

Company Registration No. 3653964

IVIEW MULTIMEDIA LIMITED

Report and Financial Statements

31 March 2002



IVIEW MULTIMEDIA LIMITED**REPORT AND FINANCIAL STATEMENTS 2002**

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VIEW MULTIMEDIA LIMITED

REPORT AND FINANCIAL STATEMENTS 2002

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

J A Calotychos
V M B Thompson

SECRETARY

S E Dixon

REGISTERED OFFICE

11 Sturton Street
Cambridge
CB1 2SN

BANKERS

National Westminster Bank Plc
PO Box 3048
224 Kings Road
Chelsea
London
SW3 5XJ

SOLICITORS

Taylor Vinters
Merlin Place
Milton Road
Cambridge
CB4 0DP

AUDITORS

Deloitte & Touche
Chartered Accountants
Cambridge

IVIEW MULTIMEDIA LIMITED**DIRECTORS' REPORT**

The directors present their annual report and the audited financial statements for the year ended 31 March 2002.

This report has been prepared in accordance with the special provisions relating to small companies under section 246 of the Companies Act 1985.

ACTIVITIES

The company's principal activity is the development and sale of multimedia software products.

DIRECTORS AND THEIR INTERESTS

The directors who served throughout the year, together with their interests in the share capital of the company, are as follows:

	Ordinary shares	
	2002 No.	2001 No.
J A Calotychos	-	501
V M B Thompson	-	499

J A Calotychos and V M B Thompson own 501 and 499 ordinary shares respectively in the parent company iView Group Limited.

AUDITORS

Deloitte & Touche have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors *16 JANUARY 2003*
and signed on behalf of the Board



S E Dixon
Secretary

IVIEW MULTIMEDIA LIMITED**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

United Kingdom 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 as at the end of the financial year and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- 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. 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IVIEW MULTIMEDIA LIMITED

We have audited the financial statements of iView Multimedia Limited for the year ended 31 March 2002, which comprise the profit and loss account, the balance sheet and the related notes 1 to 12. These financial statements have been prepared under the accounting policies set out therein and the Financial Reporting Standard for Smaller Entities (effective March 2000).

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities the company's directors are responsible for the preparation of financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and 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 for the above year and consider the implications for our report if we become aware of any apparent misstatements.

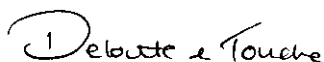
Basis of audit opinion

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 31 March 2002 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.

**Deloitte & Touche**

Chartered Accountants and Registered Auditors

Cambridge



IVIEW MULTIMEDIA LIMITED

**Deloitte
& Touche**

PROFIT AND LOSS ACCOUNT Year ended 31 March 2002

	Note	2002 £	2001 £
TURNOVER	2	289,033	179,156
Cost of sales		(98,398)	(84,114)
Gross profit		<u>190,635</u>	<u>95,042</u>
Administrative expenses		(150,775)	(41,071)
Other operating income		27,353	-
Net operating expenses		<u>(123,422)</u>	<u>(41,071)</u>
OPERATING PROFIT	4	67,213	53,971
Interest payable and similar charges		-	(84)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>67,213</u>	<u>53,887</u>
Tax on profit on ordinary activities	5	(12,400)	(10,731)
PROFIT FOR THE FINANCIAL YEAR		<u>54,813</u>	<u>43,156</u>
Dividends	6	(25,000)	(40,000)
RETAINED PROFIT FOR THE FINANCIAL YEAR		<u>29,813</u>	<u>3,156</u>
Retained profit brought forward		16,279	13,123
Retained profit carried forward		<u><u>46,092</u></u>	<u><u>16,279</u></u>

IVIEW MULTIMEDIA LIMITED
**BALANCE SHEET
31 March 2002**

	Note	2002 £	2001 £
FIXED ASSETS			
Tangible assets	7	4,668	6,047
CURRENT ASSETS			
Debtors	8	58,610	39,637
Cash at bank and in hand		74,637	50,537
		133,247	90,174
CREDITORS: amounts falling due within one year	9	(89,311)	(78,942)
NET CURRENT ASSETS		43,936	11,232
TOTAL ASSETS LESS CURRENT LIABILITIES		48,604	17,279
PROVISIONS FOR LIABILITIES AND CHARGES	10	(1,512)	-
NET ASSETS		47,092	17,279
CAPITAL AND RESERVES			
Called up share capital	11	1,000	1,000
Profit and loss account		46,092	16,279
TOTAL EQUITY SHAREHOLDERS' FUNDS		47,092	17,279

These accounts have been prepared in accordance with the special provisions relating to small companies under section 246 of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

These financial statements were approved by the Board of Directors on 16 Jan 2003

Signed on behalf of the Board of Directors



Victoria M B Thompson
Director

VIEW MULTIMEDIA LIMITED
NOTES TO THE ACCOUNTS
Year ended 31 March 2002
1 ACCOUNTING POLICIES

The financial statements are prepared in accordance with the Financial Reporting Standard for Smaller Entities. The particular accounting policies adopted are described below.

