

FREEMAN BUSINESS INFORMATION PLC.
REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2005

377-220



FREEMAN BUSINESS INFORMATION PLC.

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FOR THE YEAR ENDED 31ST DECEMBER 2005

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FREEMAN BUSINESS INFORMATION PLC.
COMPANY INFORMATION
FOR THE YEAR ENDED 31ST DECEMBER 2005

DIRECTORS:

P G Freeman
S B Forster

SECRETARY:

Mrs S B Forster

REGISTERED OFFICE:

5 Albany Courtyard
Piccadilly
London
W1V 9RB

REGISTERED NUMBER:

03705220

AUDITORS:

Ward Mackenzie
Accountants and Registered Auditors
Mackenzie House
Coach and Horses Passage
The Pantiles
Tunbridge Wells
Kent TN2 5NP

FREEMAN BUSINESS INFORMATION PLC.
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST DECEMBER 2005

The directors present their report with the financial statements of the company for the year ended 31st December 2005.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of property information publishers (printed and online).

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

The company was established in 1999 to provide first class business information services in print and online. Its first product was 'Freeman's Guide to the Property Industry' in June 2000, which won the 2001 Champion Award from the Data Publishers Association for any reference source whether in print, online or on CD.

The company launched its UK property website late 2001 and has developed its range and functionality continuously ever since. The company launched its European property website in Mid 2005. Both websites provide free-to-access news and property service provider listings together with substantial databases on companies and organisations available by subscription.

Freeman now publishes two hard copy publications annually: UK Property focusing on the UK property industry and 'European Property', covering 33 countries. Both titles are paid for by advertising and distributed on controlled circulation.

The company also receives royalty payments from Experian in respect of licensing of software, developed by Freeman, which integrates multiple data sources.

The directors are optimistic about the outlook for the company during 2006 as it ceases to focus solely on the UK property market and becomes recognised as a leading information source on other European markets

DIVIDENDS

No dividends will be distributed for the year ended 31st December 2005.

RESEARCH AND DEVELOPMENT

Expenditure on Research and Development is written off to the Profit and Loss account in the year in which it is incurred.

DIRECTORS

The directors during the year under review were:

P G Freeman
S B Forster

The beneficial interests of the directors holding office on 31st December 2005 in the issued share capital of the company were as follows:

	31.12.05	1.1.05
Ordinary £1 shares		
P G Freeman	1,767,808	1,534,476
S B Forster	-	-

FREEMAN BUSINESS INFORMATION PLC.

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST DECEMBER 2005

P G Freeman's beneficial interest in the ordinary shares of the company includes the following interests of his immediate family.

	Interest at end of year	Interest at start of year
TC Freeman	90,000	90,000
MI Freeman	117,678	117,678
DJ Freeman	117,678	117,678

The company established an unapproved share options scheme for employees, which was adopted by the shareholders on 29 June 1999.

The options granted to directors to subscribe for £1 ordinary shares were as follows:

	Exercise Price	At 31 December 2004	Granted in period	Exercised in period	Cancelled/ lapsed in period	At 31 December 2005
	£	No.	No.	No.	No.	No.
A Goldstone	1.50	10,000	-	-	-	10,000
A Goldstone	5.00	10,000	-	-	10,000	-
A Goldstone	10.00	10,000	-	-	10,000	-

During a prior period the company established an Enterprise Management Incentive Scheme. The options granted to directors to subscribe for £1 ordinary shares were as follows:

	Exercise Price	At 31 December 2004	Granted in period	Exercised in period	Lapsed in period	At 31 December 2005
	£	No.	No.	No.	No.	No.
A Goldstone	1.25	30,000	-	-	-	30,000
A Goldstone	2.50	10,000	-	-	-	10,000
S Forster	1.50	10,000	-	-	-	10,000
S Forster	1.50	66,666	-	-	-	66,666

COMPANY'S POLICY ON PAYMENT OF CREDITORS

It is the company's policy that payments to suppliers are made in accordance with those terms and conditions agreed between the company and its suppliers provided that all trading terms have been complied with.

At 31 December 2005, the company had an average of 20 days (2004:18 days) purchases outstanding in trade creditors.

FREEMAN BUSINESS INFORMATION PLC.

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST DECEMBER 2005

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

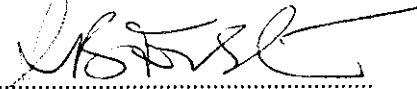
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Ward Mackenzie, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:



Mrs S B Forster - Secretary

Date: 17th May 2006

REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF
FREEMAN BUSINESS INFORMATION PLC.

