

COMPANIES HOUSE

MONEYWEEK LIMITED

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD 13TH JUNE 2000 TO 30TH JUNE 2001**



Company No. 4016750

MONEYWEEK LIMITED

CONTENTS

	Page
Company Information	1
Directors' Report	2 to 3
Auditors' Report	4
Profit and Loss Account	5
Balance Sheet	6
Notes to the Financial Statements	7 to 11

MONEYWEEK LIMITED

COMPANY INFORMATION

Directors

A. Gifford
I.G.H. Leggett FCA(NZ) CA ACIS
P.M.Horsley
A.J. Ramsey
M.L.V. Weyer
J.C.N. Connell

Secretary

Forsters Secretaries Limited

Company Number

4016750

Registered Office

30 Cleveland Street
London
W1P 1FF

Auditors

Bright Grahame Murray
124/130 Seymour Place
London
W1H 1BG

MONEYWEEK LIMITED

DIRECTORS' REPORT FOR THE PERIOD 13TH JUNE 2000 TO 30TH JUNE 2001

The directors present their first report together with the audited financial statements for the period ended 30th June 2001.

Principal Activity

The company was incorporated on 13th June 2000 and commenced trading on 1 October 2000. Its principal activity is the publication and sale of a weekly magazine.

Directors and Their Interests

The directors at 30th June 2001 were all appointed on 3rd January 2001 and their beneficial interests in the company's issued share capital were as follows:

	<u>At</u> <u>30th June 2001</u> <u>Investor Shares</u>	<u>At</u> <u>13th June 2000</u> <u>Investor Shares</u>	<u>At</u> <u>30th June 2001</u> <u>Founders shares</u>	<u>At</u> <u>13th June 2000</u> <u>Founders shares</u>
A. Gifford	200	-	-	-
I.G.H. Leggett	-	-	-	-
P.M. Horsley	200	-	-	-
A.J. Ramsay	-	-	-	-
M.L.V. Weyer	-	-	-	-
J.C.N. Connell	-	-	3500	-

Issue of Shares

On incorporation, 2,000 ordinary shares of £1.00 each were issued to establish the capital base of the company.

A resolution was passed on 3rd January 2001 to divide the authorised share capital of 10,000 ordinary shares of £1.00 each into 3,500 founder shares and 6,500 investor shares of £1.00 each. The 2,000 shares issued on incorporation were consequently changed to founder shares.

Subsequently, the company has issued a further 1,500 founder shares and 5,500 investor shares.

MONEYWEEK LIMITED

DIRECTORS' REPORT FOR THE PERIOD 13TH JUNE 2000 TO 30TH JUNE 2001

Directors' Responsibilities for the Financial Statements

Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of the company's affairs and of the profit or loss 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;
- 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 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.


Auditors

A resolution to re-appoint Messrs Bright Grahame Murray, Chartered Accountants, of 124/130 Seymour Place, London, W1H 1BG., as auditors of the company will be proposed at the Annual General Meeting.

Small Companies Exemptions

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

By order of the board


.....
MONEYWEEK LIMITED

Secretary

Date: 18 July 2002

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MONEYWEEK LIMITED

We have audited the financial statements on pages 5 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective Responsibilities of Directors and Auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the 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 Directors' 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 directors' remuneration and transactions with the company is not disclosed.

We read the Directors' 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.

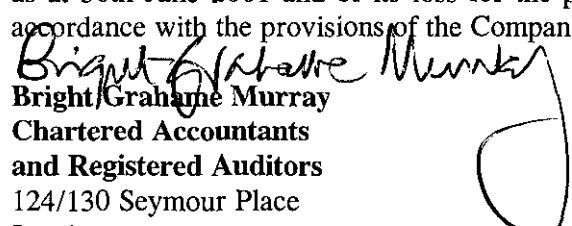
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Going Concern

In forming our opinion, we have considered the adequacy of the disclosures made in Note 1 of the financial statements concerning the inherent uncertainty as to the company's ability to remain a going concern. In view of the significance of this uncertainty we consider that it should be drawn to your attention but our opinion is not qualified in this respect.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30th June 2001 and of its loss for the period then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.


Bright Grahame Murray
Chartered Accountants
and Registered Auditors

124/130 Seymour Place
London
W1H 1BG
24th July 2002

MONEYWEEK LIMITED

PROFIT AND LOSS ACCOUNT FOR THE PERIOD 13TH JUNE 2000 TO 30TH JUNE 2001

	Notes	2001 £
Turnover	2	268,309
Cost of sales		<u>541,702</u>
Gross (Loss)		(273,393)
Distribution costs		109,780
Administrative expenses		<u>1,282,810</u>
Operating (Loss)	3	(1,665,983)
Interest receivable		<u>8,528</u>
(Loss) for the Financial Period		<u>(1,657,455)</u>

All amounts relate to continuing activities.

There were no recognised gains and losses for 2001 other than those included in the profit and loss account.

MONEYWEEK LIMITED

BALANCE SHEET AS AT 30TH JUNE 2001

	Notes	2001	
		£	£
Fixed Assets			
Tangible assets	6		33,791
Current Assets			
Debtors	7	151,769	
Cash at bank and in hand		23,409	
		<u>175,178</u>	
Creditors			
Amounts falling due within one year	8	<u>364,424</u>	
Net Current Liabilities			<u>(189,246)</u>
Total Assets Less Current Liabilities			<u>(155,455)</u>
Capital and Reserves			
Share capital	9		9,000
Share premium account	10		1,493,000
Profit and loss account	10		<u>(1,657,455)</u>
Shareholders' funds	11		<u>(155,455)</u>

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


.....
Director
.....
Director

Approved on: 18th July 2002

The notes on pages 7 to 11 form part of these financial statements.

