

REGISTERED NUMBER: 2935835 (England and Wales)

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2003
FOR
MAN BYTES DOG LIMITED**

Wellers
Accountants
Stuart House
55 Catherine Place
London
SW1E 6DY



MAN BYTES DOG LIMITED

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for the Year Ended 30 June 2003

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MAN BYTES DOG LIMITED
COMPANY INFORMATION
for the Year Ended 30 June 2003

DIRECTORS:	J R Young P Moss W Carley
SECRETARY:	J R Young
REGISTERED OFFICE:	52 Upper Brook Street Mayfair London W1K 2BU
REGISTERED NUMBER:	2935835 (England and Wales)
ACCOUNTANTS:	Wellers Accountants Stuart House 55 Catherine Place London SW1E 6DY

MAN BYTES DOG LIMITED

**REPORT OF THE DIRECTORS
for the Year Ended 30 June 2003**

The directors present their report with the financial statements of the company for the year ended 30 June 2003.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of selling and installing electronic equipment and providing related consultancy services.

DIRECTORS

The directors during the year under review were:

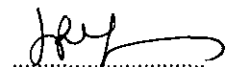
J R Young	
J C Morris	- resigned 19.6.03
P Moss	- appointed 19.6.03
W Carley	- appointed 19.6.03

The beneficial interests of the directors holding office on 30 June 2003 in the issued share capital of the company were as follows:

	30.6.03	1.7.02 or date of appointment if later
Ordinary A Shares £0.01 shares		
J R Young	6,000	40
P Moss	2,000	2,000
W Carley	500	500
Ordinary B Shares £0.01 shares		
J R Young	6,000	51
P Moss	2,000	2,000
W Carley	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:



J R Young - DIRECTOR

Dated: 26.04.2004

MAN BYTES DOG LIMITED

**PROFIT AND LOSS ACCOUNT
for the Year Ended 30 June 2003**

		<u>2003</u>	<u>2002</u>
	Notes	£	£
TURNOVER		262,509	375,824
Cost of sales		<u>128,352</u>	<u>182,928</u>
GROSS PROFIT		134,157	192,896
Administrative expenses		<u>280,337</u>	<u>265,151</u>
		(146,180)	(72,255)
Other operating income		<u>35,061</u>	<u>8,025</u>
OPERATING LOSS	2	(111,119)	(64,230)
Interest receivable and similar income		<u>161</u>	-
		(110,958)	(64,230)
Interest payable and similar charges		<u>16,717</u>	<u>7,536</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(127,675)	(71,766)
Tax on loss on ordinary activities	3	-	<u>(1,017)</u>
LOSS FOR THE FINANCIAL YEAR AFTER TAXATION		(127,675)	(70,749)
(Deficit)/Retained profit brought forward		<u>(57,742)</u>	<u>13,007</u>
DEFICIT CARRIED FORWARD		<u>£(185,417)</u>	<u>£(57,742)</u>

The notes form part of these financial statements

MAN BYTES DOG LIMITED

BALANCE SHEET
30 June 2003

		<u>2003</u>		<u>2002</u>	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	4		27,775		11,593
CURRENT ASSETS:					
Debtors	5	92,126		104,760	
Cash at bank		<u>1</u>		<u>1</u>	
		92,127		104,761	
CREDITORS: Amounts falling due within one year	6	<u>152,628</u>		<u>173,905</u>	
NET CURRENT LIABILITIES:			<u>(60,501)</u>		<u>(69,144)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			(32,726)		(57,551)
CREDITORS: Amounts falling due after more than one year	7		<u>117,500</u>		<u>-</u>
			<u>£(150,226)</u>		<u>£(57,551)</u>
CAPITAL AND RESERVES:					
Called up share capital	8		216		191
Share premium	9		34,975		-
Profit and loss account			<u>(185,417)</u>		<u>(57,742)</u>
SHAREHOLDERS' FUNDS:			<u>£(150,226)</u>		<u>£(57,551)</u>

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 30 June 2003.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 June 2003 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.

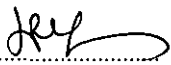
The notes form part of these financial statements

MAN BYTES DOG LIMITED

BALANCE SHEET
30 June 2003

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:


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J R Young - DIRECTOR

Approved by the Board on 26.11.2003

The notes form part of these financial statements

MAN BYTES DOG LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 30 June 2003

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.

