COMPANY NUMBER: 205240

pHASE 2 (BUSINESS DEVELOPMENT) LIMITED

DIRECTORS REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2002

Gilder & Co
Certified Accountants and Registered Auditors
Bank Chambers
27a Market Place
Market Deeping
Peterborough
PE6 8EA



pHASE 2 (BUSINESS DEVELOPMENT) LIMITED

DIRECTOR'S REPORT

The Director hereby submits the Annual Report and Account of the Company for the year ended 31st March 2002.

The Director of the Company during the financial year and his interest in shares of the Company was:-

	No. of Shares
J C MacNeill	2

During the above financial period, the Company has not traded and there has been no income or expenditure and therefore no change in the Company's position has risen.

Signed Director .....

pHASE 2 (BUSINESS DEVELOPMENT) LIMITED

BALANCE SHEET AS AT 31ST MARCH 2002

ASSETS

Cash in Hand	£2

LIABILITIES

REPRESENTED BY:

SHARE CAPITAL

AUTHORISED - £100
Divided into 100 Ordinary Shares of £1 each

ISSUED AND FULLY PAID

Ordinary Shares of £1 each	£2

For the year ended 31st March 2002 the company was entitled to exemption under Section 249AA(1) of the Companies Act 1984.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with Section 249B(2).

The director acknowledges his responsibility for:-

a) Ensuring the company keeps accounting records which comply with Section 221;

b) Preparing accounts 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 and loss for the financial year in accordance with Section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

Signed Director .....