REGISTERED NUMBER: 2846821

ABBREVIATED ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2004

FOR

INTERLIANT UK HOLDINGS LIMITED



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For The Year Ended 31 July 2004

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COMPANY INFORMATION
For The Year Ended 31 July 2004

DIRECTORS:	G Ruhan A Becker
SECRETARY:	C J Bass
REGISTERED OFFICE:	Burgoine House 8 Lower Teddington Road Hampton Wick Kingston upon Thames KT1 4ER
REGISTERED NUMBER:	2846821

REPORT OF THE INDEPENDENT AUDITORS TO INTERLIANT UK HOLDINGS LIMITED UNDER SECTION 247B OF THE COMPANIES ACT 1985

We have examined the abbreviated accounts on pages three to five, together with the full financial statements of the company for the year ended 31 July 2004 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company, for our work, for this report, or for the opinions we have formed.

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 consider necessary to confirm, by reference to the financial statements, 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 financial statements.

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 three to five are properly prepared in accordance with those provisions.

James & Cowper
Registered Auditor and
Chartered Accountants
3 Wesley Gate
Queens Road
Reading
Berkshire RG1 4AP

Date: 3rd May 2005

INTERLIANT UK HOLDINGS LIMITED

ABBREVIATED BALANCE SHEET
31 July 2004

	Notes	2004 £	2003 £
CURRENT ASSETS			
Debtors	4	**133,160**	134,200
CREDITORS			
Amounts falling due within one year		**1,066**	1,066
NET CURRENT ASSETS		**132,094**	133,134
TOTAL ASSETS LESS CURRENT LIABILITIES		**132,094**	133,134
CAPITAL AND RESERVES			
Called up share capital	5	**1,033**	1,033
Share premium		**150,611**	150,611
Revaluation reserve		**(18,751)**	(18,751)
Profit and loss account		**(799)**	241
SHAREHOLDERS' FUNDS		**132,094**	133,134

These abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

ON BEHALF OF THE BOARD:

G. Ruhan

G Ruhan - Director

Approved by the Board on 19/5/05.

The notes form part of these abbreviated accounts

NOTES TO THE ABBREVIATED ACCOUNTS
For The Year Ended 31 July 2004

1. ACCOUNTING POLICIES

Accounting convention
The accounts have been prepared on the going concern basis. The company is reliant on the support of Navisite Inc, a group company. Navisite Inc. has confirmed to the directors that this support will be forthcoming for a period of not less than thirteen months hence and thus that the going concern basis is appropriate.

If the going concern basis were not appropriate, then adjustments would have to be made to reduce assets to their recoverable amounts, and to reclassify fixed assets as current assets.

Accounting convention
The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 25% straight line
Computer equipment	- 15-25% straight line

Deferred tax
Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Consolidated accounts
The company had taken advantage of the exemption granted by Financial Reporting Standard Number 2 from the requirement to prepare consolidated accounts on the grounds that the company is a wholly owned subsidiary undertaking. The financial statements therefore present information about the company as an individual undertaking and not about the group.

Fixed Asset Investments
The company revalues its fixed asset investments each year. The investments are revalued to the relevant company's net assets.

2. TANGIBLE FIXED ASSETS

	Total £
COST	
At 1 August 2003 and 31 July 2004	**3,838**
DEPRECIATION	
At 1 August 2003 and 31 July 2004	**3,838**
NET BOOK VALUE	
At 31 July 2004	-
At 31 July 2003	-

continued...

NOTES TO THE ABBREVIATED ACCOUNTS - continued
For The Year Ended 31 July 2004

3. FIXED ASSET INVESTMENTS

The company's investments at the balance sheet date in the share capital of companies include the following:

Navisite Europe Limited
Nature of business: Webhosting

Class of shares:	% holding		
Ordinary	100.00		
		2004	2003
		£	£
Aggregate capital and reserves		**(3,262,938)**	(3,160,824)
(Loss)/Profit for the year/period		**(102,114)**	67,168

4. DEBTORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2004	2003
	£	£
Loan to subsidiary	**133,160**	134,200

5. CALLED UP SHARE CAPITAL

Authorised:

Number:	Class:	Nominal value:	**2004**	2003
			£	£
70,000	Ordinary Shares	£1	**70,000**	70,000

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	**2004**	2003
			£	£
1,033	Ordinary Shares	£1	**1,033**	1,033

6. ULTIMATE PARENT COMPANY

The company is a wholly owned subsidiary of Navisite Inc, a company incorporated in the U.S.A.