

**ANGLO DIGITAL LIMITED
ANNUAL ACCOUNTS**

2001

Company Number : 3914022

Approved by the Board of Directors
At the Board Meeting held on

.....17th October 2002.....

At Anglesey House
1 Worcester Road
Malvern
WR14 4QY

Signed:.....
James Rolfe: Director



A28
COMPANIES HOUSE
MVC
COMPANIES HOUSE

ADAGX064

0302
08/08/03
0809
28/08/03

Annual Review 2001

In May 2001, Anglo Digital completed its first and only investment by investing £150,000 into Atmospheric Solutions Limited.

During the year, differences in strategic opinion grew between the Directors representing Anglo Pacific and the rest of the Board. This culminated in a management buy out in November, which involved the purchase of all of Anglo Pacific's share holding by some of the other Directors.

Since the buy out, Anglo Digital's strategy has been to forge relationships with world-class sources of intellectual property such as Universities and government research laboratories, to gain access to novel and emerging technologies. Anglo Digital's aim is to turn patents to profits by forming start-up companies with appropriate licence rights to commercially viable technologies and to act as the founder management team to raise funds and build the business to a point of successful exit.

The Board believes that in this way, Anglo Digital can cover its running costs through modest management fees to the start-up ventures, whilst offering the potential of significant gains to its shareholders and investors via capital holdings.

James Rolfe
Managing Director

A handwritten signature in black ink, appearing to be 'J Rolfe', written over a light blue horizontal line.

ANGLO DIGITAL LIMITED
AS AT 31st DECEMBER 2002

DIRECTORS OFFICERS AND ADVISERS

Directors	H C A Hyde-Thomson J Rolfe Lord Dundonald
Secretary	J Rolfe
Registered Office	Anglesey House 1 Worcester Road Malvern Worcestershire WR14 4QY
Registered Number	3914022
Date of Incorporation	26th January 2000
Bankers	HSBC 1 Church Street Malvern Worcestershire WR14 2AB



A28 *ADAGY063* 0901
COMPANIES HOUSE 08/09/03
A82 *A41DHNR* 0808
COMPANIES HOUSE 28/08/03

ANGLO DIGITAL LIMITED

BALANCE SHEET AS AT 31st DECEMBER 2002

	2002 £	2001 £
FIXED ASSETS		
Tangible Assets	18,636	17,162
Investments	25,100	125,000
	43,736	142,162
CURRENT ASSETS		
Trade Debtors	28,134	
Other Debtors	660	9,909
Cash at Bank and in hand	15,693	6,116
Loan to Atmospheric Solutions	21,466	
	65,953	16,025
CURRENT LIABILITIES		
Trade Creditors	(21,870)	(13,114)
Other Creditors & Accruals	(15,327)	(13,491)
Directors' Loans		(20,000)
Loans	(78,333)	
	(115,530)	(46,605)
NET CURRENT ASSETS/LIABILITIES	(49,577)	(30,580)
CREDITORS: Amounts falling due after more than one year	(156,667)	(175,000)
NET ASSETS/LIABILITIES	<u>(162,508)</u>	<u>(63,418)</u>
CAPITAL AND RESERVES		
Called up Share Capital	4,000	4,000
Share Premium	197,605	197,605
	201,605	201,605
Profit/Loss for the year	(99,090)	(170,629)
Profit/Loss brought forward	(265,023)	(94,394)
	(364,113)	(265,023)
TOTAL SHAREHOLDERS' FUNDS	<u>(162,508)</u>	<u>(63,418)</u>


James Rolfe
Director.

ANGLO DIGITAL LIMITED

BALANCE SHEET
AS AT 31st DECEMBER 2002 (contd)

The Directors consider that for the period ended 31st December 2002, the Company was entitled to exemption under subsection 1 of Section 249A of the Companies Act, 1985. No member or members have deposited notice requesting an audit for the current financial year under subsection 2 of Section 249B of the Act.


The Directors acknowledge their responsibility for ensuring that the Company keeps accounting records which comply with Section 221 of the Companies Act, 1985 and preparing financial statements which give a true and fair view of the state of affairs of the Company as at the end of the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the Company.

The Directors have taken advantage of the exemptions conferred by Part 111 of Schedule 8 of the Companies Act, 1985, and in their opinion the Company is entitled to those exemptions on the basis that it qualifies as a small company.

The Directors have taken advantage in the preparation of these financial statements of the special exemptions provided by Part 1 of Schedule 8 to the Companies Act, 1985, on the basis that the Company qualifies as a small company.

The financial statements on pages 2-6 were approved by the Board of Directors on 28th July 2003

H C A Hyde-Thomson
Director



James Rolfe
Director

ANGLO DIGITAL LIMITED

Notes on the financial statements
for the year ended 31st December 2002

1. ACCOUNTING POLICIES

a) Basis of Accounting

The financial statements have been prepared under the historical cost accounting rules.

b) Cash Flow Statement


The Company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1 on the grounds that it is entitled to the exemptions available in Section 246 to 247 of the Companies Act, 1985 for small companies.

c) Depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives.

d) Deferred Taxation

No deferred taxation has been provided because the Directors have concluded on the basis of reasonable assumptions and the intentions of management that it is improbable that any liability will crystallise.



James Rolfe
Director.

ANGLO DIGITAL LIMITED

Notes on the financial statements
for the year ended 31st December 2002

2. FIXED ASSETS


	Tangible Fixed Assets	
	2002 £	2001 £
Assets at Cost		
Balance as at 31st December 2001	19,343	4,801
Additions during the year	3,809	14,542
Balance as at 31st December 2002	<u>23,152</u>	<u>19,343</u>
Depreciation		
Balance as at 31st December 2001	2,181	
Charge for the year	2,335	2,181
Balance as at 31st December 2002	<u>4,516</u>	<u>2,181</u>
Net Book Value	<u>18,636</u>	<u>17,162</u>


James Rolfe
Director

ANGLO DIGITAL LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 31st DECEMBER 2002**

	2002 £	2001 £
FEES RECEIVABLE	76,425	40,202
OVERHEADS		
Rent and Rates	13,108	18,784
Insurances	3,049	
Office Costs	13,709	26,882
Directors' Remuneration	70,572	55,729
Employees' Payroll Costs	11,947	34,665
Administration Charges		25,400
Travel Costs	20,729	4,384
Professional Fees	3,608	9,312
Legal Fees	20,897	9,181
Bank Charges	464	226
Bank Interest	157	21
Loan Interest	14,940	8,975
Depreciation of Fixed Assets	2,335	2,181
VAT		(9,909)
TOTAL OVERHEADS	175,515	185,831
TRADING PROFIT/(LOSS)	(99,090)	(145,629)
Loss on Investments		25,000
NET PROFIT/(LOSS)	(99,090)	(170,629)


James Rafe
Director