

Registration Number 3421313

WARP INTERACTIVE LIMITED
Director's Report and Financial Statements
for the year ended 31 August 2000



WARP INTERACTIVE LIMITED

Company Information

Director	Timothy Deighton
Secretary	Mr Andrew Lawrence
Company Number	3421313
Registered Office	1 - 5 Beehive Place London SW9 7QR
Bankers	Barclays Bank PLC 27 Soho Square London W1A 4WA

WARP INTERACTIVE LIMITED

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WARP INTERACTIVE LIMITED

Director's Report for the year ended 31 August 2000

The director presents his report and the financial statements for the year ended 31 August 2000.

Principal Activity

The principal activity of the company is website construction.

Results And Dividends

The results for the year are set out on page 3.

Director and his Interest

The director who served during the year and his interest in the company are as stated below:

	Ordinary shares	
	2000	1999
Timothy Deighton	1	1

Director's Responsibilities

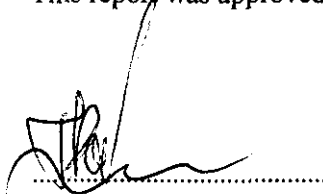
Company law requires the director to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that year. In preparing these the director is required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable him to ensure that the financial statements comply with the Companies Act 1985. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

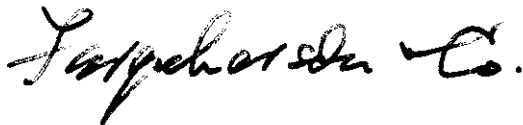
This report was approved by the Board on 24 September 2001 and signed on its behalf by


.....
Timothy Deighton
Director

WARP INTERACTIVE LIMITED

**Accountants' Report on the Unaudited Financial Statements to the Director of
WARP INTERACTIVE LIMITED**

As described on the Balance Sheet you are responsible for the preparation of the financial statements for the year ended 31 August 2000 set out on pages 3 to 9 and you consider that the company is exempt from an audit. In accordance with your instructions we have compiled these unaudited financial statements, in order to assist you to fulfil your statutory responsibilities, from the accounting records and information supplied to us.



**Farquharson & Co.
Authorised Public Accountants**

90 Norwood High Street
West Norwood
London SE27 9NW

Date: 24 September 2001

WARP INTERACTIVE LIMITED

**Profit and Loss Account
for the year ended 31 August 2000**

		2000	1999
	Notes	£	£
Turnover	2	65,783	48,346
Raw materials and consumables		(9,295)	(7,013)
Staff costs		(28,791)	(17,165)
Depreciation on fixed assets		(1,788)	(1,788)
Other operating charges		(23,749)	(26,589)
Retained profit/(loss) for the year		<u>2,160</u>	<u>(4,209)</u>
Accumulated (loss) brought forward		(4,339)	(130)
Accumulated (loss) carried forward		<u>(2,179)</u>	<u>(4,339)</u>

There are no recognised gains or losses other than the profit or loss for the above financial years.

The notes on pages 7 to 9 form an integral part of these financial statements.

WARP INTERACTIVE LIMITED

Balance Sheet as at 31 August 2000

		2000		1999	
	Notes	£	£	£	£
Fixed Assets					
Tangible assets	9		2,439		4,228
Current Assets					
Debtors	8	19,648		2,356	
Cash at bank and in hand		8,289		3,717	
		<u>27,937</u>		<u>6,073</u>	
Creditors: amounts falling due within one year	7	<u>(32,553)</u>		<u>(14,638)</u>	
Net Current Liabilities			<u>(4,616)</u>		<u>(8,565)</u>
Total Assets Less Current Liabilities			<u>(2,177)</u>		<u>(4,337)</u>
Capital and Reserves					
Called up share capital	4		2		2
Profit and loss account			<u>(2,179)</u>		<u>(4,339)</u>
Shareholders' Funds			<u>(2,177)</u>		<u>(4,337)</u>

The director's statements required by Section 249B(4) are shown on the following page which forms part of this Balance Sheet.

