

REGISTERED NUMBER: 3907607 (England and Wales)

GRADWEB LIMITED
REPORT OF THE DIRECTORS AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2004



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For The Year Ended 31 January 2004

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COMPANY INFORMATION
For The Year Ended 31 January 2004

DIRECTORS: J Butler
J Pratt
K Rostrup

SECRETARY: J Butler

REGISTERED OFFICE: Mill Reef House
Cheap Street
Newbury
Berkshire
RG14 5DD

REGISTERED NUMBER: 3907607 (England and Wales)

ACCOUNTANTS: James & Cowper
Chartered Accountants
Phoenix House
Bartholomew Street
Newbury
Berkshire RG14 5QA

GRADWEB LIMITED

**REPORT OF THE DIRECTORS
For The Year Ended 31 January 2004**

The directors present their report with the financial statements of the company for the year ended 31 January 2004.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of providing online and offline graduate recruitment support services to companies.

DIRECTORS

The directors during the year under review were:

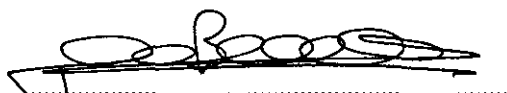
J Butler
J Pratt
K Rostrup

The beneficial interests of the directors holding office on 31 January 2004 in the issued share capital of the company were as follows:

	31.1.04	1.2.03
Ordinary £1 shares		
J Butler	500	500
J Pratt	-	-
K Rostrup	500	500
Non voting £1 shares		
J Butler	-	-
J Pratt	250	250
K Rostrup	-	-

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

ON BEHALF OF THE BOARD:


.....
J Butler - Director

Date: 16/9/2004

GRADWEB LIMITED**PROFIT AND LOSS ACCOUNT**
For The Year Ended 31 January 2004

	Notes	2004 £	2003 £
TURNOVER		664,320	440,093
Cost of sales		<u>85,346</u>	<u>24,680</u>
GROSS PROFIT		578,974	415,413
Administrative expenses		<u>434,024</u>	<u>398,480</u>
OPERATING PROFIT	2	144,950	16,933
Interest receivable and similar income		<u>509</u>	<u>-</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		145,459	16,933
Tax on profit on ordinary activities	3	<u>31,725</u>	<u>790</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		113,734	16,143
Dividends	4	<u>72,500</u>	<u>-</u>
RETAINED PROFIT FOR THE YEAR		<u>41,234</u>	<u>16,143</u>

The notes form part of these financial statements

GRADWEB.LIMITED
BALANCE SHEET
31 January 2004

	Notes	2004 £	2003 £
FIXED ASSETS			
Tangible assets	5	24,330	18,181
CURRENT ASSETS			
Stocks		-	4,700
Debtors	6	17,227	10,565
Cash at bank and in hand		88,433	22,876
		<u>105,660</u>	<u>38,141</u>
CREDITORS			
Amounts falling due within one year	7	67,583	37,740
NET CURRENT ASSETS		<u>38,077</u>	<u>401</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>62,407</u>	<u>18,582</u>
PROVISIONS FOR LIABILITIES AND CHARGES	9	2,591	-
		<u>59,816</u>	<u>18,582</u>
CAPITAL AND RESERVES			
Called up share capital	10	1,250	1,250
Profit and loss account	11	58,566	17,332
SHAREHOLDERS' FUNDS		<u>59,816</u>	<u>18,582</u>

The notes form part of these financial statements

GRADWEB LIMITED

BALANCE SHEET - continued
31 January 2004

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 31 January 2004.

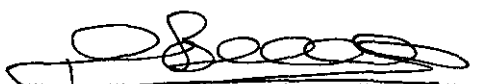
The members have not required the company to obtain an audit of its financial statements for the year ended 31 January 2004 in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

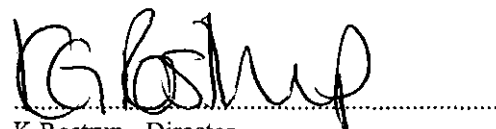
- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year 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.

These financial statements have been 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 (effective June 2002).

