

EBID LIMITED

**Financial Statements
31 January 2000**

**Temple West
Chartered Accountants
44a The Green
Warlingham
Surrey
CR6 9NA**



EBID LIMITED

Financial Statements For The Period 19 January 1999 to 31 January 2000

Contents	Pages
Directors' Report	1 – 2
Auditors' Report	3
Profit and Loss Account	4
Balance Sheet	5
Notes To The Financial Statements	6 – 8

EBID LIMITED

Directors' Report For The Period 19 January 1999 to 31 January 2000

The directors present their report and the audited financial statements of the company for the period 19 January 1999 to 31 January 2000.

Directors' Responsibilities for the Financial Statements

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 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;
- comply with applicable accounting standards subject to any material departures, disclosed and explained in the financial statements; and
- 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 safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal Activity

The company was incorporated on 19 January 1999 and the company's principal activity was that of the management and promotion of internet web sites and related activities.

Director and their interests

The directors who served during the period and their beneficial interest in the shares of the company were as stated below:

	Ordinary shares	
	31 January 2000	19 January 1999
	(ord. 1p shares)	(or date of appointment) (ord. £1 shares)
G Rassmussen (appointed 19/01/99/resigned 01/06/99)	-	1
A M Siggins (appointed 19/01/99/resigned 20/10/99)	-	1
O Lodge (appointed 01/06/99)	2,500	1
J M Wilkinson (appointed 20/10/99)	2,500	1
A Dilworth (appointed 05/11/99)	2,000	1
G A Sewell (appointed 05/11/99)	2,500	1

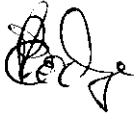
Auditors

The auditors, Temple West, Chartered Accountants, will be proposed for reappointment in accordance with s.385 of the Companies Act 1985.

Small company rules

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

Signed on behalf of the Board on 29 March 2000

A handwritten signature in black ink, appearing to be 'O. Lodge', written in a cursive style.

O. Lodge - Secretary

Beverley
Dartnell Avenue
West Byfleet
Surrey
KT14 6PJ

EBID LIMITED

Report of the Auditors to the shareholders of EBID Limited

We have audited the financial statements on pages 4 to 8 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 1999), under the historical cost convention and the accounting policies set out on page 6.

Respective Responsibilities of the Directors and Auditors

As described on page 1, the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion to you.

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 31 January 2000 and of its profit for the period then ended and have been properly prepared in accordance with provisions of the Companies Act 1985.

Temple West

**Temple West
Chartered Accountants
Registered Auditor**

44a The Green
Warlingham
Surrey
CR6 9NA

29 March 2000

EBID LIMITED

Profit And Loss Account For The Period 19 January 1999 to 31 January 2000

	Notes	£
Turnover	2	6,347
Administrative Expenses		<u>11,205</u>
Operating Loss		(4,858)
Exceptional Item – Directors’ loans waived	4	<u>4,976</u>
Profit on ordinary activities before taxation	3	118
Tax on profit on ordinary activities	5	<u>-</u>
Profit for the financial year	10	<u>118</u>

There are no recognised gains or losses for the period other than those included above.

None of the company’s activities was acquired or discontinued during the period.

There is no difference between the profits shown above and their historical cost equivalents.

The notes on pages 6 to 8 form part of these financial statements

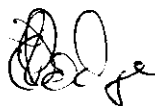
EBID LIMITED

Balance Sheet At 31 January 2000

	Notes	£
Fixed Assets		
Intangible assets	6	256
Current Assets		
Debtors	7	2,018
Cash at bank and in hand		-
		<u>2,018</u>
Creditors: amounts falling due within one year	8	<u>2,056</u>
Net current liabilities		<u>(38)</u>
		<u>218</u>
Capital and Reserves		
Called up share capital	9	100
Profit and loss account	10	118
		<u>218</u>
Shareholders' funds	10	<u>218</u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies and the Financial Reporting Standard for Smaller Entities (effective March 1999).

