

THE COLTMAN MEDIA COMPANY LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2006

Company Registration No. 2892688 (England and Wales)



Shelley Stock Hutter
Chartered Accountants
1st Floor
7 - 10 Chandos Street
W1G 9DQ

THE COLTMAN MEDIA COMPANY LIMITED

COMPANY INFORMATION

Directors

Mr S J Coltman
Mr A Collins (Appointed 23 May 2006)
Mr C J Phillpot (Appointed 23 May 2006)

Secretary

Mrs B Turner

Company number

2892688

Registered office

95 Wigmore Street
London
W1U 1HH

Auditors

Shelley Stock Hutter
1st Floor
7 - 10 Chandos Street
London
W1G 9DQ

THE COLTMAN MEDIA COMPANY LIMITED

CONTENTS

	Page
Directors' report	1 - 2
Independent auditors' report	3 - 4
Profit and loss account	5
Statement of total recognised gains and losses	6
Balance sheet	7
Cash flow statement	8
Notes to the cash flow statement	9
Notes to the financial statements	10 - 16

THE COLTMAN MEDIA COMPANY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 2006

The directors present their report and financial statements for the year ended 30 April 2006.

Principal activities and review of the business

The company is principally engaged in media buying.

Results and dividends

The results for the year are set out on page 5.

An interim ordinary dividend was paid amounting to £20,000. The directors do not recommend payment of a final dividend.

Directors

The following directors have held office since 1 May 2005:

Mr S J Coltman	
Mr A Collins	(Appointed 23 May 2006)
Mr C J Phillpot	(Appointed 23 May 2006)

Director's interests

The director's interest in the shares of the company was as stated below:

	Ordinary shares of £ 1 each	
	30 April 2006	1 May 2005
Mr S J Coltman	10,000	10,000

The director's interest in the company as stated above includes 5,000 shares held by his wife.

Charitable donations	2006 £	2005 £
During the year the company made the following payments:		
Charitable donations	372	510

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Shelley Stock Hutter be reappointed as auditors of the company will be put to the Annual General Meeting.

THE COLTMAN MEDIA COMPANY LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2006

Directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors 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 or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then 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.

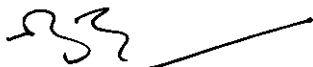
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

(a) so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

By order of the board



Mrs B Turner
Secretary

26.07.06

.....
Date

THE COLTMAN MEDIA COMPANY LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF THE COLTMAN MEDIA COMPANY LIMITED

We have audited the financial statements of The Coltman Media Company Limited for the year ended 30 April 2006 set out on pages 5 to 16. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and auditors

As described in the Statement of Directors' Responsibilities on page 2 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 or 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 other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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.

THE COLTMAN MEDIA COMPANY LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE SHAREHOLDERS OF THE COLTMAN MEDIA COMPANY LIMITED

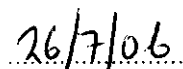
Opinion

In our opinion the financial statements:

- give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 April 2006 and of its profit for the year then ended; and
- the information given in the directors' report is consistent with the financial statements; and
- have been properly prepared in accordance with the Companies Act 1985.



Shelley Stock Hutter



Date

Chartered Accountants
Registered Auditor

1st Floor
7 - 10 Chandos Street
London
W1G 9DQ

THE COLTMAN MEDIA COMPANY LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 APRIL 2006

		2006	2005
	Notes	£	as restated £
Turnover	2	9,532,697	8,890,925
Cost of sales		(8,732,067)	(8,136,539)
Gross profit		800,630	754,386
Administrative expenses		(658,886)	(596,441)
Other operating income		27,000	27,000
Operating profit	3	168,744	184,945
Investment income	4	200	-
Other interest receivable and similar income	4	61,248	47,823
Profit on ordinary activities before taxation		230,192	232,768
Tax on profit on ordinary activities	5	(50,609)	(45,951)
Profit for the year	13	179,583	186,817

The profit and loss account has been prepared on the basis that all operations are continuing operations.

THE COLTMAN MEDIA COMPANY LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 30 APRIL 2006

		2006	2005
	Notes	£	as restated £
Profit for the financial year		179,583	186,817
Prior year adjustment	13&20	50,000	-
		<hr/>	<hr/>
Total gains and losses recognised since last financial statements		<u>229,583</u>	<u>186,817</u>

THE COLTMAN MEDIA COMPANY LIMITED

BALANCE SHEET AS AT 30 APRIL 2006

			2006	2005 as restated
	Notes	£	£	£
Fixed assets				
Tangible assets	7		-	23,547
Investments	8		-	2,800
				<u>26,347</u>
Current assets				
Debtors	9	1,672,387	1,711,903	
Cash at bank and in hand		1,720,548	1,188,055	
		<u>3,392,935</u>	<u>2,899,958</u>	
Creditors: amounts falling due within one year	10	(2,670,268)	(2,313,221)	
Net current assets			<u>722,667</u>	<u>586,737</u>
Total assets less current liabilities			<u><u>722,667</u></u>	<u><u>613,084</u></u>
Capital and reserves				
Called up share capital	12		10,000	10,000
Profit and loss account	13		712,667	603,084
Shareholders' funds	14		<u><u>722,667</u></u>	<u><u>613,084</u></u>

