

CIELO.NET LIMITED

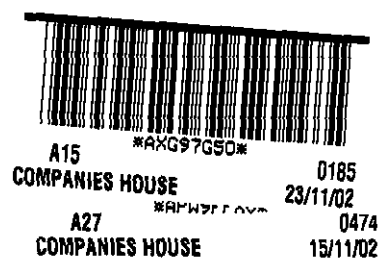
COMPANY NUMBER 3729568

DIRECTORS REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2002

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CIELO.NET LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2002

The Directors present their report and accounts for the year ended 31/03/2002.

STATEMENT OF DIRECTORS RESPONSIBILITIES

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 the 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;
- 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.

ACTIVITIES

The principle activity of the company is that of computer software consultants.

RESULTS AND DIVIDENDS

The results of the company for the year ended 31/03/2002 are set out in the attached financial statements. The directors recommend the payment of a dividend for the year of £ 8,000 (2001 - £ 10,500).

BUSINESS REVIEW

The level of business and period end financial position were as expected, and the directors do not anticipate any material changes in the current year.

FIXED ASSETS

The significant changes in fixed assets are given in Note 4.

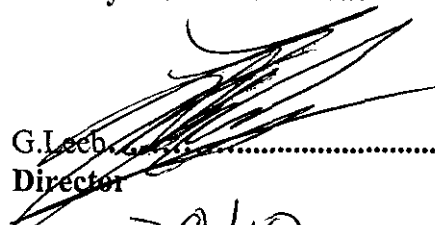
CIELO.NET LIMITED
REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2002

DIRECTORS AND THEIR SHARE INTEREST

	<u>Ordinary Shares of £1 each</u> <u>fully paid</u>	
	<u>2002</u>	<u>2001</u>
G.Leeb	100	100

1, Approach Road
Raynes Park
London SW20 8BA

By order of the Board


G.Leeb.....
Director
30/10.....2002

AUDIT

The director has taken advantage of the exemption conferred by s.249A(1) not to have these accounts audited and confirms that no notice has been deposited under s.249B(2) of the Companies Act 1985.

CIELO.NET LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2002

		<u>2002</u>	<u>2001</u>
	<u>Note</u>		
TURNOVER-Continuing operations	1	21,510	22,002
Administration Expenses		(15,252)	(9,755)
Interest Received		33	82
		—	—
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	6,291	12,329
Taxation	3	(649)	(1,396)
		—	—
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		5,642	10,933
Dividend		(8,000)	(10,500)
		(2,358)	433
Accumulated profit brought forward		3,948	3,515
		—	—
Accumulated Profit carried forward		£ 1,590	3,948
		—	—

There are no recognised gains and losses in 2002 other than the profit for the year.

The Notes on pages 5 to 6 form part of these Accounts.

CIELO.NET LIMITED
BALANCE SHEET AS AT 31 MARCH 2002

	<u>Note</u>	<u>2002</u>	<u>2001</u>
TANGIBLE FIXED ASSETS	4	1,147	1,529
CURRENT ASSETS			
Debtors		7,780	1,030
Bank		1,607	3,238
		<u>9,387</u>	<u>4,268</u>
LESS CREDITORS: Amounts falling due within one year	5	8,844	(1,749)
NET CURRENT ASSETS (LIABILITIES)		<u>543</u>	<u>2,519</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£1,690</u>	<u>4,048</u>
CAPITAL AND RESERVES			
Called up Share Capital	6	100	100
Profit and Loss Account		1,590	3,948
		<u>£ 1,690</u>	<u>4,048</u>

For the year in question the company was entitled to the exemption under section (1) of section 249A of the Companies Act 1985 (according to the turnover and balance sheet total of the company).

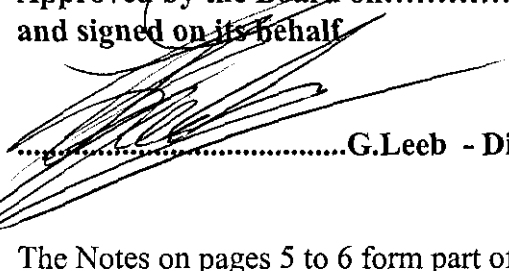
No member or members have requested an audit under section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibility for:

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

The directors in preparing the accounts have relied upon the exemptions for individual accounts provided by section 246 of the Act (or schedule 8 paragraph 23).

Approved by the Board on 31/10/02 2002
and signed on its behalf

 G. Leeb - Director

The Notes on pages 5 to 6 form part of these Accounts.

1. ACCOUNTING POLICIES

CIELO.NET LIMITED
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2002

3. TAXATION

	<u>2002</u>	<u>2001</u>
Corporation tax based on the profit for the year on ordinary activities at 20% and 10%.	£ 649	1,396

4. TANGIBLE FIXED ASSETS

		<u>2002</u>	<u>2001</u>
	<u>Office Equip</u>	<u>Total</u>	<u>Total</u>
At Cost	2,439	2,439	2,439
less: Depreciation	1,292	1,292	910
Net book value at 31/03/2002	1,147	1,147	1,529

5. CREDITORS: Amounts falling due within one year

Accruals	180	180
Taxation and social security costs	649	1,396
Directors Loan Account	8,015	173
	£ 8,844	1,749

6. SHARE CAPITAL

Authorised 1000 ordinary shares of £1 each	£ 1,000	1,000
Allotted, called up and fully paid- 100 ordinary shares of £1 each	£ 100	100

CIELO.NET LIMITED

SCHEDULE TO PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2002

	<u>2002</u>	<u>2001</u>
ADMINISTRATION EXPENSES		
Directors Remuneration	4,536	3,900
Travelling & Subsistence	721	872
Telephone and Mobile	1,049	720
Internet Exp	310	-
Subcontractors Fees	5,460	-
Stationery & Postage	80	96
Books & Training	85	802
Office Expenses	1,044	1,160
Computer Consumables	574	721
Accountancy Fees	720	720
Sundry Expenses	291	254
Depreciation	382	510
	£ 15,252	9,755

This page does not form part of the statutory Accounts.

ACCOUNTANTS REPORT TO THE SHAREHOLDERS OF
CIELO.NET LIMITED

FOR THE YEAR ENDED 31 MARCH 2002

In accordance with instructions given to us, we have prepared, without carrying out an audit, the financial statements for the year ended 31/03/2002 set out on pages 3 to 6 from the accounting records of Cielo.net Limited and from the information and explanations supplied to us by the management of the company.

1 Approach Road
Raynes Park
London SW20 8BA.

PARK ACCOUNTS


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.....31.03.2002