74,319
Interest payable		2,360	0
Profit/(Loss) on ordinary activities before taxation		350,565	74,319
Taxation		-120,000	-12,180
Dividend paid,		-150,040	0
<u>Result for the year:</u>		80,525	62,139
		=====	=====

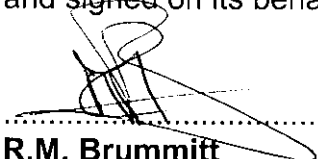
There were no gains/losses other than those disclosed above.

The annexed notes form part of these financial statements.

Fone Mania Limited*Revised Accounts***Balance Sheet as at 31st August 2001**

<u>Fixed assets:</u>	<u>Note</u>	<u>£</u>	<u>2001</u> <u>£</u>	<u>2000</u> <u>£</u>
Tangible assets	(6)		53,510	39,065
<u>Current assets:</u>				
Prepayments	(12)	16,734		576
Debtors	(12)	39,885		175
Cash at bank		749,493		903,113
		806,112		540,728
<u>Creditors: amounts falling due within one year</u>	(7)	247,404		67,153
<u>Total current assets:</u>		558,708		473,575
<u>Creditors: amounts falling due after more than one year</u>		19,053		0
			539,655	573,575
<u>Total Assets:</u>			593,165	512,640
			=====	=====
<u>Capital and Reserves:</u>				
Called up share capital	11		500,000	500,000
Profit and Loss account	9		93,165	12,640
<u>Equity Shareholders funds:</u>	10		593,165	512,640
			=====	=====

Approved by the Board of Directors on *7 NOVEMBER* 2003,
and signed on its behalf.


.....
R.M. Brummitt

The annexed notes form part of these financial statements.

Notes to the Financial Statements for the period ended 31st August 2001

1) Accounting Policies

1.1 Basis of preparation of accounts

The financial statements are prepared under the historical cost convention.

The financial statements have been prepared in accordance with applicable accounting standards.

1.2 Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax and trade discounts.

1.3 Tangible Fixed Assets

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following basis, upon the straight-line basis.

Motor vehicles	25%
Fixtures and fittings	25%

1.4 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets and depreciated over the shorter of the lease term and their useful lives, or in the case of assets held under hire purchase agreement over their useful economic life. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.5 Operating Leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account as incurred.

1.6 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks.

Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

Fone Mania Limited

Notes to the Financial Statements for the period ending 31st August 2001

1.7 Research and development

Expenditure on research and development is written off in the year that it is incurred.

1.8 Foreign Currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

1.9 Deferred Taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, using the liability method, only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability of asset will crystallise in the near future.

1.10 Pensions

The company will operate a defined contribution pension scheme and the pension charge represent the amounts payable by the company to the fund in respect of the year.

2) Turnover

The whole of the turnover and profit before taxation is from continuing activities.

	<u>2001</u>	<u>2000</u>
	<u>£</u>	<u>£</u>
United Kingdom	37,709	1,060,943
Other	4,810,268	26,639
Europe	17,510,974	3,690,349
	<u>22,358,951</u>	<u>4,777,931</u>
	=====	=====

3) Operating Profit:

Operating profit is after charging/(crediting)

Depreciation of tangible fixed assets		
- owned by the company	20,356	18,303
Interest received	-24,259	-12,223
Interest paid	2,360	0
Auditors' remuneration	2,000	1,660

Notes to the Financial Statements for the period ending 31st August 20014) Staff Costs

Staff costs, including directors' remuneration, were as follows	<u>2001</u>	<u>2000</u>
	<u>£</u>	<u>£</u>
Wages and salaries	147,350	17,109
Social Security costs	11,328	1,797
	<u>158,678</u>	<u>18,906</u>
	=====	=====

The average monthly number of employees, including directors, during the year were as follows:-

Office and administration	1	0
Sales	3	1
	<u>4</u>	<u>1</u>
	=====	=====

5) Directors' remuneration

	<u>2001</u>	<u>2000</u>
	<u>£</u>	<u>£</u>
For services as director	350	1,440
Other emoluments	0	0
	<u>350</u>	<u>1,440</u>
	=====	=====

Included in the above are emoluments, excluding pension contributions, paid to:

Chairman	350	1,440
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6) Tangible Fixed Assets:

	<u>Total</u>	<u>Vehicles</u>	<u>Equipt</u>
	<u>£</u>	<u>£</u>	<u>£</u>
Balance 31/3/00	73,671	48,422	25,249
Additions	51,059	45,662	5,397
Sale	-29,250	-29,250	0
	<u>95,480</u>	<u>64,834</u>	<u>30,646</u>
	=====	=====	=====
Depreciation:			
Balance 31/3/00	34,606	22,578	12,028
Charged	20,356	19,156	1,200
Adjustment	-12,992	-12,992	0
	<u>41,970</u>	<u>28,742</u>	<u>13,228</u>
	=====	=====	=====
<u>Net Book Value</u>	<u>53,510</u>	<u>36,092</u>	<u>17,418</u>
	=====	=====	=====
<u>2000 Comparatives</u>	<u>39,065</u>	<u>25,844</u>	<u>13,221</u>
	=====	=====	=====

Notes to the Financial Statements for the period ending 31st August 2001

7) <u>Creditors, due within one year</u>	<u>2001</u>	<u>2000</u>
	<u>£</u>	<u>£</u>
Trade creditors	29,205	3,473
Taxation/Social Security	0	0
Accruals	76,985	1,500
Corporation tax	122,149	12,180
Loan - Inter company	7,358	50,000
Lease - Purchase agreement	11,707	0
	<u>247,404</u>	<u>67,153</u>
	=====	=====

8) Related party transactions (FRS8)

The company has transactions with Design Mania. Ltd, a company controlled by R. Brummitt, totaling £98,698.

9) <u>Profit and Loss Account</u>	<u>2001</u>	<u>2000</u>
	<u>£</u>	<u>£</u>
Balance 1st April 2000	12,640	-49,499
Result for the year	80,525	62,139
<u>Balance 31st August 2001</u>	<u>93,165</u>	<u>12,640</u>
	=====	=====

10) <u>Shareholders Funds</u>	<u>2001</u>	<u>2000</u>
	<u>£</u>	<u>£</u>
Balance 1st April 2000	512,640	950,501
Result for the year	230,565	62,139
Re-purchase of shares	0	-500,000
Dividend	-150,040	0
<u>Balance 31st August 2001</u>	<u>593,165</u>	<u>512,640</u>
	=====	=====

11) <u>Share Capital:</u>		
Authorised and allotted - Ordinary shares of £1 each	500,000	500,000
	=====	=====

12) <u>Debtors/Prepayments</u>	<u>2001</u>	<u>2000</u>
	<u>£</u>	<u>£</u>
Inter-company	12,135	0
Customs & Excise	556	576
Debtors	27,194	0
	<u>39,885</u>	<u>576</u>
	=====	=====