

Co. No. 3082343.

Companies
House

WASP ADVERTISING LIMITED

FINANCIAL ACCOUNTS FOR THE
YEAR ENDED 30 SEPTEMBER 2001



T.W.Tasker F.C.A.
Chartered Accountant

WASP ADVERTISING LIMITED

NOTICE OF MEETING

Notice is hereby given that the Annual General Meeting of the company will be held at the Registered Office on 31 October 2001 to transact the following business :-

- 1, To accept short notice of meeting.
- 2, To receive and agree the Directors Report and Accounts for the year ended 30 September 2001.
- 3, To re-elect Directors.
- 4, To re-appoint T W Tasker F C A, Chartered Accountant, as Auditor.
- 5, To authorise the Directors to fix the remuneration of the Auditor.
- 6, To authorise Capital Expenditure.
- 7, To transact any other business of an Annual General Meeting.

Registered Office
176 New Bridge Street
Newcastle upon Tyne
Tyne & Wear

By Order of the Board



K. Colvin-Smith
Secretary

26 October 2001

NOTE :

Any member of the company entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend, and on a poll, vote instead of him. A proxy need not be a member of the company.

WASP ADVERTISING LIMITED
FINANCIAL ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2001

CONTENTS

1. Report of the Directors
2. Statement of Directors Responsibilities
3. Report of the Auditor
4. Profit and Loss Account
5. Balance Sheet
6. Notes to the Accounts

The following page does not form part of the Statutory Accounts

7. Trading and Profit and Loss Account

WASP ADVERTISING LIMITED
REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 30 SEPTEMBER 2001

The directors present their annual report with the accounts of the company for the year ended 30 September 2001.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was the provision of Advertising Services.

DIRECTORS

The directors in office in the year and their beneficial interests in the company's issued ordinary share capital were as follows:

| | Ordinary Shares of £1 each | |
|----------------|----------------------------|-------------|
| | <u>2001</u> | <u>2000</u> |
| K.Colvin-Smith | 4000 | 450 |
| D.G.Parker | 4000 | 450 |

AUDITOR

The auditor, T.W.Tasker F.C.A. will be proposed for re-appointment in accordance with Section 384 of the Companies Act 1985.

SMALL COMPANY EXEMPTIONS

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

Signed on behalf of the
board of directors



K.Colvin-Smith
Secretary

26 October 2001

WASP ADVERTISING LIMITEDSTATEMENT OF DIRECTORS RESPONSIBILITIES

Company law requires the directors to prepare financial 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 financial accounts 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 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 financial 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.

Signed on behalf of the Board



D.G. Parker
Director

26 October 2001

AUDITORS REPORT TO THE SHAREHOLDERS OF
WASP ADVERTISING LIMITED

I have audited the financial accounts on pages 4 to 6 which have been prepared under the historical cost convention and the accounting policies set out on page 6a.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As described on page 2 the company's directors are responsible for the preparation of financial accounts. It is my responsibility to form an independent opinion, based on my audit, on those accounts and to report my opinion to you.

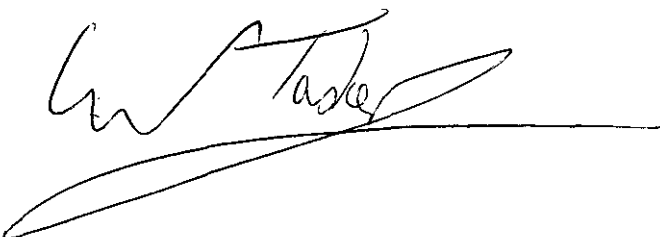
BASIS OF OPINION

I conducted my audit in accordance with 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

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

OPINION

In my opinion the financial accounts give a true and fair view of the state of the company's affairs as at 30 September 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

A handwritten signature in black ink, appearing to read 'T.W. Tasker', is written over a horizontal line.

T.W.Tasker F.C.A.

