

X WORKS LIMITED AND SUBSIDIARIES
FINANCIAL STATEMENTS
FOR
30 SEPTEMBER 2000



Company Registration Number 3836178

WISE & CO CHARTERED ACCOUNTANTS
Chartered Accountants & Registered Auditors
50 West Street
Farnham
Surrey
GU9 7DX

X WORKS LIMITED AND SUBSIDIARIES

FINANCIAL STATEMENTS

PERIOD ENDED 30 SEPTEMBER 2000

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X WORKS LIMITED AND SUBSIDIARIES

OFFICERS AND PROFESSIONAL ADVISORS

The board of directors	Mr C M A Black Mr J P Drummond Mr N Regan Mr P J Williams
Company secretary	Mr C M A Black
Registered office	50 West Street Farnham Surrey GU9 7DX
Auditors	Wise & Co Chartered Accountants Chartered Accountants & Registered Auditors 50 West Street Farnham Surrey GU9 7DX
Bankers	Barclays Bank plc Woking Business Centre PO 673 Towngate House Church Street East Woking Surrey GU21 1XU
Solicitors	Mundays Crown House Church Road Claygate Esher Surrey KT10 0LP
Registered Number	3836178

X WORKS LIMITED AND SUBSIDIARIES

THE DIRECTORS' REPORT

The directors present their report and the financial statements of the group for the year ended 30th September 2000.

INCORPORATION

The company was incorporated on 3rd September 1999. The company passed a special resolution on 10th February 2000, changing its name from Exsort Limited to X Works Limited and it commenced trading on that date.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was that of a provider of funding, management and services to assist in business development of E-businesses.

RESULTS AND DIVIDENDS

The trading results for the year, and the group's financial position at the end of the year are shown in the attached financial statements.

The directors have not recommended a dividend.

THE DIRECTORS AND THEIR INTERESTS

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

Ordinary Shares of £0.25 each			
		At 30 th September 2000	At 3 rd September 1999 or later date of appointment
Mr C M A Black	appointed 10 th April 2000	50,000	-
Mr J P Drummond	appointed 28 th September 1999	200,000	-
Mr N Regan	appointed 28 th September 1999	-	-
Mr P J Williams	appointed 12 th June 2000	140,000	140,000

DONATIONS

The group have not made any political or charitable donations during the period ended 30th September 2000.

FUTURE DEVELOPMENTS

At the date of signing these accounts, the shareholders of X Works Limited are entering an agreement with Chrome Technology Plc, a company listed on the Alternative Investment Market, such that the entire issued share capital of X Works Limited is to be acquired by Chrome Technology Plc, subject to the approval of Chrome Technology Plc's shareholders and readmission of its shares to AIM. The acquisition will improve market awareness and fund the working capital requirements of X Works Limited. As part of the group's strategy, the Board will continue to appraise suitable acquisition targets.

X WORKS LIMITED AND SUBSIDIARIES

THE DIRECTORS' REPORT

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 group at the end of the year and of the group's profit or loss for the year then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on pages 11 to 12, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also 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 group and to enable them to ensure that the financial statements comply with the Companies Act 1985. The directors are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

GOING CONCERN

After making enquiries, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the accounts.

AUDITORS

A resolution to re-appoint Wise & Co Chartered Accountants as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:
50 West Street
Farnham
Surrey
GU9 7DX

Signed by order of the directors



MR C M A BLACK
Company Secretary

Approved by the directors on 5th April 2001

X WORKS LIMITED AND SUBSIDIARIES

AUDITORS' REPORT TO THE SHAREHOLDERS

PERIOD ENDED 30 SEPTEMBER 2000

We have audited the financial statements on pages 5 to 20, which have been prepared under the historical cost convention and the accounting policies, set out on pages 11 to 12.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

As described on page 3, the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

GOING CONCERN

In forming our opinion, we have considered the adequacy of the disclosures made in the financial statements concerning the preparation of the financial statements on a going concern basis.

Details of the reasons for the preparation of these accounts on a going concern basis are described within note 1.

Our opinion is not qualified in this respect.

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs and of the group as at 30th September 2000 and of the loss of the group for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Wise and Company
Chartered Accountants
Registered Auditors
50 West Street
Farnham
Surrey
GU9 7DX

Wise & Co.

