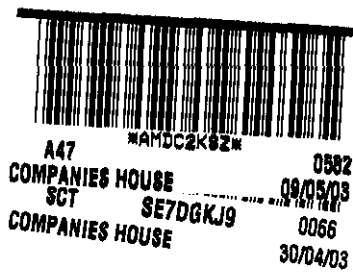


Company Number: 3970403

THE BUSINESS SALES PARTNERSHIP PLC

**REPORT AND ACCOUNTS
30 SEPTEMBER 2002**



THE BUSINESS SALES PARTNERSHIP PLC

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COMPANY INFORMATION

Directors: A C S Lockhart
L R Jones

Secretary: R A Wilkinson BA (Law)

Registered office: 5 Mortimer Street
Hamilton Square
Birkenhead
Merseyside
CH41 5EU

Registered number: 3970403

Bankers: The Royal Bank of Scotland plc
Glasgow City Branch
10 Gordon Street
Glasgow
G1 3PL

Solicitors: R A Wilkinson & Co
5 Mortimer Street
Hamilton Square
Birkenhead
Merseyside
CH41 5EU

Auditors: Scott-Moncrieff
Chartered Accountants
Registered Auditor
25 Bothwell Street
Glasgow
G2 6NL

REPORT OF THE DIRECTORS

The directors present their report with the audited financial statements of the company for the year ended 30 September 2002.

Principal activity

The principal activities of the company in the period under review were those of web site business sales and advertising.

Review of business

The results for the year are as shown on pages five to ten.

Directors

The directors of the company in office during the year and their beneficial interests in the issued share capital were as follows:

Name	Class of capital	30.9.02	30.9.01
A C S Lockhart	Ordinary shares £1	21,151	9,500
L R Jones	Ordinary shares £1	21,151	9,500
A J Wilby (resigned 6 February 2002)	Ordinary shares £1	7,798	3,500

Statement of directors' responsibilities in respect of the accounts

Company law requires the directors to prepare accounts 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 accounts, the directors are required to:

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

Payment policy for creditors

The company aims to pay all of its creditors promptly. It is the company's policy to:

1. agree the terms of the payment at the start of business with that supplier
2. ensure that suppliers are aware of the terms of payment, and
3. pay in accordance with contractual and other legal obligations.

REPORT OF THE DIRECTORS

Dividends

The directors do not recommend the payment of a dividend.

Auditors

A resolution to re-appoint Scott-Moncrieff, Chartered Accountants as auditors will be put to the members at the Annual General Meeting.

ON BEHALF OF THE BOARD

A handwritten signature in black ink, appearing to read 'A C S Lockhart', written over a horizontal line.

A C S Lockhart
Director

Dated: 30 April 2003

**REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF
THE BUSINESS SALES PARTNERSHIP PLC**

We have audited the financial statements of The Business Sales Partnership PLC for the year ended 30 September 2002 set out on pages 5 to 10 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

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 auditor's 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 in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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 Director's 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 director's remuneration and transactions with the company is not disclosed.

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

Basis of opinion

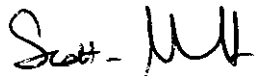
We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the 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.

**REPORT OF THE AUDITORS TO THE SHAREHOLDERS OF
THE BUSINESS SALES PARTNERSHIP PLC**

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 September 2002 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Scott-Moncrieff
Chartered Accountants
Registered Auditor
25 Bothwell Street
Glasgow
G2 6NL

Dated: 30 April 2003

PROFIT AND LOSS ACCOUNT**For the year ended 30 September 2002**

	Notes	2002 £	2001 £
Turnover	2	-	2,000
Cost of sales		10,276	18,597
Gross loss		(10,276)	(16,597)
Administrative expenses		(5,486)	(6,322)
Operating loss		(15,762)	(22,919)
Taxation		-	-
Loss on ordinary activities after taxation		(15,762)	(22,919)
Retained loss brought forward		(22,919)	-
Retained loss carried forward		(38,681)	(22,919)

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

There were no recognised gains or losses for the above two years other than those included in the profit and loss account.

The notes form part of these financial statements

BALANCE SHEET**As at 30 September 2002**

	Notes	2002 £	2001 £
Current assets:			
Debtors	3	115	2,901
Cash in hand and at bank		2,304	3,676
		<u>2,419</u>	<u>6,577</u>
Creditors: amounts falling due within one year	4	(1,100)	(4,496)
		<u>1,319</u>	<u>2,081</u>
Capital and reserves:			
Called up share capital	5	40,000	25,000
Profit and loss account		(38,681)	(22,919)
		<u>1,319</u>	<u>2,081</u>
Shareholders' funds		<u>1,319</u>	<u>2,081</u>



A C S Lockhart - Director

Approved by the Board on 30 April 2003.

The notes form part of these financial statements

CASH FLOW STATEMENT
Year ended 30 September 2002

	Notes	2002 £	2001 £
Net cash (outflow)/inflow from operating activities	6	(1,372)	3,676
Returns on investments and servicing of finance		-	-
Taxation paid		-	-
Capital expenditure		-	-
Equity dividends paid		-	-
Financing		-	-
(Decrease)/increase in cash and cash equivalents		<u>(1,372)</u>	<u>3,676</u>

The notes form part of these financial statements

NOTES TO THE ACCOUNTS

For the year ended 30 September 2002

1. Accounting policies

Accounting convention

The financial statements have been prepared under the historical cost convention.

2. Turnover

Turnover represents income receivable in respect of web site business sales and advertising.

The turnover and loss before taxation are attributable to the principal activities of the company.

3. Debtors

	2002 £	2001 £
Other debtors	115	2,901

4. Creditors: amounts falling due within one year

	2002 £	2001 £
Accrued expenses	1,100	4,496

5. Called up share capital

Authorised:			2002	2001
Number:	Class:	Nominal Value:	£	£
100,000	Ordinary shares	£1	100,000	100,000
Allotted and issued			2002	2001
Number:	Class:	Nominal Value	£	£
50,100	Ordinary shares	£1	40,000	25,000

42,302 ordinary shares of £1 have been paid up to the extent of 83p and the remaining 7,798 shares paid up to the extent of 63p.

NOTES TO THE ACCOUNTS

For the year ended 30 September 2002

6. Reconciliation of operating loss to net cash flow from operating activities

	2002 £	2001 £
Operating loss	(15,762)	(22,919)
Decrease/(increase) in debtors	2,786	(2,901)
(Decrease)/increase in creditors	(3,396)	4,496
Share capital issued	15,000	25,000
Net cash (outflow)/inflow from operating activities	(1,372)	3,676

7. Related parties disclosures

Mr A C S Lockhart is a director of Chris Hart Business Sales Limited.

Mr L R Jones is a director of LBA Business Sales

Mr A J Wilby is a director of Always Goodwill Limited

Included in expenditure are payments to Chris Hart Business Sales Limited and LBA Business Sales of £6,301. These charges represent management charges and other services provided.

TRADING AND PROFIT AND LOSS ACCOUNT

For the year ended 30 September 2002

	2002		2001	
	£	£	£	£
Membership fees		-		2,000
Cost of sales				
Web site expenses	2,540		4,892	
Management time costs	3,650		6,685	
Travel and subsistence	4,086		7,020	
		(10,276)		(18,597)
Gross loss		(10,276)		(16,597)
Administrative expenses				
Stationery	2,794		1,270	
Telephone	864		427	
Legal and professional fees	-		2,191	
Accountancy	-		529	
Audit fees	1,100		1,000	
Bank charges	43		7	
General expenses	685		898	
		(5,486)		(6,322)
Net loss for period		(15,762)		(22,919)