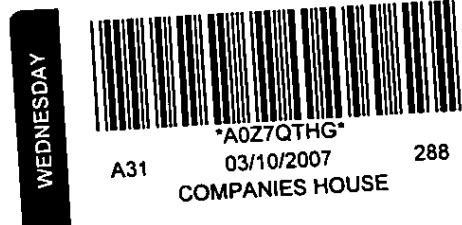


Registered number
4952157

Multicultural and Ethnic Media Sales Ltd

Report and Unaudited Accounts

31 December 2006



Multicultural and Ethnic Media Sales Ltd

Directors' Report

The directors present their report and accounts for the year ended 31 December 2006

Principal activities

The company's principal activity during the year continued to be that of digital media sales

Directors

The directors who served during the year and their interests in the share capital of the company were as follows

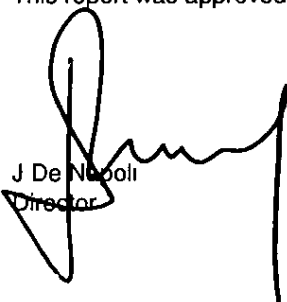
| | £1 Ordinary shares | |
|-------------|--------------------|------------|
| | 31 Dec 2006 | 1 Jan 2006 |
| J De Napoli | 50 | 50 |
| E Tinsley | 25 | 25 |

Small company special provisions

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

This report was approved by the board on

20/9/07


J De Napoli
Director

Multicultural and Ethnic Media Sales Ltd
Chartered Accountants' Report

Chartered Accountants' Report to the Board of Directors
on the unaudited accounts of Multicultural and Ethnic Media Sales Ltd

In accordance with the engagement letter dated 9 August 2006, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the accounts of the company 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 accounts 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 and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of accounts.

You have acknowledged on the balance sheet as at 31 December 2006 your duty to ensure that the company has kept proper accounting records and to prepare accounts 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 accounts. 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 accounts.



A-spire Business Partners
Chartered Accountants & Registered Auditors

32 Byron Hill Road
Harrow on the Hill
Middlesex
HA2 0HY

2 October 2007

Multicultural and Ethnic Media Sales Ltd
Profit and Loss Account
for the year ended 31 December 2006

| | Notes | 2006 £ | 2005 £ |
|--|--------------|-------------------------|-------------------------|
| Turnover | | 703,965 | 668,171 |
| Cost of sales | | (593,838) | (571,801) |
| Gross profit | | <u>110,127</u> | <u>96,370</u> |
| Administrative expenses | | (100,265) | (87,049) |
| Other operating income | | 250 | - |
| Operating profit | | <u>10,112</u> | <u>9,321</u> |
| Interest receivable | | 1,247 | 703 |
| Interest payable | 2 | (10) | - |
| Profit on ordinary activities before taxation | | <u>11,349</u> | <u>10,024</u> |
| Tax on profit on ordinary activities | 3 | (2,310) | (2,012) |
| Profit for the financial year | | <u>9,039</u> | <u>8,012</u> |

Multicultural and Ethnic Media Sales Ltd
Balance Sheet
as at 31 December 2006

| | Notes | 2006 £ | 2005 £ |
|---|-------|---------------|---------------|
| Current assets | | | |
| Debtors | 4 | 222,069 | 235,905 |
| Cash at bank and in hand | | <u>59,021</u> | <u>82,311</u> |
| | | 281,090 | 318,216 |
| Creditors, amounts falling due within one year | 5 | (280,866) | (318,031) |
| Net current assets | | <u>224</u> | <u>185</u> |
| Net assets | | <u>224</u> | <u>185</u> |
| Capital and reserves | | | |
| Called up share capital | 6 | 100 | 100 |
| Profit and loss account | 7 | 124 | 85 |
| Shareholders' funds | | <u>224</u> | <u>185</u> |

The directors are satisfied that the company is entitled to exemption under Section 249A(1) of the Companies Act 1985 and that no member or members have requested an audit pursuant to section 249B(2) of the Act

The directors acknowledge their responsibilities for

- (i) ensuring that the company keeps proper 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 of the Companies Act 1985, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company

The accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985

J De Napoli
Director

Approved by the board on

20/9/07

Multicultural and Ethnic Media Sales Ltd
Notes to the Accounts
for the year ended 31 December 2006

1 Accounting policies

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

Turnover

Turnover represents the invoiced value of goods and services supplied by the company, net of value added tax and trade discounts

| | | |
|---|-------------|-------------|
| 2 Interest payable | 2006 | 2005 |
| | £ | £ |
| Interest payable | 10 | - |
| | <hr/> | <hr/> |
| 3 Taxation | 2006 | 2005 |
| | £ | £ |
| UK corporation tax | 2,310 | 2,012 |
| | <hr/> | <hr/> |
| 4 Debtors | 2006 | 2005 |
| | £ | £ |
| Trade debtors | 221,719 | 234,021 |
| Other debtors | 350 | 1,884 |
| | <hr/> | <hr/> |
| | 222,069 | 235,905 |
| | <hr/> | <hr/> |
| 5 Creditors, amounts falling due within one year | 2006 | 2005 |
| | £ | £ |
| Trade creditors | 255,835 | 293,963 |
| Corporation tax | 2,310 | 2,012 |
| Other taxes and social security costs | 4,998 | 10,089 |
| Other creditors | 17,723 | 11,967 |
| | <hr/> | <hr/> |
| | 280,866 | 318,031 |
| | <hr/> | <hr/> |
| 6 Share capital | 2006 | 2005 |
| | £ | £ |
| Authorised | | |
| Ordinary shares of £1 each | 1,000 | 1,000 |
| | <hr/> | <hr/> |
| | 2006 | 2005 |
| | No | No |
| 2006 | | |
| 2005 | | |
| Allotted, called up and fully paid | | |
| Ordinary shares of £1 each | 100 | 100 |
| | <hr/> | <hr/> |

Multicultural and Ethnic Media Sales Ltd
Notes to the Accounts
for the year ended 31 December 2006

| 7 Profit and loss account | 2006 | 2005 |
|----------------------------------|-------------|-------------|
| | £ | £ |
| At 1 January | 85 | 73 |
| Profit for the year | 9,039 | 8,012 |
| Dividends | (9,000) | (8,000) |
| | <hr/> | <hr/> |
| At 31 December | 124 | 85 |

| 8 Dividends | 2006 | 2005 |
|---|-------------|-------------|
| | £ | £ |
| Dividends for which the company became liable during the year | | |
| Dividends paid | <hr/> 9,000 | <hr/> 8,000 |

9 Transactions with directors

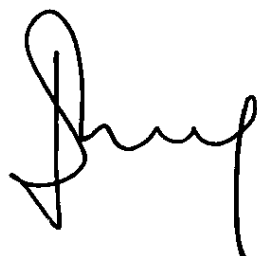
Included within other creditors is £4,500 owed to J De Napoli, and £2,250 owed to E Tinsley, directors of the company

10 Related parties

During the year the company traded with Digital Media Sales (UK) Limited, a company in which J De Napoli is the sole shareholder and director. The company also traded with TMH Limited, a company in which E Tinsley is a director. The transactions during the year with DMS (UK) Ltd totalled £21,000 for service charges. The ledger account balance at the year end is £623 debit. At the year end, included within other creditors is £6,038 owed to DMS(UK) Limited by the company. The transactions during the year with TMH Limited totalled £123,287 sales and £68,935 credit notes. The ledger balance at the end of the year shows £20,538 owed by TMH Ltd to MEMS Ltd.

11 Controlling party

As a result of the distribution of shares, there is no overall controlling party.

 20/9/07