

OPTIMAL MEDIA LIMITED
DIRECTORS REPORT AND ACCOUNTS
FOR THE PERIOD ENDED 31 OCTOBER 2001



COMPANY NO : 3390704

OPTIMAL MEDIA LIMITED

REPORT OF THE DIRECTORS FOR THE PERIOD ENDED 31 OCTOBER 2001

The directors presents their report and the company's accounts for the period ended 31 October 2001.

PRINCIPAL ACTIVITY

The principal activity of the company is the provision of media consultancy services.

DIRECTORS

The directors of the company at 31 October 2001 and their interests in the share capital of the company were as follows:

	Ordinary shares of £1 each	
	31/10/2001	30/6/2000
M Lench	1	1
H Lench	1	1

DIRECTORS RESPONSIBILITIES

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 year. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable standards have been followed, subject to any material departures described and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

OPTIMAL MEDIA LIMITED

REPORT OF THE DIRECTORS FOR THE PERIOD ENDED 31 OCTOBER 2001 (Continued)

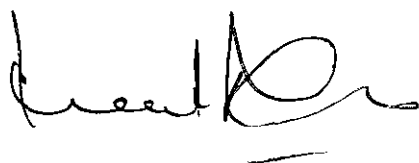
DIRECTORS RESPONSIBILITIES (Continued)

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.

SMALL COMPANY EXEMPTIONS

The directors report 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.



Secretary

29 August 2002

OPTIMAL MEDIA LIMITED**PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 31 OCTOBER 2001**

	Notes	31/10/01 16 Months £	30/6/00 12 Months £
TURNOVER		142,486	72,221
Administrative expenses		(91,511)	(51,435)
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OPERATING PROFIT	2	50,975	20,786
Interest payable		(538)	(8)
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		50,437	20,778
Taxation on profit on ordinary activities	3	(10,982)	(4,456)
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PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		39,455	16,322
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During the period ended 31 October 2001, the company had no recognised gains and losses other than those shown in its profit and loss account. Accordingly, a separate Statement of Recognised Gains and Losses has not been presented.

The company's turnover and other items credited or charged in arriving at its operating profit arose entirely from its continuing operations.

OPTIMAL MEDIA LIMITED**BALANCE SHEET AS AT 31 OCTOBER 2001**

	Notes	31/10/01		30/6/00	
		£	£	£	£
FIXED ASSETS					
Tangible assets	4		418		815
CURRENT ASSETS					
Debtors	5	171,061		129,329	
Cash at bank & in hand		5,434		3,156	
		176,495		132,485	
CREDITORS - amounts falling due within one year	6	(31,594)		(27,436)	
NET CURRENT ASSETS			144,901		105,049
TOTAL ASSETS LESS CURRENT LIABILITIES			145,319		105,864
CAPITAL AND RESERVES					
Called up share capital	7		2		2
Profit and loss account	8		145,317		105,862
			145,319		105,864

Statement by the Directors required by section 249B(4) of the Companies Act 1985

During the financial period ended 31 October 2001, the company was entitled to the exemption from audit granted by section 249A(1) of the Companies Act 1985.

OPTIMAL MEDIA LIMITED

BALANCE SHEET AS AT 31 OCTOBER 2001 (Continued)

Statement by the Directors required by section 249B(4) of the Companies Act 1985 (Continued)

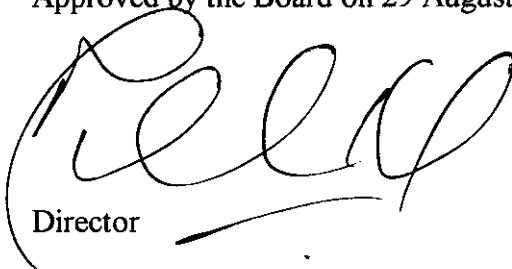
No notice under section 249B(2) of the Companies Act 1985 from the shareholders requiring an audit of the accounts for the financial year has been deposited at the company's registered office.

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 accounts which give a true and fair view of the state of affairs of the company 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 of the Companies Act 1985, and which otherwise comply with the requirements of the Companies Act 1985 relating to accounts, as far as they are applicable to the company.

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities.

