

Registrar

COMPANY NUMBER: 4382279

TWOTONE MEDIA LIMITED

**REPORT OF THE DIRECTORS AND
UNAUDITED FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 28TH FEBRUARY 2005



TWOTONE MEDIA LIMITED

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FOR THE YEAR ENDED 28TH FEBRUARY 2005**

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TWOTONE MEDIA LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 28TH FEBRUARY 2005

DIRECTORS: A S H Lewin
A V Smith

SECRETARY: A V Smith

REGISTERED OFFICE: 4 Hampden Road
Brighton
East Sussex
BN2 9TN

REGISTERED NUMBER: 4382279

ACCOUNTANTS: Clark Brownscombe
Chartered Accountants
33 Cliffe High Street
Lewes
East Sussex
BN7 2AN

TWOTONE MEDIA LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 28TH FEBRUARY 2005

The directors present their report with the financial statements of the company for the year ended 28th February 2005.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of publishing magazines and periodicals in print and electronic media.

DIRECTORS

The directors during the year under review were:

A S H Lewin
A V Smith

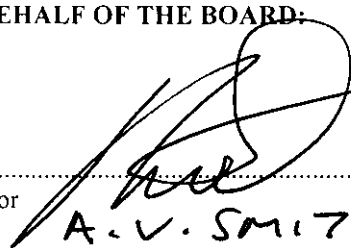
The beneficial interests of the directors holding office on 28th February 2005 in the issued share capital of the company were as follows:

	28.2.05	1.3.04
Ordinary £1 shares		
A S H Lewin	500	500
A V Smith	500	500

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:

.....
Director


A. V. SMITH

Date: 11 OCT 2005

TWOTONE MEDIA LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 28TH FEBRUARY 2005

	Notes	2005 £	2004 £
TURNOVER		101,857	98,357
Cost of sales		<u>29,258</u>	<u>35,293</u>
GROSS PROFIT		72,599	63,064
Administrative expenses		<u>39,417</u>	<u>40,876</u>
OPERATING PROFIT	2	33,182	22,188
Interest receivable and similar income		<u>451</u>	<u>31</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		33,633	22,219
Tax on profit on ordinary activities	3	<u>6,197</u>	<u>2,416</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		27,436	19,803
Dividends	4	<u>20,000</u>	<u>20,000</u>
RETAINED PROFIT/(DEFICIT) FOR THE YEAR		<u>7,436</u>	<u>(197)</u>

The notes form part of these financial statements

TWOTONE MEDIA LIMITED

**BALANCE SHEET
28TH FEBRUARY 2005**

	Notes	2005 £	2004 £
FIXED ASSETS			
Tangible assets	5	2,517	4,105
CURRENT ASSETS			
Cash at bank		42,953	23,315
CREDITORS			
Amounts falling due within one year	6	<u>18,705</u>	<u>8,091</u>
NET CURRENT ASSETS		<u>24,248</u>	<u>15,224</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>26,765</u>	<u>19,329</u>
CAPITAL AND RESERVES			
Called up share capital	7	1,000	1,000
Profit and loss account	8	<u>25,765</u>	<u>18,329</u>
SHAREHOLDERS' FUNDS		<u>26,765</u>	<u>19,329</u>

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 28th February 2005.


The members have not required the company to obtain an audit of its financial statements for the year ended 28th February 2005 in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

ON BEHALF OF THE BOARD:


Director A.V. Smith

Approved by the Board on 11.02.2005

The notes form part of these financial statements

TWOTONE MEDIA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28TH FEBRUARY 2005**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Equipment - 25% on cost

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

2. OPERATING PROFIT

The operating profit is stated after charging:

	2005	2004
	£	£
Depreciation - owned assets	<u>1,587</u>	<u>1,587</u>
Directors' emoluments and other benefits etc	<u>30,270</u>	<u>30,272</u>

3. TAXATION

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	2005	2004
	£	£
Current tax:		
UK corporation tax	<u>6,197</u>	<u>2,416</u>
Tax on profit on ordinary activities	<u>6,197</u>	<u>2,416</u>

4. DIVIDENDS

	2005	2004
	£	£
Interim	<u>20,000</u>	<u>20,000</u>

TWOTONE MEDIA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 28TH FEBRUARY 2005**

5. TANGIBLE FIXED ASSETS

	Plant and machinery etc £
COST	
At 1st March 2004	
and 28th February 2005	<u>6,350</u>
DEPRECIATION	
At 1st March 2004	2,246
Charge for year	<u>1,587</u>
	<u>3,833</u>
At 28th February 2005	
NET BOOK VALUE	
At 28th February 2005	<u>2,517</u>
At 29th February 2004	<u>4,104</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2005	2004
	£	£
Taxation and social security	15,875	7,291
Other creditors	<u>2,830</u>	<u>800</u>
	<u>18,705</u>	<u>8,091</u>

7. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:			2005	2004
Number:	Class:	Nominal value:	£	£
1,000	Ordinary	£1	<u>1,000</u>	<u>1,000</u>

8. RESERVES

	Profit and loss account £
At 1st March 2004	18,329
Retained profit for the year	<u>7,436</u>
At 28th February 2005	<u>25,765</u>

9. CONTROLLING PARTY

TwoTone Media Limited was controlled jointly throughout the current and previous periods by A S H Levin and A V Smith, both directors of the company.

**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS
ON THE UNAUDITED FINANCIAL STATEMENTS OF
TWOTONE MEDIA LIMITED**

In accordance with our terms of engagement and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of the company for the year ended 28th February 2005 which comprise the Profit and Loss Account, the Balance Sheet and the related notes from the accounting records and information and explanations you have given to us.

This report is made to the company's Board of Directors, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the company's Board of Directors that we have done so, and state those matters that we have agreed to state to them in this 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 Board of Directors, as a body, for our work or for this report.

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England & Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements.

You have acknowledged on the Balance Sheet as at 28th February 2005 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985. You consider that the company is exempt from the statutory requirement for an audit for the year.

We have not been instructed to carry out an audit of the financial statements. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements.

Clark Brownscombe

Clark Brownscombe
Chartered Accountants
33 Cliffe High Street
Lewes
East Sussex
BN7 2AN

Date: *12th October 2005*

TWOTONE MEDIA LIMITED

**TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 28TH FEBRUARY 2005**

	2005		2004
	£	£	£
Sales		101,857	98,357
Cost of sales			
Printing	23,041		28,252
Subcontractors	<u>6,217</u>		<u>7,041</u>
		<u>29,258</u>	<u>35,293</u>
GROSS PROFIT		72,599	63,064
Other income			
Deposit account interest		<u>451</u>	<u>31</u>
		73,050	63,095
Expenditure			
Directors' salaries	30,270		30,272
Social security	2,483		2,481
Postage, stationery and telephone	1,225		416
Advertising	-		120
Travel and subsistence	1,305		1,762
Motor expenses	1,175		2,066
Computer costs	218		376
Sundry expenses	110		14
Training	-		59
Accountancy	830		1,000
Bookkeeping fees	119		557
Depreciation of tangible fixed assets	1,587		1,587
Entertainment	<u>-</u>		<u>151</u>
		<u>39,322</u>	<u>40,861</u>
		33,728	22,234
Finance costs			
Bank charges		<u>95</u>	<u>15</u>
NET PROFIT		<u><u>33,633</u></u>	<u><u>22,219</u></u>

This page does not form part of the statutory financial statements