

BITE COMMUNICATIONS LIMITED
(Registered number: 3023521)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2002



BITE COMMUNICATIONS LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 JULY 2002

The directors present their report together with the audited financial statements of Bite Communications Limited ("the Company") for the year ended 31 July 2002.

PRINCIPAL ACTIVITY

The principal activity of the Company during the year was the provision of international public and press relations services, dealing principally with clients in the high-technology sector. The company has a branch operating in Sweden.

REVIEW OF BUSINESS

The state of the Company's affairs at the balance sheet date was satisfactory. The directors report a profit after tax of £627,313 (2001 - £1,016,899) for the year. They are confident that this performance will be improved upon in future years.

RESULTS AND DIVIDENDS

The directors recommend the payment of a final dividend for the year of 100p per share (2001: 60p) and the retained (loss) / profit of £(372,687) (2001: £323,998) has been transferred (from) / to reserves. No interim dividend was paid in 2002 (2001 - 10p per ordinary share).

DIRECTORS AND THEIR INTERESTS

The directors who served throughout the year except as noted and their interests in the shares of the Company were:

	Ordinary shares of 5p Each at 31 July 2002	Ordinary shares of 5p Each at 31 July 2001
T W Lewis	Nil	Nil
C Armitage	Nil	Nil
S Seitz	Nil	Nil
H Macphail	Nil	Nil
I Kirk	Nil	Nil
J Wilks	Nil	Nil
C Cartwright (appointed 13 November 2001)	Nil	Nil

At 31 July 2002, C Armitage owned 1,500,000 (31 July 2001: 1,500,000) ordinary shares of 5p each in the Company's immediate parent undertaking, Bite Communications Group Limited, being 7.5% of its issued share capital.

At 31 July 2002, C Armitage owned 8,500 (31 July 2001: 8,500) ordinary shares of 5p each in Next Fifteen Communications Group plc, the ultimate parent undertaking.

At 31 July 2002, I Kirk owned 20,000 (31 July 2001: 20,000) ordinary shares of 5p each in Next Fifteen Communications Group plc, the ultimate parent undertaking.

T.W Lewis' interests in the shares of Next Fifteen Communications Group plc, the ultimate parent undertaking, are disclosed in the directors' report of that company.

The other directors had no interests in the shares of that company.

BITE COMMUNICATIONS LIMITED

REPORT OF THE DIRECTORS (continued)

FOR THE YEAR ENDED 31 JULY 2002

DIRECTORS AND THEIR INTERESTS (continued)

At 31 July 2002, the following directors held options to purchase 5p ordinary shares in Bite Communications Group Limited, the Company's immediate parent undertaking:

	Date granted	Exercise price per share	Unexercised share options at 1 August 2001	Unexercised share options at 31 July 2002
C Armitage	30.1.1998	3.1p	124,000	124,000
C Armitage	5.4.1999	3.85p	560,000	560,000
C Armitage	4.5.2001	12.5p	240,000	240,000
S Seitz	30.1.1998	3.1p	124,000	124,000
S Seitz	3.4.2000	7.5p	160,000	160,000
S Seitz	4.5.2001	12.5p	266,000	266,000
J Wilks	30.1.1998	3.1p	124,000	124,000
J Wilks	3.4.2000	7.5p	40,000	40,000
J Wilks	4.5.2001	12.5p	386,000	386,000
H Macphail	4.5.2001	12.5p	35,000	35,000
C Cartwright	4.5.2001	12.5p	180,000	180,000

The share options become exercisable on the following dates :

- The first one third of the total number granted on the third anniversary of the date of granting;
- The second one third of the total number granted on the fourth anniversary of the date of granting;
- The final one third of the total number granted on the fifth anniversary of the date of granting.

The share options held by the directors cannot be exercised after the earlier of one of the following events:

- 12 months after the death of the director;
- One month after the date on which a court sanctions an arrangement under s.425 of the Companies Act 1985;
- The date of cessation of the director's employment by the Group; or
- 10 years after the date on which the share options were granted.

The shares of Bite Communications Group Limited are not openly traded and as such do not have a market price.

The directors have no other interests in the shares or debentures of the Company or any other Group Company such as would be required to be disclosed by the Companies Act 1985.

CHARITABLE DONATIONS

During the year the Company made charitable donations of £910 (2001: £460) to the Charities Aid Foundation under a Give As You Earn scheme.

