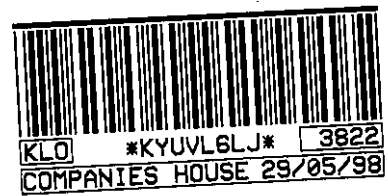


**REGISTERED NUMBER: 2070438 (England and Wales)**

**Abbreviated Financial Statements for the Year Ended 30 April 1997**

**for**

**Green Net Limited**



**Green Net Limited**

**Index to the Abbreviated Financial Statements  
for the Year Ended 30 April 1997**

	<b>Page</b>
<b>Company Information</b>	<b>1</b>
<b>Report of the Auditors on the Abbreviated Financial Statements</b>	<b>2</b>
<b>Abbreviated Balance Sheet</b>	<b>4</b>
<b>Notes to the Abbreviated Financial Statements</b>	<b>5</b>

**Green Net Limited**

**Company Information  
for the Year Ended 30 April 1997**

**DIRECTORS:** S Masters  
K Banks

**SECRETARY:** K Banks

**REGISTERED OFFICE:** 74-77 White Lion Street  
London  
N1 9PF

**REGISTERED NUMBER:** 2070438 (England and Wales)

**AUDITORS:** Armstrong & Co  
Chartered Accountants  
and Registered Auditor  
Walker House  
6-8 Boundary Street  
London E2 7JE

**Green Net Limited**

**Report of the Auditors to  
Green Net Limited  
Under Section 247B of the Companies Act 1985**

We have examined the abbreviated financial statements on pages four to six, together with the full financial statements of the company for the year ended 30 April 1997 prepared under Section 226 of the Companies Act 1985.

**Respective responsibilities of directors and auditors**

The directors are responsible for preparing the abbreviated financial statements 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 financial statements prepared in accordance with Sections 246(5) and (6) of the Act to the Registrar of Companies and whether the financial statements 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 financial statements and that the abbreviated financial statements 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 financial statements prepared in accordance with Sections 246(5) and (6) of the Companies Act 1985, and the abbreviated financial statements on pages four to six are properly prepared in accordance with those provisions.

**Other information**

On 28 May 1998 we reported, as auditors to the shareholders of the company on the financial statements for the year ended 30 April 1997 prepared under Section 226 of the Companies Act 1985, and our report was as follows:

"We have audited the financial statements on pages four to nine which have been prepared under the historical cost convention and the accounting policies set out on page six.

**Respective responsibilities of directors and auditors**

As described on page two the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

**Basis of opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board, except that the scope of our work was limited as explained below.

An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. However, the evidence available to us was limited because all the transaction data relating to sales is recorded and stored on magnetic media to which access was limited due to technical problems. We were unable to perform all the audit procedures that we would have liked to confirm that all sales transactions are properly and accurately recorded.

In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Green Net Limited**

**Report of the Auditors to  
Green Net Limited  
Under Section 247B of the Companies Act 1985**

**Qualified opinion arising from limitation in audit scope**

Except for any adjustments that might have been found to be necessary had we been able to obtain sufficient evidence concerning sales transactions, in our opinion the financial statements give a true and fair view of the company's affairs as at 30 April 1997 and of its loss for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

In respect alone of the limitations on our work relating to sales: we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and we were unable to determine whether proper accounting records had been kept."



Armstrong & Co  
Chartered Accountants  
and Registered Auditor  
Walker House  
6-8 Boundary Street  
London E2 7JE

Dated: 28 May 1998

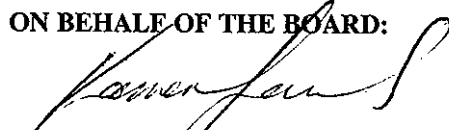
**Green Net Limited**

**Abbreviated Balance Sheet  
30 April 1997**

		<u>1997</u>		<u>1996</u>	
	Notes	£	£	£	£
<b>FIXED ASSETS:</b>					
Tangible assets	2		10,852		12,836
<b>CURRENT ASSETS:</b>					
Debtors		233,183		224,475	
Investments		34		34	
Cash at bank		<u>30,325</u>		<u>42,774</u>	
		263,542		267,283	
<b>CREDITORS:</b> Amounts falling due within one year		<u>212,280</u>		<u>183,724</u>	
<b>NET CURRENT ASSETS:</b>			<u>51,262</u>		<u>83,559</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>			<u>£62,114</u>		<u>£96,395</u>
<b>CAPITAL AND RESERVES:</b>					
Called up share capital	3		2		2
Profit and loss account			<u>62,112</u>		<u>96,393</u>
Shareholders' funds			<u>£62,114</u>		<u>£96,395</u>

These abbreviated financial statements 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:**



K Banks - DIRECTOR

Approved by the Board on 28 May 1998

# Green Net Limited

## Notes to the Abbreviated Financial Statements for the Year Ended 30 April 1997

### 1. ACCOUNTING POLICIES

#### Accounting convention

The financial statements have been prepared under the historical cost convention.

#### Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

#### Turnover

Turnover represents sales of services during the year, 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.

Fixtures & Fittings	- 15% on cost
Computer equipment	- 33% on reducing balance

#### Accrued income

Accrued income represents the value of sales invoiced (net of vat) after the year end but which are billable during the year. They include amounts for subscriptions in advance (see Deferred income policy).

#### Deferred income

Deferred income represents advance subscriptions which have been invoiced on a billing run included in the year but which relate to periods after the end of the year.

### 2. TANGIBLE FIXED ASSETS

	<u>Total</u>
	£
<b>COST:</b>	
At 1 May 1996	35,027
Additions	<u>1,618</u>
At 30 April 1997	<u>36,645</u>
<b>DEPRECIATION:</b>	
At 1 May 1996	22,191
Charge for year	<u>3,602</u>
At 30 April 1997	<u>25,793</u>
<b>NET BOOK VALUE:</b>	
At 30 April 1997	<u>10,852</u>
At 30 April 1996	<u>12,836</u>

**Green Net Limited**

**Notes to the Abbreviated Financial Statements  
for the Year Ended 30 April 1997**

**3. CALLED UP SHARE CAPITAL**

Authorised:

Number:	Class:	Nominal value:	1997 £	1996 £
100	Ordinary Shares	£1	<u>100</u>	<u>100</u>

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	1997 £	1996 £
2	Ordinary Shares	£1	<u>2</u>	<u>2</u>

**4. ULTIMATE PARENT COMPANY**

The ultimate parent company is GreenNet Educational Trust Limited, a registered charity, incorporated in England and Wales.

**5. RELATED PARTY DISCLOSURES**

The company entered into transactions with its holding company, GreenNet Educational Trust Limited, during the year on arms-length terms.

The following transactions occurred during the year:

	During year	Balance at year end
Purchase of goods and services	£32,239	£28,600
Sales of goods and services	£7,948	£3,362
Receipt of loans	£26,300	£3,800

There are no bad or doubtful debts between the two related parties.