

Co. No. 3082343.

Companies
House

WASP ADVERTISING LIMITED

FINANCIAL ACCOUNTS FOR THE
YEAR ENDED 30 SEPTEMBER 1999

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



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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 26 January 2000 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 1999.
- 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

24 January 2000

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 1999

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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 1999

The directors present their annual report with the accounts of the company for the year ended 30 September 1999.

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>1999</u>	<u>1998</u>
K.Colvin-Smith	450	450
D.G.Parker	450	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

24 January 2000

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

24 January 2000

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.

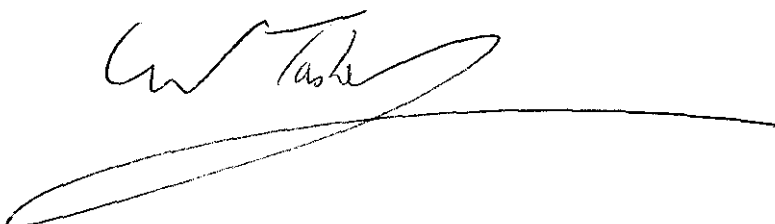
BASIS OF OPINION

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 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



T.W.Tasker F.C.A.

**Registered Auditor
Chartered Accountant**

**52A Station Road
Ashington
Northumberland**

**Tel (01670) 852342
Fax (01670) 522282**

24 January 2000

WASP ADVERTISING LIMITEDPROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 1999

	<u>Notes</u>	<u>1999</u>	<u>1998</u>
		£	£
TURNOVER	2	310,956	260,183
Cost of Sales		99,624	84,191
<u>GROSS PROFIT</u>		211,332	175,992
Net Operating Expenses			
Administrative Expenses	164,983		154,577
Rents Received	(1,500)		-
		163,483	154,577
<u>OPERATING PROFIT</u>	3	47,849	21,415
Bank Interest Received		18	256
<u>PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST</u>		47,867	21,671
Interest Payable			
Hire Purchase Interest	2,545		3,788
Bank Interest	2		2
		2,547	3,790
<u>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</u>		45,320	17,881
Tax on Ordinary Activities		11,526	5,042
<u>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</u>		33,794	12,839
Interim Ordinary Dividends Paid		27,600	26,600
<u>RETAINED PROFIT/(LOSS) FOR THE YEAR</u>		£ 6,194	£ (13,761)
<u>STATEMENT OF RETAINED EARNINGS</u>			
Retained Profit Brought Forward		51,014	64,775
Retained Profit/(Loss) for the Year		6,194	(13,761)
<u>RETAINED PROFIT CARRIED FORWARD</u>		£ 57,208	£ 51,014

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

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

WASP ADVERTISING LIMITEDBALANCE SHEET
AS AT 30 SEPTEMBER 1999

	<u>Notes</u>	£	1999	£	1998	£
FIXED ASSETS						
Tangible Assets	4		57,306		60,011	
Intangible Assets	5		-		2,500	
			<u>57,306</u>		<u>62,511</u>	
CURRENT ASSETS						
Debtors	6	98,619		75,385		
Cash at Bank and in Hand		<u>2,206</u>		<u>1,398</u>		
		100,825		76,783		
CREDITORS : Amounts Becoming Due And Payable Within One Year	7	<u>52,946</u>		<u>36,794</u>		
NET CURRENT ASSETS			47,879		39,989	
TOTAL ASSETS LESS CURRENT LIABILITIES			105,185		102,500	
CREDITORS : Amounts Becoming Due And Payable After More Than One Year	7		47,077		50,586	
			<u>£ 58,108</u>		<u>£ 51,914</u>	
CAPITAL AND RESERVES						
Share Capital	8		900		900	
Profit and Loss Account			<u>57,208</u>		<u>51,014</u>	
			<u>£ 58,108</u>		<u>£ 51,914</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: 24 January 2000

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

WASP ADVERTISING LIMITEDNOTES TO ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 1999**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.

Intangible Fixed Asset

Costs have been capitalised and are amortised over the estimated life of the asset as follows:

Goodwill	25% straight line basis
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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 (1998 - Profit) before taxation for the year are attributable to the principal activity of the Company which is the provision of Advertising Services. In the opinion of the Directors, 1% of the company's turnover is attributable to geographical markets outside the UK. (1998 0%).

3. OPERATING PROFIT

The Operating Profit (1998 - Profit) is stated after charging:

	<u>1999</u>	<u>1998</u>
	£	£
Depreciation of Tangible Fixed Assets	22,759	23,924
Loss on Sale of Tangible Fixed Assets	1,152	100
Amortisation of Intangible Fixed Assets	2,500	2,500
Auditors Remuneration	1,830	1,465
	<hr/>	<hr/>

NOTES TO ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 1999

4. TANGIBLE FIXED ASSETS

	Plant & Machinery etc £
COST	
At 1 October 1998	116,621
Additions in year	32,855
Disposals in year	(23,245)
At 30 September 1999	<u>126,231</u>
DEPRECIATION	
At 1 October 1998	56,610
Write off on Disposal	(10,442)
Charge for the year	22,758
At 30 September 1999	<u>68,926</u>
NET BOOK VALUE	
At 30 September 1999	<u>57,306</u>
At 30 September 1998	<u>60,011</u>

5. INTANGIBLE FIXED ASSET

	Goodwill £
At Cost	10,000
Amortisation : to 30 September 1998 for year	(7,500) (2,500)
At 30 September 1999	<u>-</u>

6. DEBTORS

	<u>1999</u>	<u>1998</u>
Amounts due within one year:	£	£
Trade Debtors	64,261	36,480
Advance Corporation Tax Recoverable	3,300	6,650
Payments in Advance	300	1,497
	<u>67,861</u>	<u>44,627</u>
Amounts due after more than one year:		
Loan Account : Indigo Multimedia Limited	30,758	30,758
	<u>98,619</u>	<u>75,385</u>

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

	<u>1999</u>	<u>1998</u>
	£	£
Bank Overdraft	-	9,396
Trade Creditors	18,133	1,414
Corporation Tax	11,529	6,617
Social Security and Other Taxes	6,956	4,122
Hire Purchase Creditors	14,794	13,312
Accrued Charges	1,534	1,933
	<u>52,946</u>	<u>36,794</u>

Amounts Becoming Due And Payable After More Than One Year:

	<u>1999</u>	<u>1998</u>
	£	£
Hire Purchase Creditors	21,710	23,919
Directors Loan Accounts : K.Colvin-Smith	12,770	14,070
D.G.Parker	12,597	12,597
	<u>47,077</u>	<u>50,586</u>

WASP ADVERTISING LIMITEDNOTES TO ACCOUNTS
FOR THE YEAR ENDED 30 SEPTEMBER 1999

8. <u>SHARE CAPITAL</u>	<u>1999</u>	<u>1998</u>
Ordinary Shares of £1 each:	£	£
Authorised	1,000	1,000
Allotted, Issued and Fully Paid	900	900

9. <u>FINANCIAL COMMITMENTS</u>	<u>1999</u>	<u>1998</u>
Future Capital Expenditure	£	£
Contracted, but not provided for	Nil	Nil
Finance Leases entered into, but not yet begun	Nil	Nil

10. RELATED PARTIES

Wasp Advertising Limited is related to Indigo Multimedia Limited by common Directorships. Wasp Advertising Limited paid Rent of £15,116 to Indigo Multimedia Limited during the year ended 30 September 1999, (1998 £12,920). Indigo Multimedia Limited owed Wasp Advertising Limited £30,758 as at 30 September 1999, (1998 - £30,758).