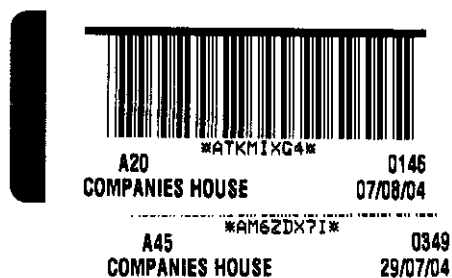


Approved by directors 26/07/2004
03212637

INNET LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2003



INNET LIMITED
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INNET LIMITED

Directors' Report for the Period ended 30th June 2003

The directors present their report and the financial statements for the period ended 30th June 2003.

Statement of 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 statement 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 ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principle Activity

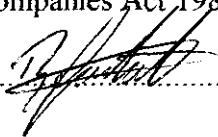
The principle activity is that of computer services.

Directors

The directors at 30th June 2003 and their interests in the share capital of the company were as follows:

	£
B.C Jockett	1
J. D Jockett	1

This report, which has been prepared in accordance with the special provisions of part VII of the Companies Act 1985 applicable to small companies, was approved by the board on

.....  and signed on its behalf _____
Director B.C Jockett

INNET LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30TH JUNE 2003

	<u>Notes</u>	2003	<u>2002</u>
		£	£
<u>TURNOVER</u>	1	126347	143951
Administrative expenses		83701	122520
 <u>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</u>		42646	21431
Tax on profit on ordinary activities	3	7850	3627
 <u>PROFIT FOR THE YEAR</u>		----- 34796	17804
DIVIDENDS		(25700)	(20000)
RETAINED PROFIT BROUGHT FORWARD		1434	3630
 RETAINED PROFIT CARRIED FORWARD		----- £ 10530	----- £1434
		=====	=====

The company has no recognised gains other than those dealt with in the profit and loss account.

The notes on pages 4 to 5 form part of these financial statements.

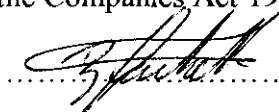
INNET LIMITED

Balance Sheet as at 30th June 2003

	Notes	2003 £	£	2002 £	£
<u>Fixed assets</u>					
Tangible assets	4		650		867
<u>Current assets</u>					
Debtors	5	40624		12565	
Cash at bank and in hand		-		204	
		-----		-----	
		40624		12769	
<u>Creditors:</u>					
Amounts falling due within one year	6	9882 30742		12200	
		-----		-----	
<u>Net current liabilities</u>					569
			-----		-----
			£ 10532		£ 1436
			=====		=====
<u>Capital and reserves</u>					
Called up share capital	7		2		2
Profit and loss account			10530		1434
			-----		-----
<u>Shareholders' funds</u>	8		£ 10532		£ 1436
			=====		=====

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 249A(1) of the Companies Act 1985. No Notice has been received under Section 249B(2) of the Companies act 1985. The directors' acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 221 and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit for the year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to the accounts so far as applicable to the company.

The financial statements which have been prepared in accordance with the special provisions of part VII of the Companies Act 1985 applicable to small companies were approved by the board on



..... and signed on its behalf

Director B.C Jackett

INET LIMITED

NOTES to the financial statements for the period ended 30th June 2003

1. ACCOUNTING POLICIES

1. Basis of preparation of financial statements

The financial statements are prepared under the historical cost convention and include the results of the Company's operations which are described in the Directors' report and all of which are continuing.

The company had taken advantage of the exemption in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

2. Turnover

Turnover comprises the invoiced value of services supplied by the company net of Value Added Tax.

3. Tangible Fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

- Computer equipment - 25% reducing balance

4. Deferred Taxation

No provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, using the liability method in the opinion of the directors – there is no reasonable probability that a liability or asset will crystallise in the near future.

INET LIMITED

NOTES to the financial statements for the period ended 30th June 2003 (Continued)

2. OPERATING PROFIT

The operating profit is stated after charging:

	<u>2003</u>	<u>2002</u>
	<u>£</u>	<u>£</u>
Depreciation of tangible assets owned by the company	£ 217	£5693

3. TAXATION

	<u>2003</u>	<u>2002</u>
	<u>£</u>	<u>£</u>
UK corporation tax e20% (1998 21%)	7850	7160
Over provision previous years	(120)	195
	<u>7730</u>	<u>7355</u>

4. TANGIBLE FIXED ASSETS

<u>Cost</u>	<u>Computer Equipment</u>
	<u>£</u>
Brought forward	2635
Additions	-
As at 30 th June 2003	<u>2635</u>
<u>Depreciation</u>	<u>1768</u>
Brought forward	
Charge for the year	217
As at 30 th June 2003	<u>1985</u>
<u>Net book values</u>	
At 30 June 2003	<u>650</u>
At 30 June 2002	<u>867</u>

5. DEBTORS

	<u>2002</u>	<u>2003</u>
	<u>£</u>	<u>£</u>
<u>Due within one year</u>		
Trade Debtors	24276	40623
	<u>£24276</u>	<u>£40623</u>

INNET LIMITED

NOTES to the financial statements for the period ended 30th June 2003 (Continued)

6. CREDITORS: amounts falling due within one year.

	<u>2003</u>	<u>2002</u>
	<u>£</u>	<u>£</u>
Corporation tax	7730	3627
Other creditors	23012	8573
	-----	-----
	£ 30742	£ 12200
	=====	=====

7. SHARE CAPITAL

	<u>2003</u>	<u>2002</u>
	<u>£</u>	<u>£</u>
<u>Authorised</u>		
Ordinary shares of £1 each	100	100
	=====	=====
<u>Allotted called up and fully paid</u>		
Ordinary shares of £1 each	2	2
	=====	=====

8. MOVEMENT ON SHARE HOLDERS FUNDS

	<u>2003</u>	<u>2002</u>
	<u>£</u>	<u>£</u>
Opening shareholders funds	1434	3630
Retained profit for the year	9096	(2196)
Share capital	2	2
	-----	-----
	£ 10532	£ 1436
	=====	=====

INNET LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30th JUNE 20003

	<u>2003</u>		<u>2002</u>	
	£	£	£	£
Work Done		126347		143951
<u>Administrative Expenses</u>				
Rent and Rates	3462		-	
Salaries and NIC	26482		38301	
Directors Remuneration	34523		44000	
Pensions Contributions	2635		2396	
Printing, postage and stationary	548		570	
Advertising	4101		-	
Telephone	1371		2408	
Computer Costs	1719		812	
Travel	1154		965	
Motor Expenses	548		3396	
Entertaining	376		2417	
Professional	59		-	
Accountancy	-		200	
Consultancy fees	5484		20176	
Publications	72		-	
Bank Charges	319		248	
General Expenses	660		420	
Depreciation:				
Computer equipment	217		289	
Motor vehicle	-		5922	

	83730		122520	
	-----		-----	
	42617		21431	
Interest received	29		-	
 <u>PROFIT ON ORDINARY</u>	 42646		 £ 21431	
<u>ACTIVITIES</u>	=====		=====	