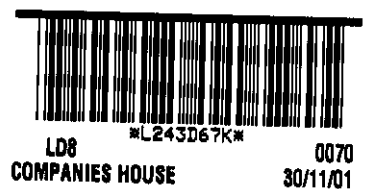


EBID LIMITED

**Financial Statements
31 January 2001**

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



EBID LIMITED

Financial Statements For The Year Ended 31 January 2001

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

EBID LIMITED

Directors' Report For The Year Ended 31 January 2001

The directors present their report and the audited Financial Statements of the company for the Year Ended 31 January 2001.

Principal Activity

The company's principal activity was that of the management and promotion of internet web sites and related activities.

Director and their interests

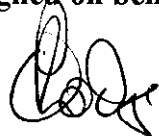
The directors who served during the period and their beneficial interest in the shares of the company were as stated below:

	Ordinary shares of one pence each	
	31 January 2001	31 January 2000
O Lodge	1,938	2,500
J M Wilkinson	3,187	2,500
A Dilworth	1,313	2,000
G A Sewell	3,187	2,500

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 28 November 2001



O. Lodge - Secretary

Registered Office:
116 Guilfords
Old Road
Harlow
Essex
CM17 0HY

EBID LIMITED

Accountants' Report on the unaudited accounts to The Directors of E BID Limited

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 31 January 2001 set out on pages 3 to 8, and you consider that the company is exempt from an audit under section 249A(1) of the Companies Act 1985. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.



FOR AND ON BEHALF OF:

Temple West Limited
Chartered Accountants

44a The Green
Warlingham
Surrey
CR6 9NA

28 November 2001

EBID LIMITED

Profit And Loss Account For The Year Ended 31 January 2001

	Notes	Year Ended 31 January 2001 £	19 January 1999 to 31 January 2000 £
Turnover	2	21,375	6,347
Administrative Expenses		108,792	11,205
Operating Loss		(87,417)	(4,858)
Exceptional Item – Directors’ loans waived	4	-	4,976
		(87,417)	118
Interest receivable		287	-
(Loss)/Profit on ordinary activities before taxation	3	(87,130)	118
Tax on (loss)/profit on ordinary activities	5	-	-
(Loss)/Profit for the financial year	10	(87,130)	118

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

EBID LIMITED

Balance Sheet At 31 January 2001

	Notes	2001 £	2000 £
Fixed Assets			
Intangible assets	6	192	256
Tangible assets	6	<u>7,743</u>	<u>-</u>
		7,935	256
Current Assets			
Debtors	7	10,450	2,018
Cash at bank and in hand		<u>35,106</u>	<u>-</u>
		45,556	2,018
Creditors: amounts falling due within one year	8	<u>40,403</u>	<u>2,056</u>
Net current assets/(liabilities)		<u>5,153</u>	<u>(38)</u>
		<u>13,088</u>	<u>218</u>
Capital and Reserves			
Called up share capital	9	125	100
Share premium	10	99,975	-
Profit and loss account	10	<u>(87,012)</u>	<u>118</u>
Shareholders' funds	10	<u>13,088</u>	<u>218</u>

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

EBID LIMITED

Balance Sheet (continued) At 31 January 2001

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of Sections 249A(1) of the Companies Act 1985.

No notice requiring an audit for the year ended 31 January 2001 has been deposited with the company under section 249B(2) of that Act requiring an audit to be carried out.

The directors acknowledge their responsibilities for:-

- a) ensuring the company keeps accounting records in accordance with section 221 of the Companies Act 1985; and
- b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of its financial year and of its profit or loss for that financial year in accordance with the requirements of section 226 of the Companies Act 1985 and which otherwise comply with the accounting requirements of that Act relating to accounts so far as they are applicable to the company.

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies.

Approved by the Board on 28 November 2001 and signed on its behalf:



O P Lodge - Director

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

EBID LIMITED

Notes To The Financial Statements For The Year Ended 31 January 2001

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 2000).

b) Fixed assets

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

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

Computer and office equipment – 3 years straight line

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. 34.4% of its turnover (2000: Nil) was derived from outside the United Kingdom.

3 (Loss)/Profit On Ordinary Activities Before Taxation

	£	£
This is stated after charging/(crediting):		
Amortisation of intangible fixed assets	64	64
Depreciation of owned equipment	1,387	-
Auditors' remuneration	-	1,175
Exceptional item – bad debts (note 4)	-	3,760
Exceptional item – directors' loans waived (note 4)	-	(4,976)

4 Exceptional Items

A provision has been made against fees during the period amounting to nil (2000: £3,760).

The directors' waived the amounts owing to them at 31 January 2001 amounting to nil (2000: £4,976)

EBID LIMITED

Notes To The Financial Statements For The Year Ended 31 January 2001

5 Tax on (Loss)/Profit on Ordinary Activities

There is no tax charge for the period due to the availability of tax losses of £90,273. There is no unprovided deferred taxation at 31 January 2001.

6 Fixed Assets

	Tangible Fixed Assets – Plant and machinery etc.	Intangible Fixed Assets – Patents and registrations £
Cost:		
At 1 February 2000	-	320
Additions	9,130	-
Disposals	-	-
At 31 January 2001	<u>9,130</u>	<u>320</u>
Amortisation:		
At 1 February 2000	-	64
Charge for the year	1,387	64
On Disposals	-	-
At 31 January 2001	<u>1,387</u>	<u>128</u>
Net book value:		
At 31 January 2001	<u>7,743</u>	<u>192</u>
At 31 January 2000	<u>-</u>	<u>256</u>

7 Debtors

	2001 £	2000 £
Trade debtors	3,960	1,841
Other debtors	6,490	177
	<u>10,450</u>	<u>2,018</u>

EBID LIMITED

Notes To The Financial Statements For The Year Ended 31 January 2001

8 Creditors: Amounts Falling Due Within One Year	2001 £	2000 £
Taxes and social security	3,912	-
Other creditors	36,491	2,056
	<u>40,403</u>	<u>2,056</u>

9 Called Up Share Capital

	£	£
Authorised		
Equity shares:		
1,000,000 Ordinary shares of 1 pence each	<u>10,000</u>	<u>10,000</u>
Allotted, called up and fully paid		
Equity Shares:		
12,500 Ordinary shares of 1 pence each	<u>125</u>	<u>100</u>

The company issued a further 2,500 Ordinary Shares of one pence each for a consideration of £100,000 to fund the working capital requirement.

10 Reconciliation of Movement in Shareholders' funds and Reserves	Share Capital	Share Premium	Profit and Loss account	Total
	£	£	£	£
At 19 January 1999	2	-	-	2
Shares Issued	98	-	-	98
Profit for the year	-	-	118	118
At 31 January 2000	<u>100</u>	<u>-</u>	<u>118</u>	<u>218</u>
Shares issued	25	99,975	-	100,000
Loss for the year	-	-	(87,130)	(87,130)
At 31 January 2001	<u>125</u>	<u>99,975</u>	<u>(87,012)</u>	<u>13,088</u>

Shareholders' funds are fully attributable to equity interests.