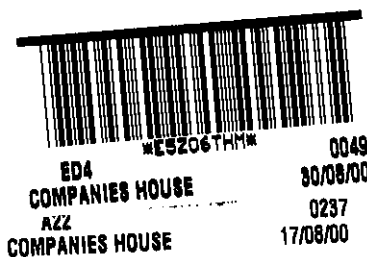


3662921

DAVID ROSIE DESIGN LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD
5TH NOVEMBER 1998 TO 31ST MARCH 2000



Joseph Kahan Associates
Chartered Accountants
923 Finchley Road
London NW11 7PE

DAVID ROSIE DESIGN LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD
5TH NOVEMBER 1998 TO 31ST MARCH 2000

<u>CONTENTS:</u>	<u>PAGE</u>
REPORT OF THE DIRECTORS	1
LIST OF DIRECTORS, ADVISORS AND MAIN ADDRESSES	2
PROFIT AND LOSS ACCOUNT	3
BALANCE SHEET AS AT 31ST MARCH 2000	4
NOTES TO THE FINANCIAL STATEMENTS	5 - 7

DAVID ROSIE DESIGN LTD

REPORT OF THE DIRECTORS

The Directors present their Report along with the Financial Statements of the Company for the period 5th November 1998 to 31st March 2000.

ACTIVITIES:

The principal activities of the Company are in the field of graphic design. The Company was incorporated on 5th November 1998 and commenced trading in April 1999.

REVIEW OF THE BUSINESS:

The Directors are pleased with the results for the first period of trading.

FIXED ASSETS:

Movements on Fixed Assets are summarised in Note 6 to the Financial Statements.

RESULTS AND DIVIDENDS:

The trading profit for the period, after taxation, amounted to £54,740. The Directors recommended and paid dividends totalling £46,260.

YEAR 2000:

The Directors have taken action to ensure that standard software has been upgraded and older equipment replaced. Enquiries were also made of major customers and suppliers. As a result of these actions, no significant costs have been incurred or are anticipated.

DIRECTORS:

The Directors who served the Company during the period and their interest in the shares of the Company have been as follows:-

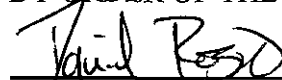
	<u>At End of Period</u> <u>£1 Ordinary Shares</u>	<u>At Date of Appointment</u> <u>£1 Ordinary Shares</u>
David Charles Rosie	50	50
Melissa Jane Deco	50	50

(Both Appointed 5th November 1998)

In preparing this report, the Directors have taken advantage of special exemptions applicable to small companies conferred by Part II of Schedule 8 to the Companies Act 1985.

Dated: 18 July 2000

BY ORDER OF THE BOARD



DAVID ROSIE
DIRECTOR

DAVID ROSIE DESIGN LTD

LIST OF DIRECTORS, ADVISORS AND MAIN ADDRESSES

<u>DIRECTORS</u>	:	David Charles Rosie Melissa Jane Deco
<u>COMPANY SECRETARY</u>	:	Melissa Jane Deco
<u>ACCOUNTANTS</u>	:	Joseph Kahan Associates Chartered Accountants 923 Finchley Road London NW11 7PE
<u>REGISTERED OFFICE</u>	:	923 Finchley Road London NW11 7PE
<u>BUSINESS ADDRESS</u>	:	Osborne House 111 Bartholomew Road London NW5 2BJ

The Company is registered in England No. 3662921 and was incorporated on 5th November 1998.

DAVID ROSIE DESIGN LTD
PROFIT AND LOSS ACCOUNT
FOR THE PERIOD
5TH NOVEMBER 1998 TO 31ST MARCH 2000

	<u>NOTE</u>	<u>£</u>
<u>TURNOVER</u>	1	165,392
Cost of Sales		69,997
<u>Gross Profit</u>		95,395
Administrative Expenses		(26,832)
<u>OPERATING PROFIT FOR THE PERIOD</u>	2	68,563
Interest Receivable		13
Interest Payable	3	(326)
<u>NET PROFIT FOR THE PERIOD ON ORDINARY ACTIVITIES BEFORE TAXATION</u>		68,250
<u>TAXATION</u>	4	(13,510)
<u>NET PROFIT FOR THE PERIOD ON ORDINARY ACTIVITIES AFTER TAXATION</u>		54,740
<u>DIVIDENDS</u>	5	(46,260)
<u>RETAINED PROFIT CARRIED FORWARD</u>		8,480

The notes on pages 5 to 7 form part of these financial statements.

