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Company Registration No. 2226163 (England and Wales)

SCRIPTS.MD PLC
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2001



SCRIPTS.MD PLC

COMPANY INFORMATION

Directors	P.M. Domb M. Domb
Secretary	M. Domb
Company number	2226163
Registered office	3 Stedham Place London WC1A 1HU
Auditors	Jacobs Sassoon 3 Stedham Place London WC1A 1HU

SCRIPTS.MD PLC

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SCRIPTS.MD PLC

DIRECTORS' REPORT FOR THE YEAR ENDED 31 JULY 2001

The directors present their report and financial statements for the year ended 31 July 2001.

Principal activities and review of the business

The company is a holding company and does not trade.

Results and dividends

The results for the year are set out on page 3.

The directors are unable to recommend the payment of a dividend.

Directors

The following directors have held office since 1 August 2000:

P.M. Domb

M. Domb

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	31 July 2001	1 August 2000
P.M. Domb	26,100	26,100
M. Domb	26,100	26,100

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Jacobs Sassoon be reappointed as auditors of the company will be put to the Annual General Meeting.

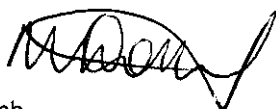
Directors' responsibilities

Company law requires the directors to prepare financial statements 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 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 that 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.

By order of the board



M. Domb

Director

26 October 2001

SCRIPTS.MD PLC

AUDITORS' REPORT TO THE SHAREHOLDERS OF SCRIPTS.MD PLC

We have audited the financial statements on pages 3 to 7 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 on page 1 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.

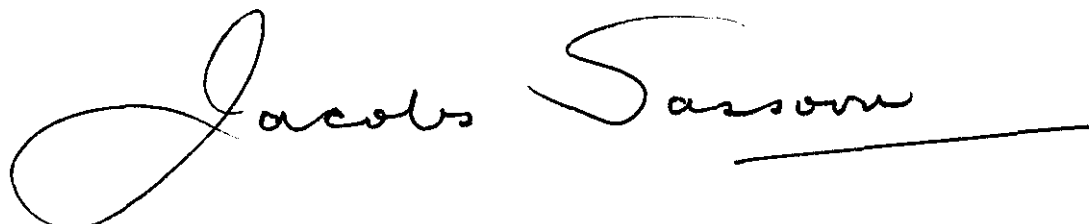
Basis of opinion

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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 July 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, reading "Jacobs Sassoon". The signature is written in a cursive style with a large loop at the beginning of the first name and a long horizontal stroke at the end of the last name.

Jacobs Sassoon
Chartered Accountants
Registered Auditor
3 Stedham Place
London
WC1A 1HU

26 October 2001

SCRIPTS.MD PLC

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 JULY 2001

	Notes	2001 £	2000 £
Loss on ordinary activities before taxation	0	-	-
Tax on loss on ordinary activities	2	-	-
Loss on ordinary activities after taxation	4	-	-

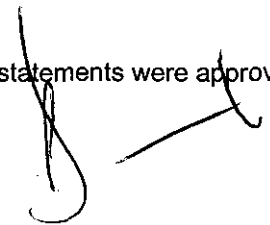
The company is a holding company and does not trade. The company has neither acquired nor commenced any new business activities. It has no recognised gains or losses other than the loss for the year.

SCRIPTS.MD PLC

BALANCE SHEET AS AT 31 JULY 2001

	Notes	2001 £	£	2000 £	£
Current assets					
Cash at bank and in hand		2		2	
Total assets less current liabilities			<u>2</u>		<u>2</u>
Capital and reserves					
Called up share capital	3		52,200		52,200
Profit and loss account	4		(52,198)		(52,198)
Shareholders' funds - equity interests	5		<u>2</u>		<u>2</u>

The financial statements were approved by the Board on 26 October 2001


P.M. Domb
Director

SCRIPTS.MD PLC

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 JULY 2001

	2001 £	2000 £
Net cash outflow from operating activities	-	-
	<hr/>	<hr/>
Net cash outflow before management of liquid resources and financing	-	-
	<hr/>	<hr/>
Decrease in cash in the year	-	-
	<hr/> <hr/>	<hr/> <hr/>

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NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 JULY 2001

1	Reconciliation of operating loss to net cash outflow from operating activities	2001		2000	
		£		£	
		<hr/>		<hr/>	
	Net cash outflow from operating activities	-		-	
		<hr/>		<hr/>	
2	Analysis of net funds	1 August 2000	Cash flow	Other non-cash changes	31 July 2001
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	2	-		2
		<hr/>	<hr/>		<hr/>
	Debt:				
		<hr/>	<hr/>	<hr/>	<hr/>
	Net funds	2	-	-	2
		<hr/>	<hr/>	<hr/>	<hr/>
3	Reconciliation of net cash flow to movement in net funds	2001		2000	
		£		£	
	Decrease in cash in the year	-		-	
	Cash inflow from increase in debt	-		-	
		<hr/>		<hr/>	
	Movement in net funds in the year	-		-	
	Opening net funds	2		2	
		<hr/>		<hr/>	
	Closing net funds	2		2	
		<hr/>		<hr/>	

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2001

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

2 Taxation

No Corporation Tax charge arises on the results for the year.

3 Share capital

	2001 £	2000 £
Authorised		
100,000 Ordinary shares of £ 1 each	100,000	100,000
Allotted, called up and fully paid		
52,200 Ordinary shares of £ 1 each	52,200	52,200

4 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 August 2000	(52,198)
Balance at 31 July 2001	(52,198)

5 Reconciliation of movements in shareholders' funds

	2001 £	2000 £
Loss for the financial year	-	-
Opening shareholders' funds	2	2
Closing shareholders' funds	2	2

6 Employees

Number of employees

There were no employees during the year apart from the directors