Approved by the Board and authorised for issue on 26/7/06


S J Coltman
Director

THE COLTMAN MEDIA COMPANY LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 APRIL 2006

	£	2006 £	£	2005 £
Net cash inflow/(outflow) from operating activities		722,725		(305,998)
Returns on investments and servicing of finance				
Interest received	58,010		47,110	
Net cash inflow for returns on investments and servicing of finance		58,010		47,110
Taxation		(45,951)		(47,062)
Capital expenditure and financial investment				
Payments to acquire tangible assets	(723)		(1,305)	
Receipts from sales of tangible assets	-		12,996	
Receipts from sales of investments	3,000		-	
Net cash inflow for capital expenditure		2,277		11,691
Equity dividends paid		(70,000)		(65,000)
Net cash inflow/(outflow) before management of liquid resources and financing		667,061		(359,259)
Increase/(decrease) in cash in the year		667,061		(359,259)

THE COLTMAN MEDIA COMPANY LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 30 APRIL 2006

1	Reconciliation of operating profit to net cash inflow/(outflow) from operating activities	2006 £	2005 £
	Operating profit	168,744	184,945
	Depreciation of tangible assets	24,269	12,717
	Profit on disposal of tangible assets	-	(1,541)
	Decrease/(increase) in debtors	42,754	(351,587)
	Increase/(decrease) in creditors within one year	486,958	(150,532)
	Net cash inflow/(outflow) from operating activities	722,725	(305,998)

2	Analysis of net funds	1 May 2005 £	Cash flow £	Other non-cash changes £	30 April 2006 £
	Net cash:				
	Cash at bank and in hand	1,188,055	532,493	-	1,720,548
	Bank overdrafts	(859,382)	134,568	-	(724,814)
		<u>328,673</u>	<u>667,061</u>	<u>-</u>	<u>995,734</u>
	Bank deposits	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Net funds	<u>328,673</u>	<u>667,061</u>	<u>-</u>	<u>995,734</u>

3	Reconciliation of net cash flow to movement in net funds	2006 £	2005 £
	Increase/(decrease) in cash in the year	667,061	(359,259)
	Movement in net funds in the year	667,061	(359,259)
	Opening net funds	328,673	687,932
	Closing net funds	995,734	328,673

4 Liquid resources

For the purposes of the cash flow statement, cash and liquid resources are defined as cash at bank and in hand.

THE COLTMAN MEDIA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2006

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Leasehold	Straight line over the period of the lease
Computer equipment	25% Straight line
Fixtures, fittings & equipment	20% Reducing balance
Motor vehicles	25% Reducing balance

1.4 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.5 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.6 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

1.7 Change in accounting policy for dividends

The company has revised its accounting policy regarding dividends declared as a result of FRS 21 - Events after the Balance Sheet Date. As a result of this, dividends are only recognised if they were declared and approved prior to the balance sheet date. This has caused the company to restate its comparatives, resulting in an increase in shareholders' interests of £50,000 as at 30 April 2005.

2 Turnover

Geographical market

	Turnover	
	2006	2005
	£	£
United Kingdom	7,944,929	7,468,377
EEC Countries	1,492,467	1,333,639
Non-EEC Countries	95,301	88,909
	<u>9,532,697</u>	<u>8,890,925</u>

THE COLTMAN MEDIA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2006

3	Operating profit	2006	2005
		£	£
	Operating profit is stated after charging:		
	Depreciation of tangible assets	24,269	12,717
	Operating lease rentals	64,939	60,971
	Auditors' remuneration	7,025	6,500
	and after crediting:		
	Profit on disposal of tangible assets	-	(1,541)
		<u> </u>	<u> </u>
4	Investment income	2006	2005
		£	£
	Income from fixed asset investments	200	-
	Bank interest	57,364	47,800
	Other interest	3,884	23
		<u> </u>	<u> </u>
		61,448	47,823
		<u> </u>	<u> </u>
5	Taxation	2006	2005
		£	£
	Domestic current year tax		
	U.K. corporation tax	50,609	45,951
		<u> </u>	<u> </u>
	Current tax charge	50,609	45,951
		<u> </u>	<u> </u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	230,192	232,768
		<u> </u>	<u> </u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 19.00% (2005 - 19.00%)	43,736	44,226
		<u> </u>	<u> </u>
	Effects of:		
	Non deductible expenses	3,117	2,885
	Depreciation add back	4,611	2,418
	Capital allowances	(817)	(3,285)
	Chargeable disposals	(38)	(293)
		<u> </u>	<u> </u>
		6,873	1,725
		<u> </u>	<u> </u>
	Current tax charge	50,609	45,951
		<u> </u>	<u> </u>

The company is a close company under the provisions of the Income and Corporation Taxes Act 1988.

