

HEMSCOTT INVESTMENT ANALYSIS LIMITED

Directors' report and financial statements

31 December 2001

Registered number: 3563522



Hemscott Investment Analysis Limited

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Hemscott Investment Analysis Limited

DIRECTORS' REPORT

The directors present their annual report and the financial statements for the year ended 31 December 2001.

Principal activity and business review

The company is regulated under the Financial Services and Markets Act 2000 to provide investment advice and related services. In this capacity, it produces the "Hemscott Invest", "Hemscott Analyst", "Hemscott IPO-Eye" and "Hemscott Chart Insight" services on behalf of Hemscott Group Limited.

It also acts for Hemscott Group Limited in providing regulated links to firms of on-line stockbrokers whereby clients of those stockbrokers can readily transfer from the Hemscott Group Limited information services to their stockbroker in order to undertake trading activities.

Hemscott Group Limited has a beneficial interest in all the issued share capital of the company.

Proposed dividend and transfer to reserves

The directors do not recommend the payment of a dividend (2000: Nil). The retained loss transferred to reserves is £8,000 (2000: £nil).

Directors and directors' interests

The directors who held office during the year were as follows:

K O'Byrne
R S Wilton

None of the directors had any interest in the shares of the company at any time during the year.

K O'Byrne and R S Wilton are directors of the ultimate holding company and their interests in the shares of that company are set out in its Remuneration Report.

Statement of directors' responsibilities

The directors are required by UK Company Law to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss for that period.

In preparing the accounts, the directors are required to select appropriate accounting policies and apply them consistently, to make reasonable and prudent judgements and estimates, and to state that all applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts. The directors are also required to prepare the accounts 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 enable them to ensure that the accounts comply with the Companies Act 1985. They 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.

Hemscott Investment Analysis Limited

Directors' Report (continued)

Auditors

The Company has in place elective resolutions to dispense with the holding of annual general meetings, the laying of accounts before the shareholders in general meetings and the annual appointment of auditors. Accordingly, Arthur Andersen will remain in office as auditors until determined otherwise.

By order of the board



K. O' Byrne

Secretary

12 February 2002

Registered Office:

Finsbury Tower, 103-105 Bunhill Row
London, EC1Y 8TY

INDEPENDENT AUDITORS' REPORT

To the shareholders of Hemscott Investment Analysis Limited

We have audited the financial statements of Hemscott Investment Analysis Limited for the year ended 31 December 2001 which comprise the profit and loss account, balance sheet and the related notes numbered 1 to 3. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of directors' responsibilities. Our responsibility is 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 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 circumstances of the company, 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 affairs of the company at 31 December 2001 and of the company's loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Arthur Andersen

Chartered Accountants and Registered Auditors

12 February 2002

180 Strand
London
WC2R 1BL

Hemscott Investment Analysis Limited

PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2001

	Note	2001 £'000	2000 £'000
Turnover		288	5
Administrative expenses		<u>(296)</u>	<u>(5)</u>
Loss on ordinary activities before taxation		(8)	-
Taxation		-	-
Loss for the financial year		<u>(8)</u>	<u>-</u>
Retained profit brought forward		-	-
Profit and loss account carried forward		<u>(8)</u>	<u>-</u>

There are no gains or losses in either the current or previous year other than those that have been included in the profit and loss account.

Hemscott Investment Analysis Limited

BALANCE SHEET

At 31 December 2001

	Note	2001 £'000	2000 £'000
Current assets			
Debtors: amounts owed by immediate parent undertaking due after one year		2	10
Net assets		<u>2</u>	<u>10</u>
Capital and reserves			
Called up share capital	2	10	10
Profit and loss account		(8)	-
Equity shareholders' funds		<u>2</u>	<u>10</u>

Approved by the board on 12 February 2002 and signed on its behalf by:


K. O' Byrne
Director

NOTES TO THE ACCOUNTS

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost accounting rules.

Under Financial Reporting Standard 1 (Revised 1996) the company is exempt from the requirement to prepare a cash flow statement as the cash flows are included in the ultimate parent undertaking's consolidated cash flow statement.

Turnover

Turnover represents amounts receivable from customers for goods and services provided in the normal course of business, net of VAT and other sales-related taxes.

2 Called-up share capital

	2001	2000
	£'000	£'000
<i>Authorised</i>		
Ordinary shares of £1 each	100	100
	=====	=====
<i>Allotted, called-up and fully-paid</i>		
Ordinary shares of £1 each	10	10
	=====	=====

3 Ultimate parent company and parent undertaking of larger group of which the company is a member

The company's ultimate parent undertaking is Hemscott plc (formerly hemscott.NET Group plc) a company registered in England and Wales. The consolidated accounts of this company are available to the public and may be obtained from 2nd Floor Finsbury Tower, 103-105 Bunhill Row, London EC1Y 8TY.