BITE COMMUNICATIONS LIMITED

REPORT OF THE DIRECTORS (continued)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

United Kingdom 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 as at the end of the financial year and of the profit or loss of the Company for that period. In preparing those financial statements, the directors are required to:

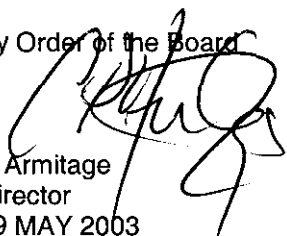
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume 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 the system of internal control, for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

A resolution at the Annual General Meeting appointed Deloitte & Touche as auditors in accordance with Section 385 (2) of the Companies Act 1985. Deloitte & Touche have expressed their willingness to continue in office and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

By Order of the Board


C Armitage
Director
29 MAY 2003

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BITE COMMUNICATIONS LIMITED

We have audited the financial statements of Bite Communications Limited for the year ended 31 July 2002 which comprise the profit and loss account, the balance sheet and the related notes 1 to 20. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the statement of directors' responsibilities, the Company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and 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 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 for the above year and consider the implications for our report if we become aware of any apparent misstatements.

Basis of audit 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 misstatements, 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 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Deloitte & Touche
Chartered Accountants and Registered Auditors
London

29 MAY 2003

BITE COMMUNICATIONS LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 JULY 2002**

	Year Ended 31 July 2002 £	Year Ended 31 July 2001 £
TURNOVER (Notes 1 and 2)	4,865,860	5,217,610
Other external charges	<u>(553,371)</u>	<u>(865,962)</u>
TURNOVER LESS OTHER EXTERNAL CHARGES	4,312,489	4,351,648
Wages and salaries	(2,095,908)	(2,135,329)
Social security costs	(241,626)	(209,258)
Other pension contributions	(71,519)	(46,596)
Depreciation	(128,528)	(99,182)
Other operating charges	<u>(838,330)</u>	<u>(487,904)</u>
	<u>(3,375,911)</u>	<u>(2,978,269)</u>
OPERATING PROFIT (Note 3)	936,578	1,373,379
Interest payable and similar charges (Note 5)	<u>(4,370)</u>	<u>(3,842)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	932,208	1,369,537
Tax on profit on ordinary activities (Note 6)	<u>(304,895)</u>	<u>(352,638)</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	627,313	1,016,899
Dividends (Note 7)	<u>(1,000,000)</u>	<u>(692,901)</u>
RETAINED (LOSS) / PROFIT FOR THE FINANCIAL YEAR, TRANSFERRED TO RESERVES (Note 14)	<u>(372,687)</u>	<u>323,998</u>

There are no differences between the profit stated on an historical cost basis and the profit as presented above in either year.

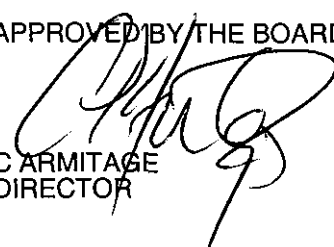
The profit for the current year and prior year includes all recognised gains and losses in the year and relates to the continuing activities of the Company.

The accompanying notes on pages 7 to 15 form an integral part of these financial statements.

BITE COMMUNICATIONS LIMITED**BALANCE SHEET****AS AT 31 JULY 2002**

	<u>2002</u> £	<u>2001</u> £
FIXED ASSETS		
Tangible assets (Note 8)	579,778	249,918
Investments (Note 9)	209,575	209,575
	789,353	459,493
CURRENT ASSETS		
Debtors (Note 10)	1,778,097	1,735,701
Cash at bank and in hand	542,469	780,101
	2,320,566	2,515,802
CREDITORS – Amounts falling due within one year (Note 11)	(2,197,382)	(1,755,001)
NET CURRENT ASSETS	123,184	760,801
TOTAL ASSETS LESS CURRENT LIABILITIES	912,537	1,220,294
CREDITORS – Amounts falling due after more than one year (Note 13)	(253,688)	(209,575)
Provisions for liabilities and charges (Note 12)	(32,007)	(11,190)
NET ASSETS	626,842	999,529
CAPITAL AND RESERVES		
Called up share capital (Note 14)	50,000	50,000
Reserves (Note 15)	576,842	949,529
TOTAL EQUITY SHAREHOLDERS' FUNDS (Note 16)	626,842	999,529

APPROVED BY THE BOARD ON 29 MAY 2003


C. ARMITAGE
DIRECTOR

The accompanying notes on pages 7 to 15 form an integral part of these financial statements.

