



Aura Books Limited

Contents

	<i>page</i>
Directors' report	1
Balance sheet	2
Notes to the financial statements	3

Aura Books Limited

Company information

Directors	A Zoldan (US citizen) G Powell
------------------	-----------------------------------

Secretary	G Powell
------------------	----------

Company number	2858623
-----------------------	---------

Registered office	Unit B Bicester Park Charbridge Way Bicester Oxfordshire OX26 4ST
--------------------------	---

Aura Books Limited

Directors' report For the year ended 31 March 2005

The directors present their report and the financial statements for the year ended 31 March 2005.

Directors and their interests

The directors of the company during the year and to date are as set out below.

The directors' beneficial interests in the shares of the company were:

	Ordinary shares of £1 each	
	31 March 2005	31 March 2004
C C Tillinghast III (US citizen) Resigned 31 st October 2004	-	-
M Nicita (US citizen) Resigned 12 April 2004	-	-
A Zoldan (US citizen)	-	-
M Kidd Resigned 30 th September 2005	-	-
G Powell	-	-

No other directors held any interest in the share capital of the company during the year.

Principal activities and review of the business

From 1 August 1999 the company has not traded, made profits or losses, and has not incurred any liabilities. In the opinion of the directors the company has become dormant.

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

Approved by the board on
and signed on its behalf by



G Powell
Director

Aura Books Limited

Balance sheet As at 31 March 2005

		31 March 2005 £	31 March 2004 £
	Notes		
Current assets			
Debtors	2	533,496	533,496
Total assets less current liabilities		<u>533,496</u>	<u>533,496</u>
Capital and reserves			
Called up share capital	3	428,922	428,922
Profit and loss account	4	104,574	104,574
Shareholders' funds		<u></u>	<u></u>
– equity interests	5	<u>533,496</u>	<u>533,496</u>

In preparing these financial statements:

- a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- b) No notice has been deposited under Section 249B(2) of the Companies Act 1985; and
- c) The directors acknowledge their responsibilities for:
 - i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, 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.

Approved by the Board on
and signed on its behalf by



G Powell
Director

Aura Books Limited

Notes to the financial statements For the year ended 31 March 2005

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

The accounts have been prepared in accordance with applicable accounting standards.

2 Debtors

	31 March 2005 £	31 March 2004 £
Amounts owed by group undertakings and undertakings in which the company has a participating interest	533,496	533,496

3 Share capital

	31 March 2005 £	31 March 2004 £
Authorised: 500,000 Ordinary shares of £1 each	500,000	500,000
Allotted, called up and fully paid: 428,922 ordinary shares of £1 each	428,922	428,922

4 Statement of movements on reserves

	Profit and loss account £
Balance at 31 March 2004 and 31 March 2005	104,574

5 Reconciliation of movements in shareholders' funds

	31 March 2005 £	31 March 2004 £
Opening and closing shareholders' funds	533,496	533,496

**Notes to the financial statements
For the year ended 31 March 2005**

6 Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.

7 Control

The immediate parent company is Advanced Marketing (Europe) Limited, a company registered in England and Wales. The ultimate parent company is Advanced Marketing Services Inc, a company registered in the USA. The consolidated accounts of Advanced Marketing Services Inc. are available to the public and may be obtained from Advanced Marketing Services Inc. 5880 Oberlin Drive, Suite 400, San Diego, California 92121.