

CIELO.NET LIMITED

COMPANY NUMBER 3729568

DIRECTORS REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2005

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CIELO.NET LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2005

The Directors present their report and accounts for the year ended 31/03/2005.

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 31/03/2005 are set out in the attached financial statements. The directors recommend the payment of a dividend for the year of £ Nil (2004 - £2,200).

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 2005

DIRECTORS AND THEIR SHARE INTEREST

	<u>Ordinary Shares of £1 each</u> <u>fully paid</u>	
	<u>2005</u>	<u>2004</u>
G.Leeb	100	100

1, Approach Road
Raynes Park
London SW20 8BA

By order of the Board

G.Leeb.....
Director

.....16/11/2005

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 2005

		<u>2005</u>	<u>2004</u>
	<u>Note</u>		
TURNOVER-Continuing operations	1	15,098	2,575
Administration Expenses		(12,302)	(2,530)
Interest Received			-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	2,796	45
Taxation	3	-	-
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		2,796	45
Dividend		-	(2,200)
		2,796	(2,155)
Accumulated profit brought forward		560	2,715
Accumulated Profit carried forward		£ 3,356	560

There are no recognised gains and losses in 2005 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 2005

	<u>Note</u>	<u>2005</u>	<u>2004</u>
TANGIBLE FIXED ASSETS	4	1,061	645
CURRENT ASSETS			
Debtors		2,235	-
Bank		460	19
		<u>2,695</u>	<u>19</u>
LESS CREDITORS: Amounts falling due within one year	5	300	4
NET CURRENT ASSETS (LIABILITIES)		<u>2,395</u>	<u>15</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£ 3,456</u>	<u>660</u>
CAPITAL AND RESERVES			
Called up Share Capital	6	100	100
Profit and Loss Account		3,356	560
		<u>£ 3,456</u>	<u>660</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.....16/11/2005
and signed on its behalf

.....G.Leeb - Director

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

1. ACCOUNTING POLICIES

Cash Flow Statement- The company is entitled to the exemptions available in Sections 246 and 247 of the Companies Act 1985 as a small company and therefore is excepted from Financial Reporting Standard No 1.

2. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Directors emoluments fell within the following :-

The highest paid director received £ 3,300 (2004 - £ 4,615).

CIELO.NET LIMITED
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2005

3. TAXATION

	<u>2005</u>	<u>2004</u>
Corporation tax based on the profit for the year on ordinary activities.	-	-

4. TANGIBLE FIXED ASSETS

	<u>2005</u>	<u>2005</u>	<u>2004</u>
	<u>Office Equip</u>	<u>Total</u>	<u>Total</u>
At Cost	3,209	3,209	2,439
Less: Depreciation	2,148	2,148	1,794
Net book value at 31/03/2005	1,061	1,061	645

5. CREDITORS: Amounts falling due within one year

Accruals	300	-
Directors Loan Account	-	4
	£ 300	4

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 2005

	<u>2005</u>	<u>2004</u>
ADMINISTRATION EXPENSES		
Directors Remuneration	3,300	-
Travelling & Subsistence	775	94
Telephone and Mobile	831	144
Internet Expenses	295	293
Subcontractors Fees	700	610
Stationery & Postage	217	49
Books & Subscription	171	58
Office Expenses	5,043	950
Computer Consumables	210	-
Bank Charges	25	-
Accountancy Fees	360	100
Sundry Expenses	21	17
Depreciation	354	215
	£ 12,302	2,530

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 2005

In accordance with instructions given to us, we have prepared, without carrying out an audit, the financial statements for the year ended 31/03/2005 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


.....16.11.2005