BITE COMMUNICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 JULY 2002

1 ACCOUNTING POLICIES

The Company's financial statements are prepared in accordance with applicable United Kingdom accounting standards. The principal accounting policies have been consistently applied throughout the year and the preceding year and are as follows:

(1) Basis of accounting

The financial statements are prepared under the historical cost convention. The Company has taken advantage of s.228 of the Companies Act 1985 and has not prepared Group accounts. Consequently these financial statements contain information about the Company only and not its Group.

(2) Turnover

Turnover represents the invoiced value of services supplied excluding all sales taxes after adjusting for any change in the level of accrued income during the year.

(3) Accrued income

Accrued income is valued on the basis of the cost of services provided up to the balance sheet date and not yet invoiced. Profit is taken on all work completed by that date. Provision is made for the full amount of foreseeable losses.

(4) Depreciation

Depreciation is provided on all tangible fixed assets, at annual rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life as follows:

Short leasehold property	Depreciated over minimum length of the lease
Office furniture	20% per annum straight line
Motor vehicles	25% per annum straight line
Office equipment	33% per annum straight line

(5) Foreign currencies

monetary assets and liabilities denominated in foreign currencies are expressed in sterling at the rate of exchange ruling at the balance sheet date. Foreign currency transactions are expressed in sterling at the rate of exchange ruling at the date of the transaction. Exchange gains and losses and translation differences are taken directly to the profit and loss account.

(6) Deferred taxation

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax is not provided on timing differences arising from the *revaluation of fixed assets where there is no commitment to sell the asset or on unremitted earnings* of subsidiaries where there is no commitment to remit these earnings. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

(7) Pension costs

Pension costs, which relate to payments to employees' own defined contribution pension plans, are charged to the profit and loss account as incurred.

BITE COMMUNICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 JULY 2002 (continued)

1 ACCOUNTING POLICIES (continued)

(8) Leasing transactions

Assets held under finance leases are included in the balance sheet at cost, less accumulated depreciation. The interest element on these obligations is charged to the profit and loss account using the sum of digits method so as to achieve a constant interest rate over the life of each agreement. Operating lease rentals are charged to the profit and loss account as incurred.

(9) Investments

Fixed asset investments and investments in Group undertakings are stated at cost less provisions for impairment in value.

2 TURNOVER

All of the Company's turnover arises from the provision of public relations consultancy services within Europe.

3 OPERATING PROFIT

	2002	2001
Operating profit is stated after charging / (crediting):-	£	£
Auditors' remuneration:		
Audit services	9,000	8,000
Tax services	2,000	1,000
Depreciation of tangible fixed assets: Owned	121,839	99,182
Depreciation of tangible fixed assets: Leased	6,689	-
Profit on disposal of tangible fixed assets	(2,184)	(24,352)
Operating lease rentals: Land and buildings	232,157	107,286
Operating lease income	(15,375)	(32,190)
Foreign exchange gains	(3,323)	(8,448)

4 STAFF COSTS

	2002	2001
The average monthly number of employees during the year was as follows;	No.	No.
Directors	7	7
Direct PR	41	46
Administration	7	9
	55	62

BITE COMMUNICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 JULY 2002 (continued)

4 STAFF COSTS (continued)

Directors' emoluments

	Year Ended 31 July 2002 £	Year Ended 31 July 2001 £
Emoluments of highest paid director:		
Aggregate emoluments excluding pension contributions	180,833	160,000
Company contributions to defined contribution scheme	6,667	3,000
	187,500	163,000
Total emoluments of all Directors:		
Aggregate emoluments excluding pension contributions	560,853	316,460
Company contributions to defined contribution schemes	33,783	22,800
	594,636	339,260
The number of directors to whom retirement benefits are accruing is:	Year Ended 31 July 2002 No	Year Ended 31 July 2001 No
Defined contribution schemes	5	4

Tom Lewis is also a director of the ultimate parent company, Next Fifteen Communications Group plc (Note 19), and is also a director of a number of other group companies. The amount of total emoluments he received during the year are disclosed in the accounts of the ultimate parent company since it is not practical to apportion his emoluments between the companies.

Directors emoluments are shown within staff costs in the profit and loss account.

