

NU INTERNET LIMITED

**ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 JULY 1999**

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Registered office : 5 The Colonnades
London Road Pulborough West Sussex RH20 1AS

Company No: 3197517



Bell Walk House, High Street,
Uckfield, East Sussex, TN22 5DQ

**AUDITORS' REPORT TO NU INTERNET LIMITED
UNDER SECTION 247B OF THE COMPANIES ACT 1985**

We have examined the abbreviated accounts on pages 2 to 4, together with the full accounts of the company for the year ended 31 July 1999 prepared under section 226 of the Companies Act 1985

Respective responsibilities of directors and auditors


The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the Registrar of Companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the accounts, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full accounts.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages to are properly prepared in accordance with those provisions.


Dominic Hill
Chartered Accountants
Registered Auditors
Archer House
Britland
Northbourne Road
Eastbourne
East Sussex

Dated 8 May 2000

NU INTERNET LIMITED

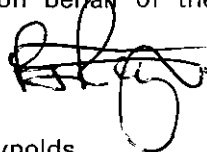
BALANCE SHEET AT 31 JULY 1999

Notes	1999	1998
Current assets		
Debtors	875	16,349
Cash at bank and in hand	-	1,189
	<u>875</u>	<u>17,538</u>
Creditors: amounts falling due within one year	873	12,848
	<u>873</u>	<u>12,848</u>
Net current assets	£ 2	£ 4,690
Capital and reserves		
2 Called up share capital	2	2
Profit and loss account	-	4,688
	<u>2</u>	<u>4,688</u>
Shareholders' funds	£ 2	£ 4,690

The notes on pages 3 to 4 form part of these abbreviated accounts.

These abbreviated 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



P. R. Reynolds
Director

These accounts were approved by the board on 8.5.2000

NU INTERNET LIMITED

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 JULY 1999

1 Accounting policies

Basis of accounting

The accounts have been prepared under the historical cost convention.

Compliance with accounting standards

The accounts have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 1999).

Turnover

Turnover represents the invoiced amount of goods and services supplied to customers in the normal course of business. It is stated exclusive of value added tax and sales of fixed assets.

2	Share capital	1999	1998
	Authorised		
	1,000 ordinary shares of £1 each	<u>£ 1,000</u>	<u>£ 1,000</u>
	Allotted, called up and fully paid		
	2 ordinary shares of £1 each	<u>£ 2</u>	<u>£ 2</u>

NU INTERNET LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JULY 1999

3 Related parties and ultimate parent company

Control

The company is controlled by P J Reynolds.

The ultimate parent company is Valedene Limited, a company incorporated in the Isle of Man.

Transactions

Details of transactions with identified related parties are set out below.

Related party	Transactions	1999 £	1998 £
NU Limited: the immediate parent undertaking	Management charges	-	25,000
	Recharged expenses	(1,755)	-
	Dividend paid	(4,688)	-
	Transfer of NU Network Products Limited intercompany loan	15,386	-
	Cash transferred	1,007	-
NU Network Products Limited: fellow subsidiary undertaking	Purchase of motor vehicles from NU Network Products Limited	-	(4,868)
	Transfer of hire purchase liability from NU Network Products Limited	-	(3,640)
	Sales to NU Network Products Limited	-	7,000
	Intercompany loan transferred from NU Network Products Limited	15,386	-
	Loan to NU Network Products Limited	-	10,000

All the above transactions were at arms length.

Accommodation has been provided by NU Limited and charged as part of the management charges.

At the end of the year the company had the following balances with related parties,

	NU Network Products Limited	NU Limited
Balance at 1 August 1998	15,386	(10,825)
Balance at 31 July 1999	-	(873)