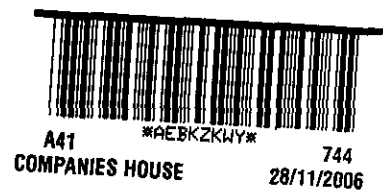


COMPANY NUMBER:
4048769 (ENGLAND & WALES)

PHONES 2 U DIRECT.CO.UK LIMITED
ABBREVIATED STATUTORY FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2006

CKR
CHARTERED CERTIFIED ACCOUNTANTS
74-76 WEST STREET
ERITH
KENT
DA8 1AF



PHONES 2 U DIRECT.CO.UK LIMITED
REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2006

CONTENTS

	Page
Balance Sheet	1
Notes	2

PHONES 2 U DIRECT.CO.UK LIMITED

ABBREVIATED BALANCE SHEET

AT 31 JANUARY 2006

	Note	2006		2005	
		£	£	£	£
FIXED ASSETS					
Tangible Assets	2		45,804		49,245
CURRENT ASSETS					
Stocks		45,963		48,046	
Debtors		212,353		205,305	
		<u>258,316</u>		<u>253,351</u>	
CREDITORS					
Amounts falling due within one year		(324,907)		(324,465)	
NET CURRENT LIABILITIES			(66,591)		(71,114)
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(20,787)</u>		<u>(21,869)</u>
NET LIABILITIES			<u>(20,787)</u>		<u>(21,869)</u>
CAPITAL AND RESERVES					
Called up share capital	3		100		100
Profit and loss account			(20,887)		(21,969)
SHAREHOLDERS' FUNDS			<u>(20,787)</u>		<u>(21,869)</u>

In the opinion of the directors the company is entitled to claim exemptions from audit by virtue of subsection (1) of Section 249A of the Companies Act 1985. Members have not required the company, under s.249B(2) of the Companies Act 1985, to obtain an audit for the year ended 31 January 2006. The directors are responsible for ensuring that the company maintains accounting records in compliance with Section 221 of that Act and for preparing accounts which give a true and fair view of the affairs of the company as at the end of the financial year and of its profit or loss for the year then ended in accordance with Section 226, and which comply with the other requirements of the Act relating to the accounts so far as applicable to the company.

The directors have taken advantage, in preparing these abbreviated financial statements, of the exemptions conferred by Schedule 8 of the Companies Act 1985 and have done so on the grounds that, in their opinion, the company is a small company.

Approved by the board of directors on 27 November 2006 and signed on its behalf.

.....
D Ellis Esq

The annexed notes form part of these financial statements.

PHONES 2 U DIRECT.CO.UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 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 June 2002).

CASHFLOW STATEMENT

The Company has taken advantage of the exemption in Financial Reporting Standard No.1 from the requirement to produce a cashflow statement on the grounds that it is a small company.

TURNOVER

Turnover comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax and trade discounts.

DEPRECIATION AND DIMINUTION IN VALUE OF ASSETS

Tangible fixed assets are stated at cost less depreciation

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and fittings	20% reducing balance basis
Computer Equipment	25% reducing balance basis

STOCKS

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

DEBTORS

The directors have decided that no provision is required for bad or doubtful debts.

DEFERRED TAXATION

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation purposes, using the liability method, only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the near future.

PENSION COSTS

The company operates a defined contribution pension scheme and pension contributions are charged to profit and loss account to spread the cost of the pensions over the employees working lives.

EXPENDITURE

All expenditure is accounted for on an accruals basis.

PHONES 2 U DIRECT.CO.UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 JANUARY 2006

TAXATION

Corporation tax is provided on taxable profit at the prevailing rate.

2. TANGIBLE FIXED ASSETS

	Total £
Cost:	
At 1 February 2005	91,495
Additions	1,854
	<hr/>
At 31 January 2006	93,349
	<hr/>
Depreciation:	
At 1 February 2005	42,250
Charge for the year	5,295
	<hr/>
At 31 January 2006	47,545
	<hr/>
Net book value:	
At 31 January 2006	45,804
	<hr/> <hr/>
At 31 January 2005	49,245
	<hr/> <hr/>

3. SHARE CAPITAL

	2006 £	2005 £
AUTHORISED		
Ordinary shares of £1 each	1,000	1,000
	<hr/>	<hr/>
	£	£
ALLOTTED, CALLED UP AND FULLY PAID		
Ordinary shares of £1 each	100	100
	<hr/>	<hr/>