5 INTEREST PAYABLE AND SIMILAR CHARGES

	2002	2001
	£	£
Bank charges	2,338	3,782
Finance lease interest	2,032	-
Other interest payable	-	60
	4,370	3,842

BITE COMMUNICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 JULY 2002 (continued)

6 TAX ON PROFIT ON ORDINARY ACTIVITIES

	2002	2001
	£	£
UK Corporation tax at 30% (2001: 30%)	238,330	-
Group relief payable	47,975	345,159
	<u>286,305</u>	<u>345,159</u>
Prior year (over) provision	(2,227)	(140,921)
Prior year under provision for group relief payable as a result of a change in group accounting policy	-	137,210
Deferred taxation	20,817	11,190
	<u>304,895</u>	<u>352,638</u>
Reconciliation of current year tax charge	£	£
Tax on profit on ordinary activities at the standard rate	279,870	410,861
Factors affecting charge:		
Disallowed expenses	2,700	600
Depreciation in excess of capital allowances	3,735	9,526
Profit on disposal of fixed assets	-	(74,806)
Other	-	(1,022)
	<u>286,305</u>	<u>345,159</u>

7 DIVIDENDS

	2002	2001
	£	£
Interim dividend of Nil per 5p ordinary share (2001: 10p per 5p ordinary share)	-	92,900
Final dividend of 100p per 5p ordinary share (2001: 60p per 5p ordinary share)	1,000,000	600,001
	<u>1,000,000</u>	<u>692,901</u>

BITE COMMUNICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 JULY 2002 (continued)

8 TANGIBLE FIXED ASSETS

	Short Leasehold Premises £	Office Equipment £	Office Furniture £	Motor Vehicles £	Total £
COST					
At 1 August 2001	97,046	308,752	123,339	20,181	549,318
Additions	345,507	129,366	15,276	5,050	495,199
Disposals	(46,127)	-	-	(20,181)	(66,308)
At 31 July 2002	396,426	438,118	138,615	5,050	978,209
DEPRECIATION					
At 1 August 2001	15,376	210,441	64,721	8,863	299,401
Charge for the year	28,350	72,772	23,753	3,653	128,528
Disposals	(17,298)	-	-	(12,200)	(29,498)
At 31 July 2002	26,428	283,213	88,474	316	398,431
NET BOOK VALUE					
As at 31 July 2002	369,998	154,905	50,141	4,734	579,778
As at 31 July 2001	81,670	98,311	58,619	11,318	249,918

The net book value of short leasehold assets includes £93,646 (2001: £Nil) in respect of assets held under finance lease.

9 INVESTMENTS

2002

£

SHARES IN GROUP UNDERTAKINGS

Cost at 1 August 2001 and 31 July 2002

209,575

The investment represents a holding of ordinary shares in Bite Communications Group Limited, a company incorporated in Great Britain that acts as an investment holding company. The holding represents 13.445% of the shares in Bite Communications Group Limited and are held in an Employee Share Ownership Plan Trust (ESOP) as described in note 19.

BITE COMMUNICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 JULY 2002 (continued)

10 DEBTORS

	<u>2002</u> £	<u>2001</u> £
Trade debtors	773,752	841,776
Amounts owed by fellow subsidiary	792,825	467,772
Other debtors	8,227	7,622
Prepayments and accrued income	203,293	418,531
	1,778,097	1,735,701

11 CREDITORS: Amounts falling due within one year

	<u>2002</u> £	<u>2001</u> £
Obligations under finance leases	32,914	-
Trade creditors	177,230	252,221
Amounts owed to parent undertaking	119,673	105,721
Amounts owed to fellow subsidiary	66,619	20,966
Other creditors including tax and social security	139,596	203,456
Payment for group relief owed to Next Fifteen Communications Group plc	-	450,904
Amount owed to parent undertaking in relation to UK corporation tax	284,078	-
Accruals and deferred income	376,032	286,333
Proposed dividends	1,001,240	435,400
	2,197,382	1,755,001

The bank overdraft is secured by a fixed and floating charge over the Company's assets.

12 PROVISIONS FOR LIABILITIES AND CHARGES

	<u>2002</u> £	<u>2001</u> £
Analysis of deferred tax liability		
Accelerated capital allowances	32,007	11,190
Analysis of movement in provisions	<u>2001</u>	<u>2002</u>
	£	£
Deferred tax liability	11,190	20,817

BITE COMMUNICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 JULY 2002 (continued)

13 CREDITORS: Amounts falling due after more than one year

	<u>2002</u> £	<u>2001</u> £
Obligations under finance leases	44,113	-
Amounts owed to fellow subsidiary	<u>209,575</u>	<u>209,575</u>
	<u>253,688</u>	<u>209,575</u>

Of the finance lease obligation payable after more than one year £44,113 is payable between two and five years and £Nil is payable after more than five years.