We have audited the financial statements of Freeman Business Information Plc. for the year ended 31st December 2005 on pages six to sixteen. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described on page four the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 Report of the Directors 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 other transactions is not disclosed.

We read the Report of the Directors 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 International Standards on Auditing (UK and Ireland) 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31st December 2005 and of its loss for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.



Ward Mackenzie
Accountants and Registered Auditors
Mackenzie House
Coach and Horses Passage
The Pantiles
Tunbridge Wells
Kent TN2 5NP

Date:17/5/2006.....

FREEMAN BUSINESS INFORMATION PLC.

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2005

		2005	2004 as restated
	Notes	£	£
TURNOVER		690,956	795,846
Administrative expenses		852,262	1,201,320
OPERATING LOSS	3	(161,306)	(405,474)
Interest receivable and similar income		-	780
		(161,306)	(404,694)
Interest payable and similar charges	4	7,300	7,326
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(168,606)	(412,020)
Tax on loss on ordinary activities	5	-	-
LOSS FOR THE FINANCIAL YEAR AFTER TAXATION		(168,606)	(412,020)
DEFICIT FOR THE YEAR		(168,606)	(412,020)

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous year.

The notes form part of these financial statements

FREEMAN BUSINESS INFORMATION PLC.

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31ST DECEMBER 2005

	2005	2004 as restated
	£	£
LOSS FOR THE FINANCIAL YEAR	(168,606)	(412,020)
	<hr/>	<hr/>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	(168,606)	(412,020)
		<hr/>
Prior year adjustment	Note 6	
	(55,321)	
	<hr/>	
TOTAL GAINS AND LOSSES RECOGNISED SINCE LAST ANNUAL REPORT	(223,927)	
	<hr/>	


The notes form part of these financial statements

FREEMAN BUSINESS INFORMATION PLC.

BALANCE SHEET
31ST DECEMBER 2005

		2005		2004 as restated	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	7		-		-
Tangible assets	8		8,637		6,547
			<u>8,637</u>		<u>6,547</u>
CURRENT ASSETS					
Debtors	9	121,280		84,313	
Cash at bank and in hand		114,857		54,084	
		<u>236,137</u>		<u>138,397</u>	
CREDITORS					
Amounts falling due within one year	10	324,304		355,866	
NET CURRENT LIABILITIES			<u>(88,167)</u>		<u>(217,469)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u><u>(79,530)</u></u>		<u><u>(210,922)</u></u>
CAPITAL AND RESERVES					
Called up share capital	12	1,943,308		1,709,976	
Share premium	13	3,086,473		3,019,807	
Profit and loss account	13	(5,109,311)		(4,940,705)	
SHAREHOLDERS' FUNDS	16		<u><u>(79,530)</u></u>		<u><u>(210,922)</u></u>

ON BEHALF OF THE BOARD:



 S B Forster - Director

Approved by the Board on 17th May 2006

The notes form part of these financial statements

FREEMAN BUSINESS INFORMATION PLC.

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2005

		2005	2004
	Notes	£	as restated £
Net cash outflow from operating activities	1	(233,375)	(330,892)
Returns on investments and servicing of finance	2	-	774
Capital expenditure	2	(5,850)	(3,980)
		(239,225)	(334,098)
Financing	2	299,998	240,033
Increase/(Decrease) in cash in the period		60,773	(94,065)
<hr/>			
Reconciliation of net cash flow to movement in net funds	3		
Increase/(Decrease) in cash in the period		60,773	(94,065)
Change in net funds resulting from cash flows		60,773	(94,065)
Movement in net funds in the period		60,773	(94,065)
Net funds at 1st January		54,084	148,149
Net funds at 31st December		114,857	54,084

The notes form part of these financial statements

FREEMAN BUSINESS INFORMATION PLC.