DAVID ROSIE DESIGN LTD
BALANCE SHEET AS AT 31ST MARCH 2000

	<u>NOTE</u>	<u>£</u>
<u>FIXED ASSETS</u>	6	6,162
<u>CURRENT ASSETS</u>		
Balances at Bank		961
Debtors	7	31,334
		32,295
<u>CURRENT LIABILITIES</u>		
Creditors: Amounts falling due within one year	8	(29,877)
<u>NET CURRENT ASSETS</u>		2,418
<u>NET ASSETS</u>		8,580
<u>FINANCED BY:</u>		
<u>CAPITAL AND RESERVES</u>		
Called up Share Capital	9	100
Profit and Loss Account		8,480
<u>SHAREHOLDERS' FUNDS</u>	10	8,580

The Company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the period ending 31st March 2000.

No notice has been deposited under Section 249B(2) of the Companies Act 1985 in relation to its financial statements for the financial period.

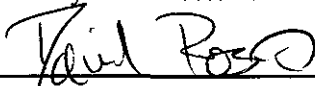
The Directors acknowledge their responsibilities for:-

- a) ensuring that the Company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- b) for preparing financial statements which give a true and fair view of the state of affairs of the Company as at 31st March 2000 and of its profit for the financial period in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the Company.

In preparing these financial statements, the Directors have taken advantage of special exemptions applicable to small companies conferred by Part I of Schedule 8 to the Companies Act 1985.

The Directors have done so on the grounds that, in their opinion, the Company is entitled to the benefit of those exemptions because it meets the qualifying conditions for small companies as stated in Section 247 of the Companies Act 1985.

Approved by the Director on 18 July 2000.



DAVID ROSIE
DIRECTOR

The notes on pages 5 to 7 form part of these financial statements.

DAVID ROSIE DESIGN LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD

5TH NOVEMBER 1998 TO 31ST MARCH 2000

1. ACCOUNTING POLICIES

- (a) The financial statements are prepared under the historical cost convention.
- (b) Turnover represents the invoiced value of services rendered (excluding VAT) and is solely attributable to the United Kingdom.
- (c) Depreciation is calculated at rates estimated to write off each asset, over the term of its useful life, as follows:-
- Fixtures, Fittings & Equipment : 25% p.a. on reducing balance.
- (d) The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cashflow statement on the grounds that it is a small company.
- (e) 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, only to the extent that, in the opinion of the Directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

2. OPERATING PROFIT

£

This is stated after charging:

Directors' Fees	6,860
Depreciation	2,054

3. INTEREST PAYABLE

Loan Interest	9
Hire Purchase Interest	317
	326

4. TAXATION

UK Corporation Tax at Small Companies Rate	13,510
--	--------

DAVID ROSIE DESIGN LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD

5TH NOVEMBER 1998 TO 31ST MARCH 2000

£

5. DIVIDENDS

Net	46,260
-----	--------

6. FIXED ASSETS

FIXTURES, FITTINGS
& EQUIPMENT

Tangible Assets

Cost	8,216
Depreciation	2,054

<u>Net Book Value at 31st March 2000</u>	<u>6,162</u>
--	--------------

7. DEBTORS

Trade Debtors	31,334
---------------	--------

8. CREDITORS

Amounts falling due within one year:-

Bank Loan	2,521
Trade Creditors	3,065
Corporation Tax	13,510
Other Taxes and Social Security	5,497
Directors' Loan Account	4,034
Accruals	1,250

<u>29,877</u>

DAVID ROSIE DESIGN LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD

5TH NOVEMBER 1998 TO 31ST MARCH 2000

	£
9. <u>SHARE CAPITAL</u>	
Ordinary Shares of £1 each	
Authorised	1,000
Issued and Fully Paid	100
10. <u>RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS</u>	
Profit for the Period	54,740
Dividends	(46,260)
	8,480
Issue of Shares	100
<u>Closing Shareholders' Funds</u>	8,580