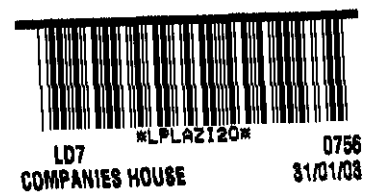


**PENTLAND GOLF LTD (FORMERLY ETCHINGHILL
STUDIOS LTD)**
FINANCIAL STATEMENTS
31 MARCH 2002

Company Registration Number 3163780



ETCHINGHILL STUDIOS LTD

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2002

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ETCHINGHILL STUDIOS LTD
OFFICERS AND PROFESSIONAL ADVISERS

The board of directors

Mr J N Tory
Mr S Griffiths (retired - 20 May 2002)

Company secretary

R G Parry

Registered office

The Estate Office
Etchinghill Golf
Folkestone
Kent
CT18 8FA

Solicitors

Hallett & Co
11 Bank Street
Ashford
Kent

ETCHINGHILL STUDIOS LTD
THE DIRECTOR'S REPORT
YEAR ENDED 31 MARCH 2002

The director presents his report and the unaudited financial statements of the company for the year ended 31 March 2002.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was the development, production and marketing of gaming software.

POST BALANCE SHEET EVENTS

The company changed names on 10 May 2002 to Pentland Golf Ltd and ceased trading on 30 November 2002. The director is continuing to investigate other business opportunities.

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	Ordinary Shares of £1 each	
	At 31 March 2002	At 1 April 2001
Mr J N Tory	20	—
Mr S Griffiths	—	20

Mr S Griffiths retired as a director on 20 May 2002.

SMALL COMPANY PROVISIONS

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

Registered office:
The Estate Office
Etchinghill Golf
Folkestone
Kent
CT18 8FA

Signed by order of the director



R G PARRY
Company Secretary

Approved by the director on 30.01.03

ETCHINGHILL STUDIOS LTD
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 MARCH 2002

	Note	2002 £	2001 £
TURNOVER		—	—
Cost of sales		<u>169,074</u>	<u>25,821</u>
GROSS LOSS		(169,074)	(25,821)
Distribution costs		49	—
Administrative expenses		<u>670,023</u>	<u>211,417</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(839,146)	(237,238)
LOSS FOR THE FINANCIAL YEAR		(839,146)	(237,238)
Balance brought forward		<u>(596,353)</u>	<u>(359,115)</u>
Balance carried forward		<u><u>(1,435,499)</u></u>	<u><u>(596,353)</u></u>

ETCHINGHILL STUDIOS LTD

BALANCE SHEET

31 MARCH 2002

	Note	2002 £	2001 £
FIXED ASSETS			
Intangible assets	3	—	602,552
CURRENT ASSETS			
Debtors	4	6,601	23,174
CREDITORS: Amounts falling due within one year	5	<u>1,047,354</u>	<u>832,274</u>
NET CURRENT LIABILITIES		<u>(1,040,753)</u>	<u>(809,100)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(1,040,753)</u>	<u>(206,548)</u>
CREDITORS: Amounts falling due after more than one year	6	<u>394,646</u>	<u>389,705</u>
		<u>(1,435,399)</u>	<u>(596,253)</u>
CAPITAL AND RESERVES			
Called-up equity share capital	8	100	100
Profit and Loss Account		<u>(1,435,499)</u>	<u>(596,353)</u>
DEFICIENCY		<u>(1,435,399)</u>	<u>(596,253)</u>

The director is satisfied that the company is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the accounts for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The director acknowledges his responsibility for:

- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Act, 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 year and of its profit or loss for 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.

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

These financial statements were approved and signed by the director on 30.01.03.

MR J N TORY

ETCHINGHILL STUDIOS LTD
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2002

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Other intangible fixed assets

Research and development expenditure is written off in the year in which it is incurred. Development expenditure incurred on clearly defined projects whose outcome can be assessed with reasonable certainty is carried forward and amortisation is charged in line with the director's estimate of their useful life. All other development costs are written off in the year of expenditure.

Deferred taxation

Deferred taxation is provided using the liability method on all timing differences, including those relating to pensions, which are expected to reverse in the future without being replaced, calculated at the rate at which it is anticipated the timing differences will reverse. Advance corporation tax which is expected to be recoverable in the future is deducted from the deferred taxation balance.

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

2. OPERATING LOSS

Operating loss is stated after charging/(crediting):

	2002	2001
	£	£
Director's emoluments	36,673	35,000
Net profit on foreign currency translation	(420)	(227)
Exceptional items	<u>602,552</u>	<u>130,812</u>

The exceptional item shown this year relates to the amortisation of costs in the Apostle project accumulated in the period from 1 April 1998 to 31 March 2001. The Apostle project ceased during the year ended 31 March 2003 and no revenue streams were forthcoming. The directors therefore consider that these amounts should be written off.

The exceptional item in the year ended 31 March 2001 related to other costs in connection with the Apostle project for the period to 31 March 1998. The directors considered that the costs incurred in that period were irrecoverable as technology had changed to such an extent in recent years.

PENTLAND GOLF LTD (FORMERLY ETCHINGHILL STUDIOS LTD)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2002

3. INTANGIBLE FIXED ASSETS

	Other intangible fixed assets £
COST	
At 1 April 2001	602,552
Transfer	(602,552)
At 31 March 2002	<u>—</u>
AMORTISATION	<u>—</u>
NET BOOK VALUE	
At 31 March 2002	<u>—</u>
At 31 March 2001	602,552

4. DEBTORS

	2002 £	2001 £
Directors current accounts	—	1,649
Other debtors	6,601	21,525
	<u>6,601</u>	<u>23,174</u>

5. CREDITORS: Amounts falling due within one year

	2002 £	2001 £
Bank loans and overdrafts	177,700	103,469
Trade creditors	14,955	20,999
Other taxation and social security	2,813	11,726
Other creditors	851,886	696,080
	<u>1,047,354</u>	<u>832,274</u>

Other creditors include the director's loan account of £851,736. (2001: £691,155).

The director has undertaken not to draw down his loan account to the detriment of the company. The company's bank has guaranteed continued support and the facility is reviewed regularly.

6. CREDITORS: Amounts falling due after more than one year

	2002 £	2001 £
Amounts owed to group undertakings	<u>394,646</u>	<u>389,705</u>

PENTLAND GOLF LTD (FORMERLY ETCHINGHILL STUDIOS LTD)

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2002

7. RELATED PARTY TRANSACTIONS

The company was under the control of Mr J N Tory through his 100% shareholding in Revelation Limited throughout the current and previous year. Mr Tory is the managing director.

8. SHARE CAPITAL

Authorised share capital:

	2002	2001
	£	£
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

Allotted, called up and fully paid:

	2002	2001
	£	£
Ordinary share capital	<u>100</u>	<u>100</u>

9. ULTIMATE PARENT COMPANY

In the director's opinion the company's ultimate parent company and controlling party is Revelation Ltd which is incorporated in England and Wales. Copies of its accounts are available from Companies House, Crown Way, Cardiff, CF4 3UZ.