

C. H. L.

FIRSTLIGHT ONLINE LIMITED

FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2003

Company Registration Number 04552788 (England and Wales)



FIRSTLIGHT ONLINE LIMITED

COMPANY INFORMATION

Directors	Colin Jeavons	(Appointed 21 October 2002)
	Brett Bailey	(Appointed 29 April 2004)

Secretary	Simon Thompson
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Company number	04552788
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Registered office	14 Great College Street London SW1P 3RX London SW1P 3RX
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Business address	14 Great College Street London SW1P 3RX London SW1P 3RX
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FIRSTLIGHT ONLINE LIMITED

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FIRSTLIGHT ONLINE LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 30 JUNE 2003

The directors present their report and financial statements for the period ended 30 June 2003. The company was incorporated on 3 October 2002 under the name of Manchuria Three Limited and changed its name to Firstlight Online Limited on 24 October 2002. The company commenced trading on 3 October 2002.

Principal activities

The principal activity of the company is that of computer related activities.

Directors

The following directors have held office since 3 October 2002:

Colin Jeavons	(Appointed 21 October 2002)
Alexander Werner	(Appointed 3 October 2002 and resigned 22 October 2002)
Brett Bailey	(Appointed 29 April 2004)

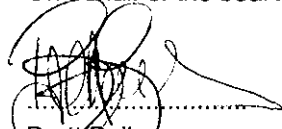
Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	30 June 2003	3 October 2002
Colin Jeavons	37	-

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

On behalf of the board


Brett Bailey
Director
09/04/04
Dated

FIRSTLIGHT ONLINE LIMITED

PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 30 JUNE 2003

	Notes	Period ended 30 June 2003 £
Turnover		228,573
Cost of sales		(224,532)
Gross profit		<u>4,041</u>
Administrative expenses		(110,345)
Loss on ordinary activities before taxation		<u>(106,304)</u>
Tax on loss on ordinary activities	2	-
Loss on ordinary activities after taxation	8	<u><u>(106,304)</u></u>

The company commenced trading on 3 October 2002 and all the profit and loss account transactions occurred in the period from this date to 30 June 2003.

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

FIRSTLIGHT ONLINE LIMITED

BALANCE SHEET AS AT 30 JUNE 2003

	Notes	2003 £	£
Fixed assets			
Investments	3		1
Current assets			
Debtors	4	83,589	
Creditors: amounts falling due within one year	5	(18,944)	
Net current assets			64,645
Total assets less current liabilities			64,646
Creditors: amounts falling due after more than one year	6		(170,850)
			(106,204)
Capital and reserves			
Called up share capital	7		100
Profit and loss account	8		(106,304)
Shareholders' funds - equity interests	9		(106,204)

In preparing these financial statements:

- (a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The directors acknowledge their responsibilities for:
 - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss for the financial period in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on 29/06/07


Brett Bailey
Director

FIRSTLIGHT ONLINE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2003

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.4 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.5 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

2 Taxation

Current tax charge

-

Factors affecting the tax charge for the period

Loss on ordinary activities before taxation

(106,304)

Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00% (2002: 0.00%)

(31,891)

Effects of:

Non deductible expenses

89

Unrelieved tax losses and other deductions

31,802

31,891

Current tax charge

-

FIRSTLIGHT ONLINE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2003

3 Fixed asset investments

	Shares in group undertakings and participating interests £
Cost	
At 3 October 2002	-
Additions	1
	<hr/>
At 30 June 2003	1
	<hr/>

The investment below represents 100 issued but uncalled shares held in the wholly owned subsidiary:

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held %
Subsidiary undertakings			
Firstlight Online (NZ) Limited	New Zealand	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves 2003 £	Profit for the year 2003 £
Firstlight Online (NZ) Limited	54,575	287
	<hr/>	<hr/>

4 Debtors	2003 £
Trade debtors	3,546
Other debtors	80,043
	<hr/>
	83,589
	<hr/>

FIRSTLIGHT ONLINE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2003

5	Creditors: amounts falling due within one year	2003
		£
	Trade creditors	2,750
	Taxation and social security	13,191
	Other creditors	3,003
		<u>18,944</u>
6	Creditors: amounts falling due after more than one year	2003
		£
	Other creditors	<u>170,850</u>
	Analysis of loans	
	Wholly repayable within five years	<u>170,850</u>
7	Share capital	2003
		£
	Authorised	
	100 Ordinary shares of £1 each	<u>100</u>
	Allotted, called up and fully paid	
	100 Ordinary shares of £1 each	<u>100</u>
8	Statement of movements on profit and loss account	Profit and loss account £
	Retained loss for the period	<u>(106,304)</u>

FIRSTLIGHT ONLINE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2003

9	Reconciliation of movements in shareholders' funds	2003
		£
	Loss for the financial period	(106,304)
	Proceeds from issue of shares	100
		<hr/>
	Net depletion in shareholders' funds	(106,204)
	Opening shareholders' funds	-
		<hr/>
	Closing shareholders' funds	(106,204)
		<hr/>

10 Control

The company has no ultimate controlling party.

11 Related party transactions

The company had a balance of £24,006 owing to Firstlight Online (NZ) Limited as at 30 June 2003, a company which is a wholly owned subsidiary of Firstlight Online Limited.

The company had a balance of £146,843 owing to Parliamentary Communications Limited as at 30 June 2003, a company of which Colin Jeavons is also a director.

The company had a balance of £3,546 owing from Merito NZ Limited as at 30 June 2003, a company in which Brett Bailey, a director of the subsidiary Firstlight Online (NZ) Limited, is also a director and shareholder.

The company undertook consultancy transactions during the period of £6,127 with Brett Bailey Consulting Limited, a company of which Brett Bailey is a director.