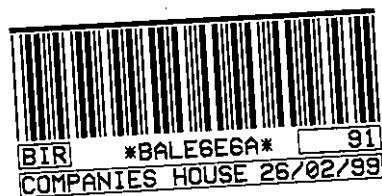


Codemasters Limited

Abbreviated Accounts

30 April 1998

Registered Number: 2585110



DIRECTORY

DIRECTORS

R Darling
M Darling

SECRETARY

R Darling

AUDITORS

Ernst & Young
One Colmore Row
Birmingham
B3 2DB

BANKERS

National Westminster Bank Plc
Bridge Street
Banbury
Oxfordshire
OX16 8JS

SOLICITORS

McCarthy Tetrault
Suite 4700
Toronto Dominion Bank Tower
Toronto
Ontario
Canada

REGISTERED OFFICE

Lower Farm House
Stoneythorpe
Southam
Warwickshire
CV33 0DL

REPORT OF THE AUDITORS to the directors of Codemasters Limited

We have examined the abbreviated accounts set out on pages 3 to 6, together with the annual accounts of the company for the year ended 30 April 1998 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

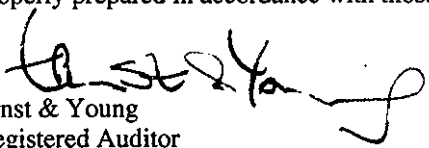
The director is responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and 246(6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited accounts, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts have been properly prepared from those annual accounts. 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 accounts.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and 246(6) of the Companies Act 1985, and the abbreviated accounts on pages 3 to 5 are properly prepared in accordance with those provisions.



Ernst & Young
Registered Auditor
Birmingham

Dated 26 February 1999

Codemasters Limited

ABBREVIATED BALANCE SHEET at 30 April 1998

	Notes	1998 £	1997 £
FIXED ASSETS			
Intangible	2	3,741	8,105
Tangible	3	37,129	44,003
		<u>40,870</u>	<u>52,108</u>
CURRENT ASSETS			
Stocks		92,922	27,014
Debtors		2,420,308	979,359
Cash at bank and in hand		343,309	23,556
		<u>2,856,539</u>	<u>1,029,929</u>
CREDITORS: amounts falling due within one year		<u>774,864</u>	<u>67,184</u>
NET CURRENT ASSETS		<u>2,081,675</u>	<u>962,745</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,122,545</u>	<u>1,014,853</u>
CAPITAL AND RESERVES - EQUITY			
Called up share capital	4	100	100
Share premium account		404,960	404,960
Profit and loss account		1,717,485	609,793
		<u>2,122,545</u>	<u>1,014,853</u>

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

R Darling Director

M Darling Director

26-2-99

NOTES TO THE ABBREVIATED ACCOUNTS
at 30 April 1998

1. ACCOUNTING POLICIES

Accounting convention

The accounts have been prepared under the historical cost convention.

Depreciation

Depreciation on fixed assets is provided at rates estimated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life as follows:

Fixtures and fittings	-	15% straight line
Motor Vehicles	-	25% straight line
Computer Equipment	-	25% straight line

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets.

Stocks

Stocks are stated at the lower of cost incurred in bringing each product to its present location and condition, and net realisable value.

Deferred taxation

Deferred taxation is provided for using the liability method on all timing differences which are expected to reverse in the future without being replaced, calculated at the rate at which it is anticipated the timing difference will reverse.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date.

All exchange differences are taken to the profit and loss account.

Leasing and hire purchase agreements

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives.

The interest element of rental obligations is charged to profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

Patents and trade marks

The cost of patents and trade marks, which have been treated as deferred expenditure in the accounts, are released to the profit and loss account over a period of three years, commencing from the date the expenditure was incurred.

Codemasters Limited

NOTES TO THE ABBREVIATED ACCOUNTS at 30 April 1998

2. INTANGIBLE FIXED ASSETS

	<i>Patents and trademarks £</i>
Cost:	
At 1 May 1997	153,097
At 30 April 1998	153,097
Amortisation:	
At 1 May 1997	144,992
Charge for the year	4,364
At 30 April 1998	149,356
Net book value:	
At 30 April 1998	3,741
At 1 May 1997	8,105

3. TANGIBLE FIXED ASSETS

	<i>Computer equipment £</i>	<i>Fixtures, fittings & equipment £</i>	<i>Motor vehicles £</i>	<i>Total £</i>
Cost:				
At 1 May 1997	277,022	5,119	500	282,641
Additions	14,778	-	-	14,778
At 30 April 1998	291,800	5,119	500	297,419
Depreciation:				
At 1 May 1997	234,719	3,420	499	238,638
Charge for the year	20,885	767	-	21,652
At 30 April 1998	255,604	4,187	499	260,290
Net book value:				
At 30 April 1998	36,196	932	1	37,129
At 1 May 1997	42,303	1,699	1	44,003

Codemasters Limited

NOTES TO THE ABBREVIATED ACCOUNTS at 30 April 1998

4. SHARE CAPITAL

	1998	1997
	£	£
Authorised:		
300 ordinary shares of 33 ¹ / ₃ p each	100	100
	=====	=====
Allotted, called up and fully paid:		
300 ordinary shares of 33 ¹ / ₃ p each	100	100
	=====	=====