

MARKETING MATTERS LIMITED
ABBREVIATED ACCOUNTS
28TH FEBRUARY 2005



MARKETING MATTERS LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 28TH FEBRUARY 2005

CONTENTS	PAGES
Independent auditors' report to the company	1
Abbreviated balance sheet	2
Notes to the abbreviated accounts	3 to 5

MARKETING MATTERS LIMITED
INDEPENDENT AUDITORS' REPORT TO THE COMPANY
PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages 2 to 5, together with the financial statements of the company for the year ended 28th February 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 work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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 for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

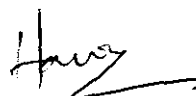
The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

BASIS OF OPINION

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered 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 financial statements.

OPINION

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (6) of the Act, and the abbreviated accounts on pages 2 to 5 are properly prepared in accordance with those provisions.



HARRISONS
Chartered Accountants
& Registered Auditors

4 Brackley Close
Bournemouth International Airport
Christchurch
Dorset
BH23 6SE

6th July 2005

MARKETING MATTERS LIMITED**ABBREVIATED BALANCE SHEET****28TH FEBRUARY 2005**

	Note	2005 £	2004 £
FIXED ASSETS	2		
Tangible assets		170,016	170,218
CURRENT ASSETS			
Stocks		38,232	69,716
Debtors		1,160,971	1,011,141
Cash at bank and in hand		69	173
		<u>1,199,272</u>	<u>1,081,030</u>
CREDITORS: Amounts falling due within one year	3	<u>1,106,443</u>	<u>1,072,522</u>
NET CURRENT ASSETS		<u>92,829</u>	<u>8,508</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>262,845</u>	<u>178,726</u>
CREDITORS: Amounts falling due after more than one year		27,911	-
PROVISIONS FOR LIABILITIES AND CHARGES		648	344
		<u>234,286</u>	<u>178,382</u>
CAPITAL AND RESERVES			
Called-up equity share capital	4	12,371	12,371
Other reserves		7,629	7,629
Profit and loss account		214,286	158,382
SHAREHOLDERS' FUNDS		<u>234,286</u>	<u>178,382</u>

These abbreviated accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These abbreviated accounts were approved by the directors on 6th July 2005 and are signed on their behalf by:

MR J P GEE



MARKETING MATTERS LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 28TH FEBRUARY 2005

1. ACCOUNTING POLICIES

Basis of accounting

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 is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

In the case of long term contracts, turnover however reflects the contract activity during the year and represents the proportion of the total contract value which costs incurred to date bear to total expected contract costs.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

During the previous year computers were reclassified as general or studio related. Computers purchased for the studio have been depreciated over 2 years to reflect the shorter estimated useful lives of these assets.

The rates applied are as follows:-

Motor vehicles - 4 years straight line
Studio computer equipment - 2 years straight line
Other computer equipment - 3 years straight line
Fixtures and fittings - 7 years straight line
Leasehold improvements - 5 years straight line

Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

Finance lease agreements

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated in accordance with the above depreciation policies. Future instalments under such leases, net of finance charges, are included with creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account on a straight line basis, and the capital element which reduces the outstanding obligation for future instalments.

MARKETING MATTERS LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 28TH FEBRUARY 2005

1. ACCOUNTING POLICIES *(continued)*

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

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:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

Provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable;

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.

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 of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

MARKETING MATTERS LIMITED
NOTES TO THE ABBREVIATED ACCOUNTS
YEAR ENDED 28TH FEBRUARY 2005

2. FIXED ASSETS

	Tangible Assets £
COST	
At 1st March 2004	523,870
Additions	102,458
Disposals	(53,067)
At 28th February 2005	<u><u>573,261</u></u>
DEPRECIATION	
At 1st March 2004	353,652
Charge for year	89,871
On disposals	(40,278)
At 28th February 2005	<u><u>403,245</u></u>
NET BOOK VALUE	
At 28th February 2005	<u><u>170,016</u></u>
At 29th February 2004	<u><u>170,218</u></u>

3. CREDITORS: Amounts falling due within one year

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	2005 £	2004 £
Bank loans and overdrafts	<u><u>267,567</u></u>	<u><u>237,148</u></u>

4. SHARE CAPITAL

Authorised share capital:

	2005 £	2004 £
50,000 Ordinary shares of £1 each	<u><u>50,000</u></u>	<u><u>50,000</u></u>

Allotted, called up and fully paid:

	2005 No	£	2004 No	£
Ordinary shares of £1 each	<u><u>12,371</u></u>	<u><u>12,371</u></u>	<u><u>12,371</u></u>	<u><u>12,371</u></u>

On 2 December 2003 the company purchased 875 £1 ordinary shares from Mr L T Edmonds for a consideration of £50,000.