Dated : *5 April 2001*

X WORKS LIMITED AND SUBSIDIARIES

GROUP PROFIT AND LOSS ACCOUNT

PERIOD ENDED 30 SEPTEMBER 2000

		2000
		Total
		£
Turnover		70,971
Cost of sales		(26,070)
GROSS PROFIT		44,901
Administrative expenses:		
-Before goodwill		
amortisation		(491,637)
-Goodwill		
amortisation		(29,144)
		(520,781)
OPERATING LOSS	2	(475,880)
Interest payable	5	(520)
		(476,400)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(476,400)
Tax on loss on ordinary activities		-
DEFICIENCY FOR THE FINANCIAL YEAR		(476,400)

The company has no recognised gains or losses other than the results for the period as set out above.

All of the activities of the company are classed as acquired.

X WORKS LIMITED AND SUBSIDIARIES

PERIOD ENDED 30 SEPTEMBER 2000

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2000 £
Loss for the financial year	(476,400)
New share capital issued at par	249,998
Premium on new share capital subscribed	113,654
Net reduction to funds	(112,748)
Equity funds issued in the period	2
Closing shareholders' equity funds	<u>(112,746)</u>

X WORKS LIMITED AND SUBSIDIARIES

GROUP BALANCE SHEET

30 SEPTEMBER 2000

	Note	2000 £	£
FIXED ASSETS			
Intangible assets	6		14,760
Tangible assets	7		70,331
Investments	8		12,500
			<u>97,591</u>
 CURRENT ASSETS			
Debtors	9	81,814	
Cash at bank and in hand		43	
		<u>81,857</u>	
 CREDITORS: Amounts falling due within one year	10	<u>(292,194)</u>	
NET CURRENT LIABILITIES			<u>(210,337)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(112,746)</u>
 CAPITAL AND RESERVES			
Called-up equity share capital	15		250,000
Share premium account	16		113,654
Profit and loss account	16		(476,400)
DEFICIENCY			<u>(112,746)</u>

These financial statements were approved by the directors on the 5th April 2001, and are signed on their behalf by:

MR P J WILLIAMS
Director



The notes on pages 11 to 20 form part of these financial statements.

X WORKS LIMITED AND SUBSIDIARIES

BALANCE SHEET

30 SEPTEMBER 2000

	Note	2000	
		£	£
FIXED ASSETS			
Intangible assets	6		1,283
Tangible assets	7		66,846
Investments	8		37,739
			<u>105,868</u>
CURRENT ASSETS			
Debtors	9	82,479	
Cash at bank and in hand		43	
		<u>82,522</u>	
CREDITORS: Amounts falling due			
Within one year	10	(283,042)	
NET CURRENT LIABILITIES			<u>(200,520)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>(94,652)</u>
CAPITAL AND RESERVES			
Called-up equity share capital	15		250,000
Share premium account	16		113,654
Profit and loss account	16		(458,306)
DEFICIENCY			<u>(94,652)</u>

These financial statements were approved by the directors on the 5th April 2001, and are signed on their behalf by:

MR P J WILLIAMS
Director



The notes on pages 11 to 20 form part of these financial statements.

X WORKS LIMITED AND SUBSIDIARIES

GROUP CASH FLOW

PERIOD ENDED 30 SEPTEMBER 2000

	2000	
	£	£
NET CASH OUTFLOW FROM OPERATING ACTIVITIES		(298,739)
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest paid	(520)	
	—	
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		(520)
CAPITAL EXPENDITURE		
Payments to acquire intangible fixed assets	(43,904)	
Payments to acquire tangible fixed assets	(79,202)	
Receipts from sale of fixed assets	-	
	—	
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE		(123,106)
ACQUISITIONS AND DISPOSALS		
Acquisition of other trades and businesses	(12,500)	
	—	
NET CASH OUTFLOW FROM ACQUISITIONS AND DISPOSALS		(12,500)
CASH OUTFLOW BEFORE FINANCING		(434,865)
FINANCING		
Issue of ordinary share capital	250,000	
Share premium on issue of equity share capital	113,654	
	—	
NET CASH INFLOW FROM FINANCING		363,654
DECREASE IN CASH		(71,211)

The notes on pages 11 to 20 form part of these financial statements.

X WORKS LIMITED AND SUBSIDIARIES

GROUP CASH FLOW *(continued)*

PERIOD ENDED 30 SEPTEMBER 2000

RECONCILIATION OF OPERATING LOSS TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	2000 £
Operating loss	(475,880)
Amortisation	29,144
Depreciation	8,871
Increase in debtors	(81,814)
Increase in creditors	220,940
Net cash outflow from operating activities	<u>(298,739)</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	£
Decrease in cash in the period	(71,211)
Movement in net debt in the period	(71,211)
Net debt at 30th September 2000	<u>(71,211)</u>

ANALYSIS OF CHANGES IN NET DEBT

	At 3 rd Sep 1999 £	Cash flows £	At 30 th Sep 2000 £
Net cash:			
Cash in hand and at bank	-	43	43
Overdrafts	-	(71,254)	(71,254)
Net debt	<u>-</u>	<u>(71,211)</u>	<u>(71,211)</u>

The notes on pages 11 to 20 form part of these financial statements.