Accounting convention

The financial statements are prepared under the historical cost convention.

Tangible fixed assets

Depreciation is provided on cost in equal annual instalments over the estimated useful lives of the assets as follows:

Fixtures and fittings	Over 3 years
Computer equipment	Over 3 years

Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transactions. Exchange differences are taken into account in arriving at the operating result.

Deferred taxation

Deferred taxation is provided in full on timing differences which result in an obligation at the balance sheet date, to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

2 TURNOVER

Turnover represents amounts derived from the provision of goods and services which fall within the company's ordinary activities after deduction of trade discounts and value added tax.

The turnover, which primarily arises outside the United Kingdom, is attributable to the company's principal activity.

3 INFORMATION REGARDING DIRECTORS

	2002 £	2001 £
Directors' remuneration		
Emoluments	40,000	20,000

NOTES TO THE ACCOUNTS
Year ended 31 March 2002

4 OPERATING PROFIT

	2002	2001
	£	£
Operating profit is after charging:		
Depreciation	8,269	5,974
Auditors' remuneration	3,000	-
	<u>11,269</u>	<u>5,974</u>

5 TAX ON PROFIT ON ORDINARY ACTIVITIES

	2002	2001
	£	£
United Kingdom corporation tax at 20% (2001 - 20%)	10,888	10,731
Deferred taxation	1,512	-
	<u>12,400</u>	<u>10,731</u>

6 DIVIDENDS

	2002	2001
	£	£
Ordinary shares		
Interim paid - £25.00 per Ordinary share (2001 - £40.00 per Ordinary share)	25,000	40,000
	<u>25,000</u>	<u>40,000</u>
Analysis of dividends:		
Equity shareholders	25,000	40,000
	<u>25,000</u>	<u>40,000</u>

VIEW MULTIMEDIA LIMITED
NOTES TO THE ACCOUNTS
Year ended 31 March 2002
7 TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Total £
Cost			
At 1 April 2001	490	17,432	17,922
Additions in year	-	6,890	6,890
	<hr/>	<hr/>	<hr/>
At 31 March 2002	490	24,322	24,812
	<hr/>	<hr/>	<hr/>
Accumulated depreciation			
At 1 April 2001	240	11,635	11,875
Charge in year	163	8,106	8,269
	<hr/>	<hr/>	<hr/>
At 31 March 2002	403	19,741	20,144
	<hr/>	<hr/>	<hr/>
Net book value			
At 31 March 2002	87	4,581	4,668
	<hr/>	<hr/>	<hr/>
At 31 March 2001	250	5,797	6,047
	<hr/>	<hr/>	<hr/>

8 DEBTORS

	2002 £	2001 £
Trade debtors	57,079	37,748
Other debtors	1,531	1,889
	<hr/>	<hr/>
	58,610	39,637
	<hr/>	<hr/>

All amounts are due within one year.

VIEW MULTIMEDIA LIMITED
NOTES TO THE ACCOUNTS
Year ended 31 March 2002
9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2002	2001
	£	£
Trade creditors	7,844	-
Other creditors	72,312	70,853
Other taxation and social security	9,155	8,089
	<u>89,311</u>	<u>78,942</u>

Included in other creditors is directors' loan account of £32,352 (2001 - £48,197). The directors' loan account is unsecured and interest free. The loan was from J A Calotychos and V Thompson, both directors of the company. The transactions were as follows:

	2002	2001
	£	£
Balance brought forward	48,197	4,899
Cash advanced	25,000	-
Cash withdrawn	(65,078)	(32,500)
Sundry payments on behalf of the directors	-	(58)
Salaries for the year	23,669	35,723
Expenses payable	564	40,000
Rent payable	-	133
	<u>32,352</u>	<u>48,197</u>

10 PROVISIONS FOR LIABILITIES AND CHARGES

	Balance at 1 April 2001 £	Charged to profit and loss account £	Applied £	Balance at 31 March 2002 £
Deferred taxation	-	1,512	-	1,512

IVIEW MULTIMEDIA LIMITED
NOTES TO THE ACCOUNTS
Year ended 31 March 2002
10 PROVISIONS FOR LIABILITIES AND CHARGES (continued)

The amounts of deferred taxation provided and unprovided in the accounts are:

	Provided 2002 £	Provided 2001 £	Not provided 2002 £	Not provided 2001 £
Accelerated capital allowances	158	-	-	-
Other timing differences	1,354	-	-	-
	<u>1,512</u>	<u>-</u>	<u>-</u>	<u>-</u>

11 CALLED UP SHARE CAPITAL

	2002 £	2001 £
Authorised		
1,000 Ordinary shares of £1.00 each	<u>1,000</u>	<u>1,000</u>
Called up, allotted and fully paid		
1,000 Ordinary shares of £1.00 each	<u>1,000</u>	<u>1,000</u>

12 ULTIMATE PARENT COMPANY

The company's immediate parent company and controlling party is iView Group Limited a company registered in the United Kingdom.

The ultimate controlling party is J A Calotychos.