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER 2005

1. RECONCILIATION OF OPERATING LOSS TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	2005	2004 as restated
	£	£
Operating loss	(161,306)	(405,474)
Depreciation charges	3,761	115,614
(Increase)/Decrease in debtors	(36,967)	29,585
Decrease in creditors	(38,863)	(70,617)
	<u>(233,375)</u>	<u>(330,892)</u>
Net cash outflow from operating activities	<u><u>(233,375)</u></u>	<u><u>(330,892)</u></u>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2005	2004 as restated
	£	£
Returns on investments and servicing of finance		
Interest received	-	780
Interest paid	-	(6)
	<u>-</u>	<u>774</u>
Net cash inflow for returns on investments and servicing of finance	<u><u>-</u></u>	<u><u>774</u></u>
 Capital expenditure		
Purchase of tangible fixed assets	(5,850)	(3,980)
	<u>(5,850)</u>	<u>(3,980)</u>
Net cash outflow for capital expenditure	<u><u>(5,850)</u></u>	<u><u>(3,980)</u></u>
 Financing		
Share issue	299,998	240,033
	<u>299,998</u>	<u>240,033</u>
Net cash inflow from financing	<u><u>299,998</u></u>	<u><u>240,033</u></u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.05	Cash flow	At
	£	£	31.12.05
			£
Net cash:			
Cash at bank and in hand	54,084	60,773	114,857
	<u>54,084</u>	<u>60,773</u>	<u>114,857</u>
 Total	<u><u>54,084</u></u>	<u><u>60,773</u></u>	<u><u>114,857</u></u>

The notes form part of these financial statements

FREEMAN BUSINESS INFORMATION PLC.
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2005

1. ACCOUNTING POLICIES

Accounting convention

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

Turnover

Turnover represents net invoiced sales of services, excluding value added tax.

Turnover represents the amounts (excluding VAT) derived from the provision of goods and services to customers.

Turnover derived from advertising in publications but prior to their release, is deferred until the release date of the publication.

Web-site subscription revenues, which are generally paid in advance are non-refundable, are recognised ratably over the term of the subscription agreement, which is typically twelve months.

All turnover is derived from sales made in the United Kingdom.

Intangible fixed assets and amortisation

Intangible fixed assets acquired as part of an acquisition are capitalised as part of their fair value where this can be measured reliably. Intellectual property purchased by the group is amortised to nil by equal annual instalments over its useful economic life, estimated at 3 years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- Straight line over 4 years
Computer equipment	- Straight line over 3 years

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

Foreign currencies

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 transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account as incurred.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

Employee share scheme

The cost of awards to employees that take the form of shares or rights to shares are recognised upon the granting of such options to employees where these vest immediately with no performance criteria. Where such criteria exists the cost is charged over the performance period based on an estimate of the extent to which the criteria will be met.

FREEMAN BUSINESS INFORMATION PLC.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2005

2. STAFF COSTS

	2005	2004 as restated
	£	£
Wages and salaries	438,728	496,113
Social security costs	46,694	53,385
Other pension costs	7,500	7,500
	<u>492,922</u>	<u>556,998</u>

The average monthly number of employees during the year was as follows:

	2005	2004 as restated
Sales and Marketing	3	4
Administrative	2	3
Research and IT	11	10
	<u>16</u>	<u>17</u>

3. OPERATING LOSS

The operating loss is stated after charging:

	2005	2004 as restated
	£	£
Other operating leases	40,161	26,250
Depreciation - owned assets	3,760	2,895
Patents and licences amortisation	-	112,719
Auditors' remuneration	5,100	5,100
Foreign exchange differences	-	26
	<u>75,000</u>	<u>75,000</u>
Directors' emoluments	75,000	75,000
Directors' pension contributions to money purchase schemes	7,500	7,500
	<u>75,000</u>	<u>7,500</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>1</u>	<u>1</u>
------------------------	----------	----------

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2005	2004 as restated
	£	£
Bank interest	-	6
Loan	7,300	7,320
	<u>7,300</u>	<u>7,326</u>

FREEMAN BUSINESS INFORMATION PLC.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2005

5. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31st December 2005 nor for the year ended 31st December 2004.

Factors affecting the tax charge

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2005	2004 as restated
	£	£
Loss on ordinary activities before tax	<u>(168,606)</u>	<u>(412,020)</u>
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2004 - 30%)	(50,582)	(123,606)
Effects of:		
Expenses not deductible for the tax purposes	8,844	3,299
Depreciation for period in excess of/(less than) capital allowances	17,238	25,875
Deferred tax asset not recognised for increase in tax losses	<u>24,500</u>	<u>94,432</u>
Current tax charge	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

In accordance with the guidelines set out in FRS19, the Company has not recognised a deferred tax asset of £1,387,113 (2004: £1,323,074). The deferred tax asset arises on tax losses for which the relief of the loss against future profits cannot be foreseen with reasonable certainty.

6. PRIOR YEAR ADJUSTMENT

A prior year adjustment of £55,321 has been made to reduce post, stationery and distribution costs in 2005. This adjustment ensures that the costs are correctly matched to the revenue income in the year to 31st December 2004 and 31st December 2005.

