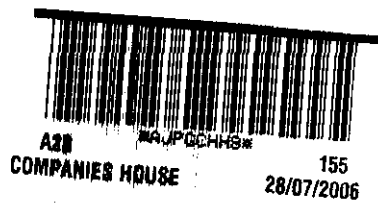


Company Registration No. 04433833 (England and Wales)

MDC PUBLISHING LIMITED
DIRECTORS' REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2005



MDC PUBLISHING LIMITED

COMPANY INFORMATION

Directors

N Evans
SL Doughty

Secretary

SL Doughty

Company number

04433833

Registered office

City Arms House
127 London Road
Stone
Dartford
Kent
DA2 6BH

Accountants

Winter & Co
Melbury House, 34 Southborough Road,
Bromley
Kent
BR1 2EB

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DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2005

The directors present their report and financial statements for the year ended 30 September 2005.

Principal activities

The principal activity of the company continued to be that of the production and sale of educational material. On 1st June 2004 a special resolution was passed to change the name of Miss Dorothy.Com Publishing Company Limited to MDC Publishing Limited.

Directors

The following directors have held office since 1 October 2004:

N Evans
SL Doughty
A Wills

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Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	30 September 2005	1 October 2004
SL Doughty	500	500
N Evans	500	500
Charitable donations	2005	2004
	£	£
During the year the company made the following payments:		
Charitable donations	-	470
	<u> </u>	<u> </u>

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DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2005

Directors' responsibilities

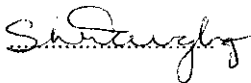
Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- 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.

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



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MDC PUBLISHING LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2005

		2005 £	2004 £
Turnover		573,431	535,499
Cost of sales		(134,153)	(193,347)
Gross profit		439,278	342,152
Administrative expenses		(364,330)	(517,836)
Operating profit/(loss)	2	74,948	(175,684)
Interest payable and similar charges		(2,982)	(522)
Profit/(loss) on ordinary activities before taxation		71,966	(176,206)
Tax on profit/(loss) on ordinary activities	3	-	1,377
Profit/(loss) on ordinary activities after taxation	9	71,966	(174,829)

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BALANCE SHEET AS AT 30 SEPTEMBER 2005

	Notes	2005 £	£	2004 £	£
Fixed assets					
Tangible assets	4		20,074		25,044
Current assets					
Stocks		40,277		23,676	
Debtors	5	23,860		26,918	
Cash at bank and in hand		253		70,091	
		<u>64,390</u>		<u>120,685</u>	
Creditors: amounts falling due within one year	6	<u>(172,692)</u>		<u>(304,482)</u>	
Net current liabilities			<u>(108,302)</u>		<u>(183,797)</u>
Total assets less current liabilities			<u>(88,228)</u>		<u>(158,753)</u>
Creditors: amounts falling due after more than one year	7		<u>(464)</u>		<u>(1,905)</u>
			<u>(88,692)</u>		<u>(160,658)</u>
Capital and reserves					
Called up share capital	8		1		1
Profit and loss account	9		(88,693)		(160,659)
Shareholders' funds			<u>(88,692)</u>		<u>(160,658)</u>

MDC PUBLISHING LIMITED

BALANCE SHEET (CONTINUED) AS AT 30 SEPTEMBER 2005

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 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The financial statements were approved by the Board on

Neil Evans

Director

MDC PUBLISHING LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2005

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts. Sponsorship income is accounted for on a received basis.

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:

Fixtures, fittings & equipment	20% of net book value
Motor vehicles	25% of net book down value

2	Operating profit/(loss)	2005	2004
		£	£
	Operating profit/(loss) is stated after charging:		
	Depreciation of tangible assets	5,860	8,438
	Directors' emoluments	132,750	212,867
		<u>138,610</u>	<u>221,305</u>
3	Taxation	2005	2004
		£	£
	Domestic current year tax		
	U.K. corporation tax	-	(1,117)
	Current tax charge	-	(1,117)
	Deferred tax		
	Deferred tax charge credit current year	-	(260)
		-	(1,377)

MDC PUBLISHING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2005

4 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 1 October 2004	33,807
Additions	890
	<hr/>
At 30 September 2005	34,697
	<hr/>
Depreciation	
At 1 October 2004	8,763
Charge for the year	5,860
	<hr/>
At 30 September 2005	14,623
	<hr/>
Net book value	
At 30 September 2005	20,074
	<hr/> <hr/>
At 30 September 2004	25,044
	<hr/> <hr/>

The net book value of tangible fixed assets includes £4,500 (2004 - £6,000) in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £1,500 (2004 - £2,000) for the year.

5 Debtors	2005	2004
	£	£
Trade debtors	20,207	8,680
Other debtors	3,653	18,238
	<hr/>	<hr/>
	23,860	26,918
	<hr/> <hr/>	<hr/> <hr/>

MDC PUBLISHING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2005

6	Creditors: amounts falling due within one year	2005	2004
		£	£
	Bank loans and overdrafts	27,848	-
	Net obligations under hire purchase contracts	1,982	1,982
	Trade creditors	70,552	236,309
	Taxation and social security	17,835	11,539
	Other creditors	54,475	54,652
		<u>172,692</u>	<u>304,482</u>
7	Creditors: amounts falling due after more than one year	2005	2004
		£	£
	Net obligations under hire purchase contracts	464	1,905
		<u>464</u>	<u>1,905</u>
8	Share capital	2005	2004
		£	£
	Authorised		
	50,000 Ordinary shares of £1 each	50,000	50,000
		<u>50,000</u>	<u>50,000</u>
	Allotted, called up and fully paid		
	1 Ordinary shares of £1 each	1	1
		<u>1</u>	<u>1</u>
9	Statement of movements on profit and loss account		Profit and loss account
			£
	Balance at 1 October 2004		(160,659)
	Retained profit for the year		71,966
			<u>(88,693)</u>
	Balance at 30 September 2005		<u>(88,693)</u>

MDC PUBLISHING LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2005

10 Financial commitments

At 30 September 2005 the company was committed to making the following payments under non-cancellable operating leases in the year to 30 September 2006:

	2005	2004
	£	£
Operating leases which expire:		
Within one year	1,157	6,708
Between two and five years	1,735	2,891
	<u>2,892</u>	<u>9,599</u>

11 Control

The ultimate controlling party are the Directors S Doughty and N Evans.