Registered Auditor
Chartered Accountant

52A Station Road
Ashington
Northumberland

Tel (01670) 852342
Fax (01670) 522282

26 October 2001

WASP ADVERTISING LIMITEDPROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2001

| | <u>Notes</u> | <u>2001</u> | <u>2000</u> |
|--|--------------|-----------------|-----------------|
| | | £ | £ |
| TURNOVER | 2 | 392,193 | 346,842 |
| Cost of Sales | | 207,376 | 141,517 |
| <u>GROSS PROFIT</u> | | <u>184,817</u> | <u>205,325</u> |
| Net Operating Expenses | | | |
| Administrative Expenses | 156,567 | 156,200 | |
| Rents Received | (12,775) | (2,450) | |
| | | <u>143,792</u> | <u>153,750</u> |
| <u>OPERATING PROFIT</u> | 3 | <u>41,025</u> | <u>51,575</u> |
| Bank Interest Received | | 356 | 138 |
| <u>PROFIT ON ORDINARY ACTIVITIES</u> <u>BEFORE INTEREST</u> | | <u>41,381</u> | <u>51,713</u> |
| Hire Purchase Interest Payable | | 3,548 | 3,111 |
| <u>PROFIT ON ORDINARY ACTIVITIES</u> <u>BEFORE TAXATION</u> | | <u>37,833</u> | <u>48,602</u> |
| Tax on Ordinary Activities | | 5,810 | 7,746 |
| <u>PROFIT ON ORDINARY ACTIVITIES</u> <u>AFTER TAXATION</u> | | <u>32,023</u> | <u>40,856</u> |
| Interim Ordinary Dividends Paid | | 30,800 | 34,300 |
| <u>RETAINED PROFIT FOR THE YEAR</u> | | <u>£ 1,223</u> | <u>£ 6,556</u> |
| <u>STATEMENT OF RETAINED EARNINGS</u> | | | |
| Retained Profit Brought Forward | | 63,764 | 57,208 |
| Retained Profit for the Year | | 1,223 | 6,556 |
| <u>RETAINED PROFIT CARRIED FORWARD</u> | | <u>£ 64,987</u> | <u>£ 63,764</u> |

None of the company's activities were acquired or discontinued and there were no recognised gains or losses other than the profit during the above two financial years.

The notes on pages 6a to 6b form part of these accounts.

WASP ADVERTISING LIMITED**BALANCE SHEET**
AS AT 30 SEPTEMBER 2001

| | <u>Notes</u> | <u>2001</u> | <u>2000</u> |
|--|--------------|-----------------|-----------------|
| | | £ | £ |
| FIXED ASSETS | | | |
| Tangible Assets | 4 | 56,141 | 63,180 |
| CURRENT ASSETS | | | |
| Work in Progress | | 5,793 | - |
| Debtors | 5 | 57,566 | 66,089 |
| Cash at Bank and in Hand | | 7,699 | 723 |
| | | <u>71,058</u> | <u>66,812</u> |
| CREDITORS : Amounts Becoming Due And Payable Within One Year | 6 | <u>45,292</u> | <u>39,511</u> |
| NET CURRENT ASSETS | | <u>25,766</u> | <u>27,301</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>81,907</u> | <u>90,481</u> |
| CREDITORS : Amounts Becoming Due And Payable After More Than One Year | 6 | <u>8,920</u> | <u>25,817</u> |
| | | <u>£ 72,987</u> | <u>£ 64,664</u> |
| CAPITAL AND RESERVES | | | |
| Share Capital | 7 | 8,000 | 900 |
| Profit and Loss Account | | 64,987 | 63,764 |
| | | <u>£ 72,987</u> | <u>£ 64,664</u> |

These accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Signed on behalf of the
board of directors



D.G. Parker
Director

Approved by the board: 26 October 2001

The notes on pages 6a to 6b form part of these accounts.

WASP ADVERTISING LIMITEDNOTES TO ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2001**1. ACCOUNTING POLICIES**Basis of Accounting

The accounts have been prepared under the historical cost convention.

Turnover

Turnover represents the net invoiced sales, excluding VAT.

Tangible Fixed Assets

Depreciation is provided on reducing balances at the following annual rates in order to write off each asset over its estimated useful life:

| | |
|---------------------|-------|
| Motor Vehicles | 25.0% |
| Plant and Equipment | 33.3% |

Assets held under hire purchase contracts are capitalised on the inception of each contract and depreciated over their expected useful lives. Finance charges are allocated in proportion to the capital element outstanding. Rentals payable under operating leases are charged to the profit and loss account as incurred.