7. INTANGIBLE FIXED ASSETS

	Patents and licences £
COST	
At 1st January 2005 and 31st December 2005	<u>400,000</u>
AMORTISATION	
At 1st January 2005 and 31st December 2005	<u>400,000</u>
NET BOOK VALUE	
At 31st December 2005	<u>-</u>
At 31st December 2004	<u>-</u>

FREEMAN BUSINESS INFORMATION PLC.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2005

8. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1st January 2005	35,091	221,264	256,355
Additions	-	5,850	5,850
At 31st December 2005	35,091	227,114	262,205
DEPRECIATION			
At 1st January 2005	32,106	217,702	249,808
Charge for year	995	2,765	3,760
At 31st December 2005	33,101	220,467	253,568
NET BOOK VALUE			
At 31st December 2005	1,990	6,647	8,637
At 31st December 2004	2,985	3,562	6,547

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2005	2004 as restated
	£	£
Trade debtors	117,074	65,224
Prepayments and accrued income	4,206	19,089
	121,280	84,313

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2005	2004 as restated
	£	£
Trade creditors	14,646	23,067
Social security and other taxes	14,741	18,439
VAT	9,034	-
Other creditors	49,969	10,141
Directors' loan accounts	142,330	135,030
Accruals and deferred income	93,584	169,189
	324,304	355,866

Interest of £42,330 (2004:£35,030) has accrued on the director's loan account. Interest of £7,300, (2004:£7,320) has been charged to bank interest paid. This represents a commercial rate of 5.26%pa, (2004:5.5%).

FREEMAN BUSINESS INFORMATION PLC.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2005

11. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	Land and buildings	
	2005	2004 as restated
	£	£
Expiring:		
Between one and five years	45,000	45,000

12. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	2005	2004 as restated
			£	£
2,000,000	Ordinary	£1	2,000,000	2,000,000
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2005	2004 as restated
			£	£
1,943,308	Ordinary	£1	1,943,308	1,709,976

The following fully paid shares were allotted during the year at a premium as shown below:

233,332 Ordinary shares of £1 each at 50p per share

The company issued 66,666 shares at a premium of 50p per share on 16th March and 05th July 2005. On 13th December 2005 the company issued a further 100,000 shares at no premium.

13. RESERVES

	Profit and loss account £	Share premium £	Totals £
At 1st January 2005	(4,885,384)	3,019,807	(1,865,577)
Prior year adjustment	(55,321)		(55,321)
	(4,940,705)		(1,920,898)
Deficit for the year	(168,606)		(168,606)
Cash share issue	-	66,666	66,666
At 31st December 2005	(5,109,311)	3,086,473	(2,022,838)

FREEMAN BUSINESS INFORMATION PLC.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2005

14. CONTINGENT LIABILITIES

Warranties exist in respect of the sale of integer software and services during the year to 31 December 2005. It is not considered practicable to disclose an estimate of the financial effect. Liability under the warranties had not occurred as at 31 December 2005, and are uncertain in amount and timing.

15. RELATED PARTY DISCLOSURES

Peter Freeman, a director, has lent the company £100,000, which was outstanding at the start and end of the year. At the year end, interest of £42,330 (2004: £35,050) had accrued on the loan, £7,300 (2004: £7,320) accruing in the year. The interest is payable upon the repayment of the loan.

During the year £502 (2004: £Nil) was payable to J Forster in respect of consultancy services. J Forster is the husband of S Forster, a director of the company.

16. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2005	2004 as restated
	£	£
Loss for the financial year	(168,606)	(412,020)
New share capital introduced	233,332	160,022
Share premium on new share capital	66,666	80,011
Net addition/(reduction) to shareholders' funds	131,392	(171,987)
Opening shareholders' funds (originally £(155,601) before prior year adjustment of £(55,321))	(210,922)	(38,935)
Closing shareholders' funds	(79,530)	(210,922)
 Equity interests	 (79,530)	 (210,922)

17. CONTINGENT ASSETS

A contingent asset exists in the form of probable future income in relation to additional consideration receivable from the sale of Integer software and services.

Additional consideration is capped at £1,500,000. As at 31 December 2005, a total of nearly £150,000 had been received. Income from this source in the 12 months to 31 December 2006 is estimated at £75,000.

18. GOING CONCERN

The financial statements have been prepared on the going concern basis which the directors believe to be appropriate for the following reasons. The group is dependant for its working capital on funds provided to it by Peter Freeman. Peter Freeman has provided the group with an undertaking that, for at least twelve months from the date of approval of these financial statements, he will continue to make available such funds as are needed by the group and in particular will not seek repayment of the amounts currently made available. This should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. The directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Based on this undertaking, the directors believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.