Approved by the Board on 29 March 2000 and signed on its behalf:



O. Lodge - Director

The notes on pages 6 to 8 form part of these accounts

EBID LIMITED

Notes To The Financial Statements

For The Period 19 January 1999 to 31 January 2000

1 Accounting Policies

a) Basis of Accounting

The financial statements have been prepared under the historical cost convention and the Financial Reporting Standard for Smaller Entities (effective March 1999).

b) Intangible fixed assets

Intangible fixed assets, consisting of patent rights and registrations, are stated at cost and amortised over five years.

c) Deferred Taxation

Deferred Taxation is provided under the liability method in respect of all material timing differences between the profits as computed for taxation purposes and the profits as stated in the financial statements, to the extent that it is probable that a liability or asset will crystallise. The rate of tax used is that which is expected to be applied when the liability or asset is expected to crystallise.

2 Turnover

Turnover represents the amounts receivable for services wholly from its continuing activity from its web site in the United Kingdom.

3 Profit On Ordinary Activities Before Taxation

	£
This is stated after charging/(crediting):	
Amortisation of intangible fixed assets	64
Auditors' remuneration	1,175
Exceptional item – bad debts (note 4)	3,760
Exceptional item – directors' loans waived (note 4)	<u>(4,976)</u>

4 Exceptional Items

A provision has been made against fees during the period amounting to £3,760.

The directors' have waived the amounts owing to them at 31 January 2000 amounting to £4,976

5 Tax on Profit on Ordinary Activities

There is no tax charge for the period due to the availability of tax losses. There is no unprovided deferred taxation at 31 January 2000.

EBID LIMITED

Notes To The Financial Statements

For The Period 19 January 1999 to 31 January 2000

6 Intangible Fixed Assets

Patents and
registrations
£

Cost:

At 19 January 1999

-

Additions

320

Disposals

-

At 31 January 2000

320

Amortisation:

At 19 January 1999

-

Charge for the year

64

On Disposals

-

At 31 January 2000

64

Net book value:

At 31 January 2000

256

At 19 January 1999

-

7 Debtors

£

Trade debtors

1,841

Other debtors

177

2,018

8 Creditors: Amounts Falling Due Within One Year

£

Accruals and deferred income

2,056

EBID LIMITED

Notes To The Financial Statements

For The Period 19 January 1999 to 31 January 2000

9 Called Up Share Capital

£

Authorised

Equity shares:

1,000,000 Ordinary shares of 1 pence each

10,000

Allotted, called up and fully paid

Equity Shares:

10,000 Ordinary shares of 1 pence each

100

The company was incorporated with two subscriber shares of £1 each. A further ninety eight shares of £1 each were issued during the year and the total share capital was subsequently sub-divided into one pence shares to increase the divisibility of shareholdings.

10 Reconciliation of Movement in Shareholders' funds and Reserves	Share Capital	Profit and Loss account	Total
	£	£	£
At 19 January 1999	2	-	2
Shares issued	98	-	98
Profit for the year	-	118	118
	<u>100</u>	<u>118</u>	<u>218</u>
At 31 January 2000	<u>100</u>	<u>118</u>	<u>218</u>

Shareholders' funds are fully attributable to equity interests.

11 Related Party Transactions

Sales

During the period the company made sales to the directors amounting to £77. £33 is owing on these transactions at 31 January 2000 and is included in trade debtors.

Directors

The directors' of the company own 100% of the share capital of Mago Web Limited, a company incorporated in England and Wales. During the period Mago Web Limited operated bank accounts and facilities for the company. The amount held in bank accounts at 31 January 2000 in respect of monies owed to the company amounted to £173 and is included in other debtors.

The directors' personally financed a significant proportion of the company's expenses during the period. The directors' have waived the balance owed them at 31 January 2000 as disclosed in note 4. One of the company director's, Mr Sewell charged the company for expenses amounting to £494.