ON BEHALF OF THE BOARD:



J Butler - Director



K Rostrup - Director

Approved by the Board on 16/9/2004

NOTES TO THE FINANCIAL STATEMENTS
For The Year Ended 31 January 2004

1. ACCOUNTING POLICIES**Accounting convention**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Turnover

Turnover represents net invoiced sales of services, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 25% straight line
Motor vehicles	- 25% straight line
Computer equipment	- 33% straight line

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account as incurred.

2. OPERATING PROFIT

The operating profit is stated after charging:

	2004	2003
	£	£
Depreciation - owned assets	18,934	11,352
Equipment hire	16,334	12,336
	<u> </u>	<u> </u>
Directors' emoluments and other benefits etc	48,500	136,710
	<u> </u>	<u> </u>

3. TAXATION**Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows:

	2004	2003
	£	£
Current tax:		
UK corporation tax	29,134	790
Deferred tax	2,591	-
	<u> </u>	<u> </u>
Tax on profit on ordinary activities	31,725	790
	<u> </u>	<u> </u>

UK corporation tax has been charged at 19% (2003 - 19.18%).

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 January 2004

3. TAXATION - continued**Factors affecting the tax charge**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2004 £	2003 £
Profit on ordinary activities before tax	<u>145,459</u>	<u>16,933</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2003 - 19.181%)	27,637	3,248
Effects of:		
Expenses not deductible for tax purposes	1,921	888
Capital allowances less than depreciation	(424)	(1,038)
Marginal relief	-	(1,638)
Utilisation of tax losses and other deductions	-	(670)
Current tax charge	<u>29,134</u>	<u>790</u>

4. DIVIDENDS

	2004 £	2003 £
1,000 Ordinary shares of £1 each Interim	58,000	-
250 Non voting shares of £1 each Interim	14,500	-
	<u>72,500</u>	<u>-</u>

5. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 February 2003	4,766	986	29,741	35,493
Additions	9,354	-	15,729	25,083
At 31 January 2004	<u>14,120</u>	<u>986</u>	<u>45,470</u>	<u>60,576</u>
DEPRECIATION				
At 1 February 2003	1,625	494	15,193	17,312
Charge for year	3,530	247	15,157	18,934
At 31 January 2004	<u>5,155</u>	<u>741</u>	<u>30,350</u>	<u>36,246</u>
NET BOOK VALUE				
At 31 January 2004	<u>8,965</u>	<u>245</u>	<u>15,120</u>	<u>24,330</u>
At 31 January 2003	<u>3,141</u>	<u>492</u>	<u>14,548</u>	<u>18,181</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 January 2004

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2004	2003
	£	£
Trade debtors	9,876	10,565
Other debtors	7,351	-
	<u>17,227</u>	<u>10,565</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2004	2003
	£	£
Trade creditors	24,414	8,236
Tax	29,134	790
Social security and other taxes	9,914	24,970
Directors' current accounts	1,721	2,544
Accrued expenses	2,400	1,200
	<u>67,583</u>	<u>37,740</u>

8. OPERATING LEASE COMMITMENTS

The following payments are committed to be paid within one year:

	2004	2003
	£	£
Expiring:		
Within one year	<u>16,102</u>	<u>12,922</u>

9. PROVISION FOR LIABILITIES AND CHARGES

	2004	2003
	£	£
Deferred tax	<u>2,591</u>	<u>-</u>

	Deferred tax £
Movement in year	<u>2,591</u>
Balance at 31 January 2004	<u>2,591</u>

10. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	2004	2003
			£	£
1,000	Ordinary	£1	1,000	1,000
250	Non voting	£1	250	250
			<u>1,250</u>	<u>1,250</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 January 2004

11. RESERVES

	Profit and loss account £
At 1 February 2003	17,332
Retained profit for the year	41,234
At 31 January 2004	58,566

12. TRANSACTIONS WITH DIRECTORS

J Butler and K Rostrup, both directors of the company, were owed £943 and £778 respectively by the company at the year end (2003: £1,669 and £875 respectively).