Plant and machinery	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 33% on reducing balance

Deferred tax

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

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

Going Concern

At the balance sheet date, liabilities exceeded assets by £150,226. However, the directors are willing to support the business and are satisfied that the accounts have been properly prepared on a going concern basis.

2. OPERATING LOSS

The operating loss is stated after charging:

	2003 £	2002 £
Depreciation - owned assets	12,390	3,865
Pension costs	<u>5,900</u>	<u>6,637</u>
Directors' emoluments and other benefits etc	<u>35,000</u>	<u>34,583</u>

3. TAXATION

Analysis of the tax credit

The tax credit on the loss on ordinary activities for the year was as follows:

	2003 £	2002 £
Current tax:		
UK corporation tax	-	(1,017)
Tax on loss on ordinary activities	<u>-</u>	<u>(1,017)</u>

MAN BYTES DOG LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 30 June 2003**

4. TANGIBLE FIXED ASSETS

	<u>Plant and machinery</u>	<u>Motor vehicles</u>	<u>Computer equipment</u>	<u>Totals</u>
	£	£	£	£
COST:				
At 1 July 2002	19,043	9,850	-	28,893
Additions	<u>390</u>	<u>-</u>	<u>28,181</u>	<u>28,571</u>
At 30 June 2003	<u>19,433</u>	<u>9,850</u>	<u>28,181</u>	<u>57,464</u>
DEPRECIATION:				
At 1 July 2002	12,990	4,309	-	17,299
Charge for year	<u>1,611</u>	<u>1,385</u>	<u>9,394</u>	<u>12,390</u>
At 30 June 2003	<u>14,601</u>	<u>5,694</u>	<u>9,394</u>	<u>29,689</u>
NET BOOK VALUE:				
At 30 June 2003	<u>4,832</u>	<u>4,156</u>	<u>18,787</u>	<u>27,775</u>
At 30 June 2002	<u>6,053</u>	<u>5,540</u>	<u>-</u>	<u>11,593</u>

**5. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2003	2002
	£	£
Trade debtors	58,169	88,462
Other debtors	6,808	7,508
Prepayments	1,016	-
Directors current accounts	4,686	4,686
Owed by Related Companies	-	4,104
R & D tax credit	<u>21,447</u>	<u>-</u>
	<u>92,126</u>	<u>104,760</u>

**6. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2003	2002
	£	£
Bank loans and overdrafts	103,015	68,105
Trade creditors	16,777	90,728
Other creditors	1,807	8,810
Value added tax	1,397	5,087
Social security & other taxes	16,332	-
Taxation	-	(1,025)
Accrued expenses	<u>13,300</u>	<u>2,200</u>
	<u>152,628</u>	<u>173,905</u>

MAN BYTES DOG LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 30 June 2003**

**7. CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR**

	2003	2002
	£	£
Bank loans	<u>117,500</u>	<u>-</u>

8. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	2003	2002
			£	£
100,000 (2002 - 1,000)	Ordinary A Shares	£0.01	1,000	1,000
100,000 (2002 - 1,000)	Ordinary B Shares	£0.01	1,000	1,000
			<u>2,000</u>	<u>2,000</u>

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2003	2002
			£	£
10,777 (2002 - 100) (2002 - 91)	Ordinary A Shares	£0.01	216	191
			<u>216</u>	<u>191</u>

The following fully paid shares were allotted during the year at a premium as shown below:

777 Ordinary A Shares of £0.01 each at £22.51 per share
777 Ordinary B Shares of £0.01 each at £22.51 per share

9. SHARE PREMIUM

	2003	2002
	£	£
Share premium on ordinary shares issued	<u>34,975</u>	<u>-</u>

10. ULTIMATE CONTROLLING PARTY

The ultimate controlling party are the directors.

MAN BYTES DOG LIMITED

**REPORT OF THE ACCOUNTANTS TO THE DIRECTORS OF
MAN BYTES DOG LIMITED**

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 30 June 2003 set out on pages three to eight and you consider that the company is exempt from an audit.

In accordance with your instructions, we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.



Wellers
Accountants
Stuart House
55 Catherine Place
London
SW1E 6DY

Dated: 27 April 2004