THE COLTMAN MEDIA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2006

6	Dividends			2006 £	2005 £
	Ordinary interim paid			20,000	10,000
	Ordinary final paid			50,000	-
7	Tangible fixed assets				
		Land and buildings Leasehold £	Computer equipment £	Fixtures, fittings & equipment £	Total £
	Cost				
	At 1 May 2005	4,839	43,871	38,306	87,016
	Additions	-	723	-	723
	At 30 April 2006	4,839	44,594	38,306	87,739
	Depreciation				
	At 1 May 2005	2,330	37,071	24,068	63,469
	Charge for the year	2,509	7,523	14,238	24,270
	At 30 April 2006	4,839	44,594	38,306	87,739
	Net book value				
	At 30 April 2006	-	-	-	-
	At 30 April 2005	2,509	6,800	14,238	23,547

THE COLTMAN MEDIA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2006

8 Fixed asset investments

	Unlisted investments £
Cost	
At 1 May 2005	2,800
Disposals	(2,800)
	<hr/>
At 30 April 2006	-
Net book value	
At 30 April 2006	-
	<hr/>
At 30 April 2005	2,800
	<hr/>
	Directors' valuation £
At 30 April 2006	-
	<hr/>
At 30 April 2005	2,800
	<hr/>

9 Debtors	2006 £	2005 £
Trade debtors	1,609,651	1,607,561
Other debtors	34,642	70,564
Prepayments and accrued income	28,094	33,778
	<hr/>	<hr/>
	1,672,387	1,711,903
	<hr/>	<hr/>

THE COLTMAN MEDIA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2006

10 Creditors: amounts falling due within one year	2006	2005
	£	£
Bank loans and overdrafts	724,814	859,382
Trade creditors	1,113,443	742,488
Corporation tax	50,609	45,951
Other taxes and social security costs	9,671	11,207
Other creditors	3,487	2,835
Accruals and deferred income	768,244	651,358
	<u>2,670,268</u>	<u>2,313,221</u>
11 Pension costs		
Defined contribution		
	2006	2005
	£	£
Contributions payable by the company for the year	<u>11,430</u>	<u>12,113</u>
12 Share capital	2006	2005
	£	£
Authorised		
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>
Allotted, called up and fully paid		
10,000 Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>
13 Statement of movements on profit and loss account		Profit and loss account
		£
Balance at 1 May 2005 as previously reported		553,084
Prior year adjustment		50,000
Balance at 1 May 2005 as restated		<u>603,084</u>
Profit for the year		179,583
Dividends paid		(70,000)
Balance at 30 April 2006		<u>712,667</u>

THE COLTMAN MEDIA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2006

14 Reconciliation of movements in shareholders' funds	2006 £	2005 £
Profit for the financial year	179,583	186,817
Dividends	(70,000)	(10,000)
Net addition to shareholders' funds	109,583	176,817
Opening shareholders' funds	613,084	436,267
Closing shareholders' funds	722,667	613,084

Opening shareholders' funds were originally £563,084 before adding prior year adjustments of £50,000.

15 Financial commitments

At 30 April 2006 the company was committed to making the following payments under non-cancellable operating leases in the year to 30 April 2007:

	Land and buildings	
	2006 £	2005 £
Operating leases which expire:		
Between two and five years	-	67,746
16 Director's emoluments	2006 £	2005 £
Emoluments for qualifying services	101,985	126,668
Company pension contributions to money purchase schemes	7,830	7,713
	109,815	134,381

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 1 (2005 - 1).

17 Transactions with directors

During the year, S J Coltman repaid a loan of £11,500. The balance owed to the company at the year end was £nil (2005 - £11,500).

THE COLTMAN MEDIA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2006

18 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2006 Number	2005 Number
Administration	9	7

Employment costs

	2006 £	2005 £
Wages and salaries	328,489	319,600
Social security costs	37,939	39,503
Other pension costs	11,430	12,113
	377,858	371,216

19 Control

The company is controlled by the director, S J Coltman, and his wife, J A Coltman, who each hold 50% of the issued share capital.

20 Prior year adjustment

Due to the requirements of FRS 21 - Events after the Balance Sheet Date as described in note 1.7, the company has restated its comparatives. This has resulted in an increase in shareholders' funds as at 30 April 2005 by £50,000 from the previously reported £563,084 to the restated £613,084 as disclosed in the comparatives to the financial statements. The final proposed dividend of £50,000 as at 30 April 2005 has been reclassified as a final dividend paid in the year to 30 April 2006, please also see note 13 to the financial statements.