

EUROWEB LIMITED

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ABBREVIATED ACCOUNTS

YEAR ENDED 31st JANUARY 1995

Company No: 1095259

GOWERS

CHARTERED ACCOUNTANTS



EUROWEB LIMITED

**SPECIAL AUDIT REPORT IN COMPLIANCE WITH
PARAGRAPH 24, SCHEDULE 8 OF THE COMPANIES ACT 1985**

FOR THE YEAR ENDED 31st JANUARY 1995

We have examined the abbreviated accounts on pages 3 to 6 together with the full financial statements of the company prepared under section 226 of the Companies Act 1985 for the year ended 31st January 1995.

Respective responsibilities of directors and auditors

The directors are responsible for preparing abbreviated accounts in accordance with Schedule 8 of the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the directors' statement on page 3 and whether the abbreviated accounts have been properly prepared in accordance with that Schedule.

Basis of opinion

We have carried out the procedures we considered necessary to confirm by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled under sections 246 and 247 of the Companies Act 1985 to the exemptions conferred by Section A of Part III of Schedule 8 to that Act, in respect of the year ended 31st January 1995 the abbreviated accounts on pages 3 to 6 have been properly prepared in accordance with that Schedule.

Other information

On we reported, as auditors of the company, to the members on the financial statements prepared under section 226 of the Companies Act 1985 for the year ended 31st January 1995 and our audit report was as follows:

"We have audited the financial statements on pages 4 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described in the Directors Report the Company's directors are responsible for the preparation of financial statements. It is in turn our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

EUROWEB LIMITED

**SPECIAL AUDIT REPORT IN COMPLIANCE WITH
PARAGRAPH 24, SCHEDULE 8 OF THE COMPANIES ACT 1985 (Continued)**

FOR THE YEAR ENDED 31st JANUARY 1995

Basis of opinion

We conducted our 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 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 31st January 1995 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985."

The Old School House,
Bridge Road,
Hunton Bridge,
Kings Langley,
Herts. WD4 8SZ


GOWERS

Chartered Accountants
and
Registered Auditors

19 JUL 1995

EUROWEB LIMITED

ABBREVIATED BALANCE SHEET

31st JANUARY 1995

	(Notes)	1995 £	1994 £
FIXED ASSETS			
Tangible assets	(2)	17,169	14,950
CURRENT ASSETS			
Stocks		78,011	86,787
Debtors		114,213	111,089
Cash at bank and in hand		47,079	46,777
		<u>239,303</u>	<u>244,653</u>
CREDITORS: amounts falling due within one year		173,354	186,960
		<u>-----</u>	<u>-----</u>
NET CURRENT ASSETS		65,949	57,693
		<u>-----</u>	<u>-----</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		83,118	72,643
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	(3)	1,750	1,600
		<u>-----</u>	<u>-----</u>
		81,368	71,043
		<u>=====</u>	<u>=====</u>
CAPITAL AND RESERVES			
Called up share capital	(4)	5,000	5,000
Profit and loss account		76,368	66,043

The directors have taken advantage of the exemptions conferred on small companies by the Companies Act 1985, Schedule 8 Part IIIA. In the opinion of the directors the company qualifies as a small company and is entitled to make use of the exemptions.

Dennis Bates
D.E. Bates
T.M. O'Donnell
T.M. O'Donnell

)
) Directors
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The accounts were approved by the Board
on 14 JUL 1995

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81,368	71,043
<u>=====</u>	<u>=====</u>

EUROWEB LIMITED

NOTES ON THE ABBREVIATED ACCOUNTS

YEAR ENDED 31st JANUARY 1995

1. ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the company's accounts:

(a) Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with applicable UK accounting standards.

(b) Tangible fixed assets

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

Furniture and office equipment	- 15%
~~Motor vehicles~~	~~- 25%~~

(c) Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

(d) Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

(e) Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction.

Exchange differences are taken into account in arriving at the operating profit.

EUROWEB LIMITED

NOTES ON THE ABBREVIATED ACCOUNTS (Continued)

YEAR ENDED 31st JANUARY 1995

1. ACCOUNTING POLICIES (Continued)

(f) Pension costs

The company operates a defined contribution pension scheme for the directors and the obligations of the company are charged to the profit and loss account in the year in which they become payable.

(g) Leases

The lease on the premises occupied by the company is regarded as an operating lease and the total payments made under it are charged to the profit and loss account on a straight line basis over the lease term.

(h) Turnover

Turnover represents net invoiced sales of goods excluding Value Added Tax.

Commissions received are accounted for as other operating income.

2. TANGIBLE FIXED ASSETS

	Furniture and Office equipment £
COST	
1st February 1994	50,620
Additions	7,254
Disposals	(11,436)

31st January 1995	46,438
	=====
DEPRECIATION	
1st February 1994	35,670
Provided for year	3,030
Disposals	(9,431)

31st January 1995	29,269
	=====
NET BOOK VALUE	
1st February 1994	14,950
	=====
31st January 1995	17,169
	=====

EUROWEB LIMITED

NOTES ON THE ABBREVIATED ACCOUNTS (Continued)

YEAR ENDED 31st JANUARY 1995

3. DEFERRED TAXATION

The amount provided and the total potential liability for deferred taxation is as follows:-

	1995	1994
	£	£
Accelerated capital allowances	1,750	2,200
Excess charges	-	600
	-----	-----
	1,750	1,600
	=====	=====

4. CALLED UP SHARE CAPITAL

	1995	1994
	£	£
5,000 ordinary shares of £1 each		
Authorised, allotted, issued and fully paid	5,000	5,000
	=====	=====