Work in Progress

Work in Progress is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow-moving items.

Pensions

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss account.

Cash Flow Statement

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1 on the grounds that it qualifies as a small company under the Companies Act 1985.

2. TURNOVER

The Turnover and Profit (2000 - Profit) before taxation for the year are attributable to the principal activity of the Company which is the provision of Advertising Services and relate entirely to the United Kingdom.

3. OPERATING PROFIT

The Operating Profit (2000 - Profit) is stated after charging:

| | <u>2001</u> | <u>2000</u> |
|--|-------------|-------------|
| | £ | £ |
| Depreciation of Tangible Fixed Assets | 22,513 | 24,646 |
| Profit/Loss on Sale of Tangible Fixed Assets | (1,320) | 688 |
| Auditors Remuneration | 1,940 | 1,850 |

4. TANGIBLE FIXED ASSETS

| | Plant & Machinery etc |
|-----------------------|--------------------------|
| | £ |
| COST | |
| At 1 October 2000 | 142,994 |
| Additions in year | 28,654 |
| Disposals in year | (23,431) |
| At 30 September 2001 | 148,217 |
| DEPRECIATION | |
| At 1 October 2000 | 79,814 |
| Write off on Disposal | (10,251) |
| Charge for the year | 22,514 |
| At 30 September 2001 | 92,077 |
| NET BOOK VALUE | |
| At 30 September 2001 | 56,141 |
| At 30 September 2000 | 63,180 |

WASP ADVERTISING LIMITEDNOTES TO ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 2001

| 5. <u>DEBTORS</u> | <u>2001</u> | <u>2000</u> |
|------------------------------|---------------|---------------|
| Amounts due within one year: | £ | £ |
| Trade Debtors | 52,916 | 61,291 |
| Value Added Tax | 3,296 | 4,005 |
| Payments in Advance | 1,354 | 793 |
| | <u>57,566</u> | <u>66,089</u> |

6. CREDITORS: Amounts Becoming Due And Payable Within One Year:

| | <u>2001</u> | <u>2000</u> |
|--|---------------|---------------|
| | £ | £ |
| Bank Overdraft | 4,537 | - |
| Trade Creditors | 12,887 | 7,931 |
| Corporation Tax | 5,404 | 8,610 |
| Social Security and Other Taxes | 1,008 | 3,639 |
| Directors Loan Accounts : K.Colvin-Smith | 455 | 55 |
| D.G.Parker | 455 | 55 |
| Hire Purchase Creditors | 18,935 | 17,211 |
| Accrued Charges | 1,611 | 2,010 |
| | <u>45,292</u> | <u>39,511</u> |

Amounts Becoming Due And Payable After More Than One Year:

| | <u>2001</u> | <u>2000</u> |
|-------------------------|-------------|-------------|
| | £ | £ |
| Hire Purchase Creditors | 8,920 | 25,817 |

| 7. <u>SHARE CAPITAL</u> | <u>2001</u> | <u>2000</u> |
|---------------------------------|--------------|-------------|
| Ordinary Shares of £1 each: | £ | £ |
| Authorised | 50,000 | 1,000 |
| Allotted, Issued and Fully Paid | <u>8,000</u> | <u>900</u> |

| 8. <u>FINANCIAL COMMITMENTS</u> | <u>2001</u> | <u>2000</u> |
|----------------------------------|-------------|-------------|
| Future Capital Expenditure | £ | £ |
| Contracted, but not provided for | Nil | Nil |

9. RELATED PARTIES

Wasp Advertising Limited is related to Indigo Multimedia Limited and AFV Modeller Limited by common Directorships. Wasp Advertising Limited received Rent of £8,800 from Indigo Multimedia Limited during the year ended 30 September 2001 (2000 - Indigo Multimedia Limited received Rent of £13,478 from Wasp Advertising Limited). No balances were outstanding at 30 September 2001, (2000 - None).

Wasp Advertising Limited trades from premises now owned by K.Colvin-Smith and D.G.Parker who are Directors of the company. Rent of £18,900 was paid to them during the year ended 30 September 2001 (2000 - £Nil).

Wasp Advertising Limited carried out work to the value of £1,600 for AFV Modeller Limited during the year ended 30 September 2001, (2000 - £Nil).

All transactions are at market value.