

REGISTERED NUMBER: SC242849 (Scotland)

Audited Abbreviated Accounts
for the year ended 30 September 2005

for

M8 Group Limited



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COMPANIES HOUSE 14/06/06

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for the year ended 30 September 2005**

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M8 Group Limited

**Company Information
for the year ended 30 September 2005**

DIRECTORS: L Jensen
K Hague
J. McFarlane

SECRETARY: K Hague

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

REGISTERED NUMBER: SC242849 (Scotland)

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

**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 seven, together with the full financial statements of the company for the year ended 30 September 2005 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

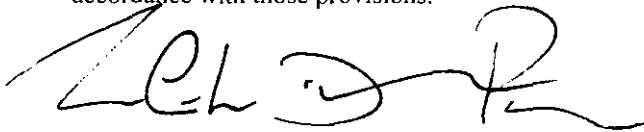
The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Sections 246(5) and (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 seven 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

24 May 2006

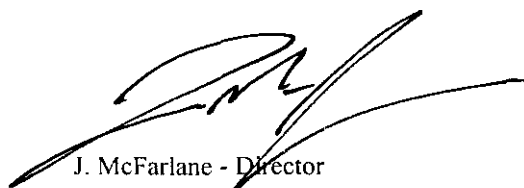
M8 Group Limited

**Abbreviated Balance Sheet
30 September 2005**

		2005		2004	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	2		20,294		9,138
Investments	3		10,000		10,000
			<u>30,294</u>		<u>19,138</u>
CURRENT ASSETS					
Debtors		796,228		1,178,786	
Cash at bank		132		130	
		<u>796,360</u>		<u>1,178,916</u>	
CREDITORS					
Amounts falling due within one year	4	642,834		1,032,425	
			<u>153,526</u>		<u>146,491</u>
NET CURRENT ASSETS					
			<u>183,820</u>		<u>165,629</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
CREDITORS					
Amounts falling due after more than one year	4		105,248		134,431
			<u>78,572</u>		<u>31,198</u>
CAPITAL AND RESERVES					
Called up share capital	5		11,667		11,667
Share premium			498,343		498,343
Profit and loss account			(431,438)		(478,812)
			<u>78,572</u>		<u>31,198</u>
SHAREHOLDERS' FUNDS					

These abbreviated accounts 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:



J. McFarlane - Director

Approved by the Board on 24 May 2006

The notes form part of these abbreviated accounts

M8 Group Limited

Notes to the Abbreviated Accounts for the year ended 30 September 2005

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The directors believe that the Group as a whole has adequate resources to continue in operation for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the accounts.

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 services, 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 etc	- 33% on reducing balance, 25% on reducing balance, 20% on cost and not provided
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Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

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

2. TANGIBLE FIXED ASSETS

	Total £
COST	
At 1 October 2004	9,588
Additions	17,525
	<hr/>
At 30 September 2005	27,113
	<hr/>
DEPRECIATION	
At 1 October 2004	450
Charge for year	6,369
	<hr/>
At 30 September 2005	6,819
	<hr/>
NET BOOK VALUE	
At 30 September 2005	20,294
	<hr/> <hr/>
At 30 September 2004	9,138
	<hr/> <hr/>

M8 Group Limited

**Notes to the Abbreviated Accounts - continued
for the year ended 30 September 2005**

3. FIXED ASSET INVESTMENTS

	Unlisted investments £
COST	
At 1 October 2004 and 30 September 2005	<u>10,000</u>
NET BOOK VALUE	
At 30 September 2005	<u>10,000</u>
At 30 September 2004	<u>10,000</u>

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		
		2005	2004
		£	£
Aggregate capital and reserves		504,157	366,486
Profit for the year		<u>137,671</u>	<u>45,322</u>

Chromespire Limited

Nature of business: retail of natural health products.

	%		
Class of shares:	holding		
Ordinary	100.00		
		2005	2004
		£	£
Aggregate capital and reserves		31,479	31,509
(Loss)/Profit for the year		<u>(30)</u>	<u>539</u>

Greenfingers Trading Ltd

Nature of business: retail of gardening products

	%		
Class of shares:	holding		
Ordinary	100.00		
		2005	2004
		£	£
Aggregate capital and reserves		173,452	31,826
Profit for the year		<u>141,626</u>	<u>185,968</u>

4. CREDITORS

The following secured debts are included within creditors:

	2005	2004
	£	£
Bank overdrafts	<u>372,827</u>	<u>586,251</u>

Notes to the Abbreviated Accounts - continued
for the year ended 30 September 2005

4. CREDITORS - continued

Creditors include the following debts falling due in more than five years:

	2005 £	2004 £
Repayable otherwise than by instalments		
Other loans more 5yrs non-inst	<u>116,667</u>	<u>116,667</u>

5. CALLED UP SHARE CAPITAL

Authorised:			2005	2004
Number:	Class:	Nominal value:	£	£
1,000,000	Ordinary	10p	<u>100,000</u>	<u>100,000</u>

Allotted, issued and fully paid:			2005	2004
Number:	Class:	Nominal value:	£	£
116,667	Ordinary	10p	<u>11,667</u>	<u>11,667</u>

6. TRANSACTIONS WITH DIRECTORS

J McFarlane, director, has advanced £NIL (2004 £59,213) and Kevin Hague, director, has advanced £176,671 (2004 £171,710) to the company. There is no interest due and no fixed repayment terms,

J McFarlane has also advanced a further £33,166 to the company repayable on 31 December 2004 on which interest is charged at 5% per annum. This remains unpaid at 30 September 2005. Interest of £4,572 (2004 £2,914) remains unpaid at the year end.

M8 Group Limited

Notes to the Abbreviated Accounts - continued for the year ended 30 September 2005

7. RELATED PARTY DISCLOSURES

M8 Group Ltd has provided cross letters of guarantee for the overdrafts of the other group companies, PetPlanet.co.uk Ltd, Greenfingers Trading Limited and Chromespire Limited. The group overdraft at the year end was £108,135.

Management charges of £335,000 and £265,000 charged to the subsidiary companies Petplanet.co.uk Limited and Greenfingers Limited respectively.

Purchase transactions from Petplanet.co.uk amounted to £63,596.

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

PetPlanet.co.uk Ltd £464,106 (2004 £679,981)

Greenfingers Trading Ltd £297,311 (2004 £178,035)

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

Chromespire Limited £2,291 (2004 £150,350 due to M8 group)

M8 Group Ltd also provided consultancy/management services as follows:

Calico Publishing Ltd £ NIL (2004 £65,106)

The balance outstanding at the year end from this company is £500 (2004 £500).

Kevin Hague (director), is a director and major shareholder of Calico Publishing Ltd.