MONEYWEEK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 13TH JUNE 2000 TO 30TH JUNE 2001

1 Accounting Policies

Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention on a going concern basis which assumes that the company will continue in operational existence for the foreseeable future. The validity of this assumption depends either upon the continued financial support of certain creditors (see Note 8), or the availability of alternative sources of finance.

While these creditors have provided no formal undertaking to continue to provide financial support to the company, and indeed the company's indebtedness to these creditors is repayable on demand, the directors believe that they can if necessary procure sufficient alternative funding for the company during its development phase, should this be necessary. While inherently there can be no certainty in relation to these matters, the directors consider it appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result if the going concern basis were to be inappropriate.

If the company were unable to continue in operational existence for the foreseeable future, adjustments would have to be made to reduce the balance sheet values of assets to their recoverable amounts, to provide for further liabilities that might arise, and to reclassify fixed assets as current assets.

The financial statements have been prepared in accordance with applicable accounting standards.

Depreciation

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost of each asset evenly over its expected useful life, as follows:-

Computer equipment	33 1/3% p.a. on a straight line basis
--------------------	---------------------------------------

Development Costs

Research and development expenditure is charged to the profit and loss account in the period in which it is incurred.

Turnover

Turnover, which excludes value added tax and discounts, represents the invoiced total derived from publishing activities.

Subscriptions income is recognised in the profit and loss account as turnover on a receivable basis with that proportion relating to subsequent periods included in accruals and deferred income.

MONEYWEEK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 13TH JUNE 2000 TO 30TH JUNE 2001

Deferred Taxation

Deferred taxation is provided using the liability method on all timing differences 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.

Foreign Currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the balance sheet date.

All exchange differences are taken to the profit and loss account.

2 Turnover

Turnover, which is stated net of value added tax, represents amounts invoiced to third parties.

The turnover was derived from the company's principal activity which was carried out wholly in the United Kingdom.

3 Operating (Loss)

<i>This is stated after charging:</i>	2001
	£
Depreciation of owned assets	9,654
Directors' remuneration	81,933
Operating lease rentals - land and buildings	48,000
Auditors' remuneration	<u>4,000</u>

4 Directors	2001
	£
Directors' emoluments - for management services	<u>81,933</u>

5 Taxation

The company has no liability to corporation tax for the period due to losses being incurred.

At 30th June 2001, the company had tax losses to carry forward of approximately £1,680,000

There is no unprovided deferred taxation liability at 30th June 2001.

MONEYWEEK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 13TH JUNE 2000 TO 30TH JUNE 2001

6 Tangible Fixed Assets

	Computer Equipment
Cost	£
Additions	43,445
At 30th June 2001	<u>43,445</u>
Depreciation	
Charge for the period	9,654
At 30th June 2001	<u>9,654</u>
Net Book Value	
At 30th June 2001	<u>33,791</u>

7 Debtors	2001
	£
Trade Debtors	42,133
Other debtors	109,636
	<u>151,769</u>

8 Creditors: Amounts Falling Due Within One Year	2001
	£
Trade creditors	183,099
Other taxes and social security	4,709
Other creditors	176,616
	<u>364,424</u>

MONEYWEEK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 13TH JUNE 2000 TO 30TH JUNE 2001

9	Share Capital	2001
		£
	Authorised	
	Equity Shares	
	Founders shares of £1.00 each	3,500
	Investors shares of £1.00 each	6,500
		10,000
	Allotted, called up and fully paid	
	Equity Shares	
	Founders shares of £1.00 each	3,500
	Investors shares of £1.00 each	5,500
		9,000

On incorporation, 2,000 ordinary shares of £1.00 each were issued to establish the capital base of the company.

A resolution was passed on 3rd January 2001 to divide the authorised share capital of 10,000 ordinary shares of £1.00 each into 3,500 founder shares and 6,500 investor shares of £1.00 each. The 2,000 shares issued on incorporation were consequently changed to founder shares.

Subsequently, the company has issued a further 1,500 founder shares and 5,500 investor shares.

10	Reserves	Share Premium Account	Profit and Loss Account
		£	£
	Loss for the period	-	(1,657,455)
	Premium on allotment	1,493,000	-
	At 30th June 2001	1,493,000	(1,657,455)

11	Reconciliation of Shareholders' Funds	2001
		£
	(Loss) for the financial period	(1,657,455)
	Issue of share capital	1,502,000
	Closing shareholders' funds	(155,455)

MONEYWEEK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 13TH JUNE 2000 TO 30TH JUNE 2001

12 Related Party Transactions

Dennis Publishing Limited

During the period, expenditure of £635,851 was recharged to the company by Dennis Publishing Limited, a company in which Mr Felix Dennis (through Dennis Publishing (UK) Limited) has a beneficial interest as shareholder. In addition, Dennis Publishing Ltd have charged a management fee of £126,000 to the company. At the 30 June 2001, the amount due to Dennis Publishing Limited was £36,237. This amount is included in other creditors.

The Week Ltd

During the period, expenditure of £221,627 was recharged to the company by The Week Limited, a company in which Mr Felix Dennis (through Dennis Publishing (UK) Limited) and Mr Jon Connell have a beneficial interest as shareholders. At the 30 June 2001, the amount due from The Week Limited was £6,882.

13 Controlling Party

In the opinion of the directors, the company is controlled by Jon Connell.