Approved by the Board on 29 August 2002



Director

OPTIMAL MEDIA LIMITED

NOTES TO THE ACCOUNTS FOR THE PERIOD ENDED 31 OCTOBER 2001

1. ACCOUNTING POLICIES

a) Accounting Convention

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities.

b) Depreciation

All fixed assets are stated at cost to the company and are depreciated over their expected useful lives at a rate of 20% per annum on cost.

c) Deferred Tax

Deferred tax is provided in respect of all timing differences using the liability method except to the extent that these are not expected to reverse in the foreseeable future.

d) Turnover

Turnover represents the net amount receivable from customers for services supplied by the company in the ordinary course of its business, exclusive of VAT.

Turnover is wholly attributable to the company's principal activity and has arisen entirely within the United Kingdom.

2. OPERATING PROFIT

Operating profit is stated after charging:

	31/10/01 16 Months £	30/6/00 12 Months £
Depreciation		
Owned assets	397	397
Directors remuneration	40,000	15,000
Pension costs	14,944	9,340
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OPTIMAL MEDIA LIMITED**NOTES TO THE ACCOUNTS****FOR THE PERIOD ENDED 31 OCTOBER 2001 (Continued)****3. TAXATION**

The tax charge on the profit on ordinary activities for the period was as follows:

	31/10/01 16 Months £	30/6/00 12 Months £
UK Corporation tax	10,982	4,456

4. TANGIBLE FIXED ASSETS

	Computer Equipment £	Office Equipment £	Total £
COST			
At 1 July 2000 & 31 October 2001	1,686	298	1,984
DEPRECIATION			
At 1 July 2000	1,011	158	1,169
Charge for the year	337	60	397
At 31 October 2001	1,348	218	1,566
NET BOOK VALUE			
At 31 October 2001	338	80	418
At 30 June 2000	675	140	815

5. DEBTORS

	31/10/01 £	30/6/00 £
Trade debtors	2,350	16,856
Other debtors	200	1,082
Amount owed by related company	168,511	111,391
	170,861	129,329

OPTIMAL MEDIA LIMITED

NOTES TO THE ACCOUNTS

FOR THE PERIOD ENDED 31 OCTOBER 2001 (Continued)

6. CREDITORS - amounts falling due within one year

	31/10/01	30/6/00
	£	£
Directors current account	15,419	6,992
Social security & other taxes	4,069	502
Other creditors	-	1,952
Current taxation	10,606	15,272
Accruals	1,500	2,718
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	31,594	27,436
	<hr/>	<hr/>

7. CALLED UP SHARE CAPITAL

	Ordinary shares of £1 each 2001 & 2000	
	No	£
Authorised	1,000	1,000
	<hr/>	<hr/>
Allotted & fully paid	2	2
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8. RESERVES AND RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	Share capital allotted & fully paid £	Profit & loss account £	Total shareholders' funds £
At 30 June 1999	2	89,540	89,542
Retained profits	-	16,322	16,322
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At 30 June 2000	2	105,862	105,864
Retained profits	-	39,455	39,455
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At 31 October 2001	2	145,317	145,319
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OPTIMAL MEDIA LIMITED

NOTES TO THE ACCOUNTS

FOR THE PERIOD ENDED 31 OCTOBER 2001 (Continued)

9. PROVISIONS FOR LIABILITIES & CHARGES

Deferred tax has not been provided for as in accordance with note 1c to the accounts no liability is expected to arise in the foreseeable future.

10. CONTINGENT LIABILITIES

The company had no contingent liabilities at 31 October 2001 (30 June 2000 : nil).

11. FINANCIAL COMMITMENTS

Capital Commitments

There were no capital or other financial commitments at 31 October 2001
(30 June 2000 : nil).

12. RELATED PARTY TRANSACTIONS

At 31 October 2001 the company was owed £168,511 (30 June 2000: £111,391) by an associate company, Optimal Limited, which is controlled by M. Lench & H. Lench. There were no trading transactions between the two companies.

The company is controlled by its directors M. Lench & H. Lench who together own all of the share capital in the company.

There were no material transactions between the company and its director requiring disclosure by Financial Reporting Standard No. 8.