

Abbreviated Accounts
for the period
24 January 2003 to 30 September 2003
for
M8 Group Limited



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for the period 24 January 2003 to 30 September 2003**

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M8 Group Limited

Company Information

for the period 24 January 2003 to 30 September 2003

DIRECTORS:

L Jensen
K Hague
J. McFarlane

SECRETARY:

L Jensen

REGISTERED OFFICE:

Unit 10, Lindsay Square
Deans Industrial Estate
LIVINGSTON
West Lothian
EH54 8RL

REGISTERED NUMBER:

SC242849 (Scotland)

**Report of the Independent Auditors to
M8 Group Limited
Under Section 247B of the Companies Act 1985**

We have examined the abbreviated accounts on pages three to six, together with the full financial statements of the company for the period ended 30 September 2003 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 work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and 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 to 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 full 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 Companies Act 1985, and the abbreviated accounts on pages three to six are properly prepared in accordance with those provisions.



The Glen Drummond Practice
Chartered Accountants and Registered Auditor
Argyll House
Quarrywood Court
Livingston
West Lothian
EH54 6AX

21 July 2004

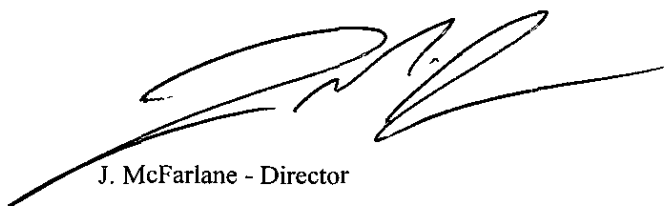
M8 Group Limited

**Abbreviated Balance Sheet
30 September 2003**

	Notes	£	£
FIXED ASSETS			
Investments	2		10,000
CURRENT ASSETS			
Debtors		1,070,962	
Cash at bank		126	
		<u>1,071,088</u>	
CREDITORS			
Amounts falling due within one year	3	<u>726,857</u>	
NET CURRENT ASSETS			<u>344,231</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			354,231
CREDITORS			
Amounts falling due after more than one year	3		<u>116,667</u>
			<u>237,564</u>
CAPITAL AND RESERVES			
Called up share capital	4		11,667
Share premium			498,343
Profit and loss account			<u>(272,446)</u>
SHAREHOLDERS' FUNDS			<u>237,564</u>

These abbreviated accounts have 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. McFarlane - Director

Approved by the Board on 21 July 2004

The notes form part of these abbreviated accounts

Notes to the Abbreviated Accounts
for the period 24 January 2003 to 30 September 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).

Exemption from preparing consolidated financial statements

The financial statements contain information about M8 Group Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 248 of the Companies Act 1985 from the requirements to prepare consolidated financial statements.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Deferred tax

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

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account as incurred.

Pensions

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

2. FIXED ASSET INVESTMENTS

	Unlisted investments £
COST	
Additions	10,000
	<hr/>
At 30 September 2003	10,000
	<hr/>
NET BOOK VALUE	
At 30 September 2003	10,000
	<hr/> <hr/>

The company's investments at the balance sheet date in the share capital of companies include the following:

PetPlanet.co.uk Ltd

Nature of business: retail of pet supplies.

	%	
Class of shares:	holding	
Ordinary	100.00	
		£
Aggregate capital and reserves		220,930
Profit for the period		220,830
		<hr/> <hr/>

ThinkNatural.com ltd

Nature of business: retail of natural health products.

	%	
Class of shares:	holding	
Ordinary	100.00	
		£
Aggregate capital and reserves		30,970
Profit for the period		5,505
		<hr/> <hr/>

Notes to the Abbreviated Accounts - continued
for the period 24 January 2003 to 30 September 2003

2. **FIXED ASSET INVESTMENTS - continued**

Greenfingers Trading Ltd

Nature of business: retail of gardening products

Class of shares:	%	
Ordinary	holding	
	100.00	
Aggregate capital and reserves		£ (154,142)
Loss for the period		£ (192,302)
		<u>£</u>

3. **CREDITORS**

The following secured debts are included within creditors:

Bank overdraft	£
	<u>71,821</u>

4. **CALLED UP SHARE CAPITAL**

Authorised:			
Number:	Class:	Nominal value:	£
1,000,000	Ordinary shares	10p	100,000
			<u>£</u>

Allotted, issued and fully paid:			
Number:	Class:	Nominal value:	£
116,667	Ordinary shares	10p	11,667
			<u>£</u>

The following shares were allotted and fully paid for cash at par during the period:

116,667 Ordinary shares shares of 10p each

During the year 116,667 ordinary shares of 10 pence were issued. 100,000 were issued in exchange for other equity shares.

16,667 were issued for cash at a premium of £29.90 per share.

5. **TRANSACTIONS WITH DIRECTORS**

J McFarlane, director, has advanced £133,010 and Kevin Hague, director, has advanced £376,000 to the company. There is no interest due and no fixed repayment terms,

M8 Group Limited

Notes to the Abbreviated Accounts - continued for the period 24 January 2003 to 30 September 2003

6. RELATED PARTY DISCLOSURES

M8 Group has given Cross Letters of Guarantee for its subsidiaries PetPlanet.co.uk Ltd, ThinkNatural.com Ltd and Greenfingers Trading Ltd. There was no liability at the year end.

At the year end the following amounts were due to M8 Group:

PetPlanet.co.uk Ltd	£608,892
Greenfingers Trading Ltd	£98,484
ThinkNatural.com Ltd	£107,991

M8 Group Ltd also provided consultancy/management services to the following companies:

Endura Ltd	£65,500
Calico Ltd	£90,000
ThinkNatural.com Ltd	£10,000

It also purchased services from Calico during the year for £26,395.

These amounts are still outstanding at the year end.

J McFarlane is also a director and major shareholder of Endura Ltd and Kevin Hague and Luke Jensen are directors and major shareholders of Calico Ltd.