14 CALLED UP SHARE CAPITAL

At 1 August 2001 and at 31 July 2002 :	<u>2002</u> £	<u>2001</u> £
Authorised		
1,000,000 ordinary shares of 5p each (2000: 1,000,000 ordinary shares of 5p each)	50,000	50,000
	<u>£</u>	<u>£</u>
Allotted, called up and fully paid		
1,000,000 ordinary shares of 5p each (2000: 1,000,000 ordinary shares of 5p each)	50,000	50,000
	<u>£</u>	<u>£</u>

15 RESERVES

	<u>2002</u> Profit & loss account £	<u>2001</u> Profit & loss account £
Opening balance at 1 August 2001	949,529	625,531
Retained (loss) / profit for the year	<u>(372,687)</u>	<u>323,998</u>
Closing balance at 31 July 2002	<u>576,842</u>	<u>949,529</u>

16 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	<u>2002</u> £	<u>2001</u> £
Profit after taxation for the year	627,313	1,016,899
Dividends	<u>(1,000,000)</u>	<u>(692,901)</u>
Net (reduction in) / addition to shareholders' funds	(372,687)	323,998
Opening shareholders' funds	<u>999,529</u>	<u>675,531</u>
Closing shareholders' funds	<u>626,842</u>	<u>999,529</u>

BITE COMMUNICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 JULY 2002 (continued)

17 RELATED PARTIES

The Company has taken advantage of paragraph 3 of Financial Reporting Standard 8 "Related Party Disclosures", not to disclose transactions with Group undertakings as more than 90 percent of its shares are controlled within the Group which is headed by Next Fifteen Communications Group plc as described in note 20 below.

18 OPERATING LEASE COMMITMENTS

The Company has entered into operating leases and has annual commitments under these expiring as follows:

	<u>2002</u>	<u>2001</u>
	<u>Land and</u>	<u>Land and</u>
	<u>Buildings</u>	<u>Buildings</u>
	<u>£</u>	<u>£</u>
Between two and five years	-	103,600
After five years	313,446	-

19 EMPLOYEE SHARE OWNERSHIP PLAN TRUST (ESOP)

The Company formed an Employee Share Ownership Plan Trust (ESOP) during the year ended 31 July 1998.

The purpose of the ESOP is to enable the Company to offer participation in the ownership shares in Bite Communications Group Limited, the immediate parent company.

Arrangements for the distribution of benefits to employees which may be the ownership of shares in Bite Communications Group Limited or the granting of options over shares in Bite Communications Group Limited held by the ESOP are made at the ESOP's discretion in such manner as the ESOP considers appropriate.

Administration costs of the ESOP are accounted for in the profit and loss account of the Company as they are incurred.

At 31 July 2000 the ESOP held 71,000 Ordinary shares of 5p each in Bite Communications Limited. 24,800 of these shares were purchased by the ESOP on 30 January 1998 from Bite Staff Incentives Limited, a fellow subsidiary, at a cost of 62p per share being a total of £15,376. A further 46,200 shares were purchased by the ESOP on 5 April 1999 from Bite Staff Incentives Limited at a cost of 77p per share being a total of £35,574. Both purchases were financed by way of a long term loan from Bite Staff Incentives Limited for £50,950. As a result of a reorganisation which happened in the year ended 31 July 2001, these shares which the ESOP held were transferred for 1,420,000 Ordinary shares of 5p each in Bite Communications Group Limited.

At 31 July 2002 the ESOP held 2,689,000 Ordinary shares of 5p each in Bite Communications Group Limited. 1,420,000 of these shares are as detailed above. A further 1,269,000 shares were purchased by the ESOP on 21 May 2001 from Bite Staff Incentives Limited at a cost of 12.5p per share being a total of £158,625. This purchase was also financed by way of a long term loan from Bite Staff Incentives Limited for £158,625. The right to receive dividends on all shares held was waived by the ESOP.

At 31 July 2002 options over 2,687,000 shares had been granted to employees of the Company by the ESOP.

The shares of Bite Communications Group Limited are not openly traded and as such do not have a market price.

BITE COMMUNICATIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 JULY 2002 (continued)

20 IMMEDIATE AND ULTIMATE PARENT COMPANY

The ultimate parent undertaking and the parent company of the smallest and largest group into which the company is consolidated is Next Fifteen Communications Group plc, formerly OneMonday Group plc, which is incorporated in Great Britain and registered in England and Wales. The consolidated financial statements of Next Fifteen Communications Group plc are available to the public and can be obtained from Power Road Studios, 114a Power Road, London, W4 5PY. The immediate parent undertaking is Bite Communications Group Limited.