

GRADWEB LIMITED
REPORT OF THE DIRECTORS AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2005



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For The Year Ended 31 January 2005

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COMPANY INFORMATION
For The Year Ended 31 January 2005

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)

GRADWEB LIMITED

**REPORT OF THE DIRECTORS
For The Year Ended 31 January 2005**

The directors present their report with the financial statements of the company for the year ended 31 January 2005.

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 2005 in the issued share capital of the company were as follows:

	31.1.05	1.2.04
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: 14 JULY 2005

GRADWEB LIMITED

PROFIT AND LOSS ACCOUNT
For The Year Ended 31 January 2005

	Notes	2005 £	2004 £
TURNOVER		701,672	664,320
Cost of sales		<u>167,772</u>	<u>168,168</u>
GROSS PROFIT		533,900	496,152
Administrative expenses		<u>379,262</u>	<u>351,202</u>
OPERATING PROFIT	2	154,638	144,950
Interest receivable and similar income		<u>979</u>	<u>509</u>
		155,617	145,459
Interest payable and similar charges		<u>40</u>	<u>-</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		155,577	145,459
Tax on profit on ordinary activities	3	<u>30,296</u>	<u>31,725</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		125,281	113,734
Dividends	4	<u>150,000</u>	<u>72,500</u>
(DEFICIT)/RETAINED PROFIT FOR THE YEAR		<u>(24,719)</u>	<u>41,234</u>

The notes form part of these financial statements

GRADWEB LIMITED
BALANCE SHEET
31 January 2005

	Notes	2005 £	2004 £
FIXED ASSETS			
Tangible assets	5	22,254	24,330
CURRENT ASSETS			
Debtors	6	25,658	17,227
Cash at bank and in hand		76,161	88,433
		<u>101,819</u>	<u>105,660</u>
CREDITORS			
Amounts falling due within one year	7	79,961	67,583
NET CURRENT ASSETS		<u>21,858</u>	<u>38,077</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>44,112</u>	<u>62,407</u>
CREDITORS			
Amounts falling due after more than one year	8	(8,867)	-
PROVISIONS FOR LIABILITIES AND CHARGES	10	(148)	(2,591)
		<u>35,097</u>	<u>59,816</u>
CAPITAL AND RESERVES			
Called up share capital	11	1,250	1,250
Profit and loss account	12	33,847	58,566
SHAREHOLDERS' FUNDS		<u>35,097</u>	<u>59,816</u>

The notes form part of these financial statements

BALANCE SHEET - continued
31 January 2005

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 31 January 2005.

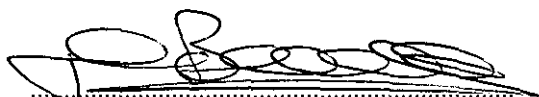
The members have not required the company to obtain an audit of its financial statements for the year ended 31 January 2005 in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

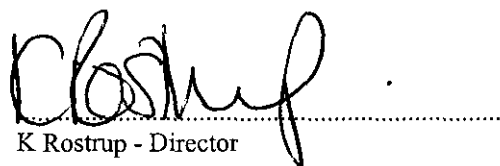
- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial 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 14 JULY 2005

NOTES TO THE FINANCIAL STATEMENTS
For The Year Ended 31 January 2005

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

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:

	2005	2004
	£	£
Depreciation - owned assets	25,078	18,934
Loss on disposal of fixed assets	247	-
Equipment hire	18,095	16,334
	<u>43,420</u>	<u>35,268</u>
Directors' emoluments and other benefits etc	30,000	48,500
	<u>73,420</u>	<u>83,768</u>

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

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

	2005	2004
	£	£
Current tax:		
UK corporation tax	32,739	29,134
Deferred tax	(2,443)	2,591
Tax on profit on ordinary activities	<u>30,296</u>	<u>31,725</u>

UK corporation tax was charged at 19% in 2004.

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 January 2005

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:

	2005 £	2004 £
Profit on ordinary activities before tax	<u>155,577</u>	<u>145,459</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2004 - 19%)	29,560	27,637
Effects of:		
Expenses not deductible for tax purposes	736	1,921
Capital allowances less than depreciation	<u>2,443</u>	<u>(424)</u>
Current tax charge	<u>32,739</u>	<u>29,134</u>

4. DIVIDENDS

	2005 £	2004 £
Ordinary shares of £1 each		
Interim	120,000	58,000
Non voting shares of £1 each		
Interim	<u>30,000</u>	<u>14,500</u>
	<u>150,000</u>	<u>72,500</u>

5. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 February 2004	14,119	986	45,470	60,575
Additions	4,448	11,844	6,955	23,247
Disposals	-	(986)	-	(986)
At 31 January 2005	<u>18,567</u>	<u>11,844</u>	<u>52,425</u>	<u>82,836</u>
DEPRECIATION				
At 1 February 2004	5,155	740	30,349	36,244
Charge for year	4,642	2,961	17,475	25,078
Eliminated on disposal	-	(740)	-	(740)
At 31 January 2005	<u>9,797</u>	<u>2,961</u>	<u>47,824</u>	<u>60,582</u>
NET BOOK VALUE				
At 31 January 2005	<u>8,770</u>	<u>8,883</u>	<u>4,601</u>	<u>22,254</u>
At 31 January 2004	<u>8,964</u>	<u>246</u>	<u>15,121</u>	<u>24,331</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 January 2005

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2005	2004
	£	£
Trade debtors	18,307	9,876
Other debtors	7,351	7,351
	<u>25,658</u>	<u>17,227</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2005	2004
	£	£
Hire purchase contracts	2,425	-
Trade creditors	16,914	24,414
Tax	32,739	29,134
Social security and other taxes	24,013	9,914
Other creditors	531	-
Directors' current accounts	339	1,721
Accrued expenses	3,000	2,400
	<u>79,961</u>	<u>67,583</u>

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2005	2004
	£	£
Hire purchase contracts	8,867	-
	<u>8,867</u>	<u>-</u>

9. OPERATING LEASE COMMITMENTS

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

	2005	2004
	£	£
Expiring:		
Within one year	17,249	16,102
	<u>17,249</u>	<u>16,102</u>

10. PROVISION FOR LIABILITIES AND CHARGES

	2005	2004
	£	£
Deferred tax	148	2,591
	<u>148</u>	<u>2,591</u>

	Deferred tax £
Balance at 1 February 2004	2,591
Movement in year	(2,443)
	<u>148</u>
Balance at 31 January 2005	<u>148</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
For The Year Ended 31 January 2005

11. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	2005 £	2004 £
1,000	Ordinary	£1	1,000	1,000
250	Non voting	£1	250	250
			<u>1,250</u>	<u>1,250</u>

12. RESERVES

	Profit and loss account £
At 1 February 2004	58,566
Deficit for the year	(24,719)
	<u>33,847</u>
At 31 January 2005	

13. TRANSACTIONS WITH DIRECTORS

J Butler and K Rostrup, both directors of the company, were owed £339 and £nil respectively by the company at the year end (2004: £943 and £778 respectively).