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THE WEBSITE CONSULTANCY LIMITED
FINANCIAL STATEMENTS
FOR
31ST MARCH 2002



Company Registration Number 3119464

GARNER BLEASDALE CHANDLER
Chartered Accountants & Registered Auditors
Haydon House
14 Haydon Place
Guildford
GU1 4LL

THE WEBSITE CONSULTANCY LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2002

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THE WEBSITE CONSULTANCY LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31ST MARCH 2002

The directors present their report and the financial statements of the company for the year ended 31st March 2002.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was internet consultancy.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE PARENT COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the parent company were as follows:

	At 31 March 2002	in the parent company At 1 April 2001
J Stannard	8,500	8,500
S Beard	8,500	8,500
J Coulter	-	-

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on page 6, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

Garner Bleasdale Chandler were appointed as auditors by the directors during the year and a resolution to reappoint them for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

THE WEBSITE CONSULTANCY LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31ST MARCH 2002

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:
Speakers House
48 Heart Street
Henley on Thames
Oxfordshire
RG9 2AW

Signed by order of the directors



J. STANNARD
Company Secretary

Approved by the directors on 8th July 2002

THE WEBSITE CONSULTANCY LIMITED
INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS
YEAR ENDED 31ST MARCH 2002

We have audited the financial statements on pages 4 to 7 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention and the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

As described on page 1, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

It is our responsibility to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION


We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. 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 judgements 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 and performed 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. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31st March 2002 and of the profit of the company for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Haydon House
14 Haydon Place
Guildford
GU1 4LL


GARNER BLEASDALE CHANDLER
Chartered Accountants
& Registered Auditors

8th July 2002

THE WEBSITE CONSULTANCY LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31ST MARCH 2002

	Note	2002 £	2001 £
TURNOVER		113,117	189,685
Cost of sales		<u>68,529</u>	<u>168,705</u>
GROSS PROFIT		44,588	20,980
Administrative expenses		<u>43,679</u>	<u>22,355</u>
OPERATING PROFIT/(LOSS)	2	909	(1,375)
Tax on profit/(loss) on ordinary activities		-	-
RETAINED PROFIT/(LOSS) FOR THE FINANCIAL YEAR		909	(1,375)
Balance brought forward		<u>(10,955)</u>	<u>(9,580)</u>
Balance carried forward		<u>(10,046)</u>	<u>(10,955)</u>

THE WEBSITE CONSULTANCY LIMITED

BALANCE SHEET

31ST MARCH 2002

	Note	2002 £	2001 £
FIXED ASSETS			
Tangible assets	3	481	641
CURRENT ASSETS			
Debtors	4	9,105	11,129
Cash at bank		9,613	17,688
		<u>18,718</u>	<u>28,817</u>
CREDITORS: Amounts falling due within one year	5	<u>(29,145)</u>	<u>(40,313)</u>
NET CURRENT LIABILITIES		<u>(10,427)</u>	<u>(11,496)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(9,946)</u>	<u>(10,855)</u>
CAPITAL AND RESERVES			
Called-up equity share capital	7	100	100
Profit and Loss Account		<u>(10,046)</u>	<u>(10,955)</u>
DEFICIENCY		<u>(9,946)</u>	<u>(10,855)</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

These financial statements were approved by the directors on the 8th July 2002, and are signed on their behalf by:


J STANNARD


S BEARD

THE WEBSITE CONSULTANCY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2002

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Equipment - 20% straight line

2. OPERATING PROFIT/(LOSS)

Operating profit/(loss) is stated after charging:

	2002	2001
	£	£
Directors' emoluments	31,333	-
Depreciation	160	160
Auditors' fees	1,100	1,000
	<u>32,593</u>	<u>1,160</u>

3. TANGIBLE FIXED ASSETS

	Equipment £
COST	
At 1st April 2001 and 31st March 2002	<u>801</u>
DEPRECIATION	
At 1st April 2001	160
Charge for the year	160
At 31st March 2002	<u>320</u>
NET BOOK VALUE	
At 31st March 2002	<u>481</u>
At 31st March 2001	<u>641</u>

4. DEBTORS

	2002	2001
	£	£
Trade debtors	8,001	9,814
Prepayments and accrued income	1,104	1,315
	<u>9,105</u>	<u>11,129</u>

THE WEBSITE CONSULTANCY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2002

5. CREDITORS: Amounts falling due within one year

	2002		2001	
	£	£	£	£
Trade creditors		2,495		16,366
Amounts owed to group undertakings		15,196		15,470
Other creditors including taxation:				
PAYE and social security	1,804		-	
VAT	5,179		1,609	
		6,983		1,609
Accruals and deferred income		4,471		6,868
		29,145		40,313

6. RELATED PARTY TRANSACTIONS

J Coulter controls a business trading as Matrix. During the years ended 31st March 2002 and 31st March 2001 Matrix provided project consultancy services on an arms length basis totalling £14,805 (2001: £68,611). Included within trade creditors at the year end is £nil (2001: £nil) owed to Matrix.

7. SHARE CAPITAL

Authorised share capital:

	2002	2001
	£	£
250,000 Equity ordinary shares of £1.00 each	250,000	250,000

Allotted, called up and fully paid:

	2002	2001
	£	£
Ordinary share capital	100	100

8. ULTIMATE PARENT COMPANY

The company is a 100% subsidiary of Marbles UK Limited, a company registered in England.