The notes on pages 7 to 9 form an integral part of these financial statements.

WARP INTERACTIVE LIMITED

Balance Sheet (continued)

**Director's statements required by Section 249B(4)
for the year ended 31 August 2000**

In approving these financial statements as director of the company I hereby confirm:

(a) that for the year stated above the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985;

(b) that no notice has been deposited at the registered office of the company pursuant to Section 249B(2) requesting that an audit be conducted for the year ended 31 August 2000 and

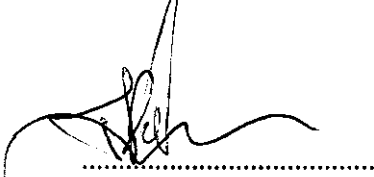
(c) that I acknowledge my responsibilities for:

(1) ensuring that the company keeps accounting records which comply with Section 221, and

(2) preparing financial statements 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 or loss for the year then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company.

These financial statements are 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.

The financial statements were approved by the Board on 24 September 2001 and signed on its behalf by



.....
Timothy Deighton
Director

The notes on pages 7 to 9 form an integral part of these financial statements.

WARP INTERACTIVE LIMITED

Cash Flow Statement for the year ended 31 August 2000

	2000		1999	
	£	£	£	£
Cash generated from operations				
Operating profit/(loss)	2,160		(4,209)	
Reconciliation to cash generated from operations:				
Depreciation	1,788		1,788	
(Increase) in trade debtors	(17,292)		(1,481)	
(Increase) in other debtors	-		(875)	
Increase in other creditors	17,915		14,638	
		4,571		9,861
Application of cash				
Purchase of tangible fixed assets	-		(2,603)	
		-		(2,603)
Net increase in cash in the year		4,571		7,258
Cash at bank and in hand less overdrafts at beginning of year		3,717		-
Cash at bank and in hand less overdrafts at end of year		8,288		7,258
Consisting of:				
Cash at bank and in hand		8,289		3,717

WARP INTERACTIVE LIMITED

Notes to the Financial Statements for the year ended 31 August 2000

1. Accounting Policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

1.3. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Fixtures, fittings
and equipment - 25% Straight Line

1.4. Deferred taxation

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the director considers that a liability to taxation is unlikely to materialise.

2. Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

3. Operating profit/(loss)

	2000	1999
	£	£
Operating profit/(loss) is stated after charging:		
Depreciation and other amounts written off tangible assets	1,788	1,788

4. Share capital

	2000	1999
	£	£
Allotted, called up and fully paid		
2 Ordinary shares of £1 each	2	2

WARP INTERACTIVE LIMITED

Notes to the Financial Statements for the year ended 31 August 2000

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5. Gross Cash Flows

	2000 £	1999 £
Capital expenditure		
Payments to acquire tangible assets	-	(2,603)

6. Analysis of changes in net funds

	Opening balance £	Cash flows £	Closing balance £
Cash at bank and in hand	3,717	4,572	8,289
Net funds	3,717	4,572	8,289

7. Creditors: amounts falling due within one year

	2000 £	1999 £
Other taxes and social security costs	8,660	4,012
Director's accounts	3,574	5,901
Other creditors	20,319	4,725
	<u>32,553</u>	<u>14,638</u>

8. Debtors

	2000 £	1999 £
Trade debtors	18,773	1,481
Other debtors	875	875
	<u>19,648</u>	<u>2,356</u>

WARP INTERACTIVE LIMITED

Notes to the Financial Statements for the year ended 31 August 2000

..... continued

9. Tangible fixed assets

	Fixtures, fittings equipment	Total
	£	£
Cost		
At 1 September 1999		
At 31 August 2000	7,153	7,153
Depreciation		
Charge for the year	1,788	1,788
At 31 August 2000	4,714	4,714
Net book values		
At 31 August 2000	2,439	2,439
At 31 August 1999	4,227	4,227

10. Director's emoluments

	2000	1999
	£	£
Remuneration and other benefits	25,780	12,000