X WORKS LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 30 SEPTEMBER 2000

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards.

The group has incurred trading losses of £476,400 and have net current liabilities of £210,337. At the balance sheet date, total liabilities exceeded total assets by £112,746 and this suggests that the company is unable to continue to trade.

However at the date of signing these accounts the shareholders of X Works Limited are in the process of entering an agreement with Chrome Technology Plc, a company listed on the Alternative Investment Market (AIM), such that the entire issued share capital of X Works Limited, is to be acquired by Chrome Technology Plc, subject to the approval of their shareholders and readmission of its shares to AIM. Chrome Technology Plc upon acquisition will fund the working capital requirements of the group.

Based upon the details above, the directors are of the opinion that it is appropriate to prepare the accounts on a going concern basis, and have done so accordingly.

Basis of consolidation

The consolidated accounts incorporate the accounts of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions of investments in companies with a share holding in excess of 50% are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over 5 years from the year of acquisition. The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively. Undertakings in which the group has an interest of 20% or less and the directors do not consider that they are in a position to exercise a significant influence are valued at cost, less any permanent diminution in value. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group accounts by virtue of section 230 of the Companies Act 1985.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, stated net of value added tax. All of the group turnover results from activities within the UK.

Goodwill

Amortisation on goodwill is calculated so as to write off the cost of the asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill (Quantum Limited)	- Useful economic life of 5 years
Goodwill (Chemserve Group Plc)	- Immediate write off

X WORKS LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 30 SEPTEMBER 2000

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	- 25% on reducing balance
Equipment	- 25% on reducing balance
Computer equipment	- 33 1/3% on cost

Deferred taxation

Provision is made, under the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is considered that a net liability may arise.

Trademarks

As with other intangible assets, Trademarks are capitalised at fair value and amortised, so as to write off their cost, less residual value, over their useful economic life of 10 years.

Leased Assets

Assets held under finance leases and hire purchase contracts are capitalised in the Balance Sheet and depreciated over their useful economic lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the Profit and Loss account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the Profit and loss Account on a straight line basis over the lease term.

2. OPERATING LOSS

Operating loss is stated after charging:

	2000
	£
Amortisation	29,144
Depreciation	8,871
Auditors' remuneration	
- as auditors	12,500
Operating lease costs:	
Land and buildings	30,619
Plant and machinery	<u>21,052</u>

X WORKS LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 30 SEPTEMBER 2000

3. PARTICULARS OF EMPLOYEES

The aggregate payroll costs of the above were:

	2000
	£
Wages and salaries	224,645
Social security costs	27,024
Recruitment costs	5,350
	<u>257,019</u>

Average monthly number of people (including directors) employed	2000
Directors	4
Information Technology	4
Sales	2
Administration	2
Marketing	2

4. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were:

	2000
	£
Emoluments receivable	<u>63,500</u>

The highest paid director during the period was J P Drummond, whose aggregate emoluments were £20,000.

5. INTEREST PAYABLE

	2000
	£
Interest payable on bank borrowing	394
Other similar charges payable	<u>126</u>
	<u>520</u>

X WORKS LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 30 SEPTEMBER 2000

6. INTANGIBLE FIXED ASSETS

Group	Goodwill £	TradeMark £	Total £
COST			
Additions	42,221	1,683	43,904
At 30 September 2000	<u>42,221</u>	<u>1,683</u>	<u>18,029</u>
AMORTISATION			
Charge for the year	29,144	-	29,144
At 30 September 2000	<u>29,144</u>	<u>-</u>	<u>29,144</u>
NET BOOK VALUE			
At 30 September 2000	<u>13,077</u>	<u>1,683</u>	<u>14,760</u>

Company

	TradeMark £
COST	
Additions	1,283
At 30 September 2000	<u>1,283</u>
AMORTISATION	
At 30 September 2000	<u>-</u>
NET BOOK VALUE	
At 30 September 2000	<u>1,283</u>

X WORKS LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 30 SEPTEMBER 2000

7. TANGIBLE FIXED ASSETS

Group

	Fixtures & Fittings £	Office Equipment £	Computer Equipment £	Total £
COST				
Additions	31,619	6,956	40,627	79,202
At 30 September 2000	<u>31,619</u>	<u>6,956</u>	<u>40,627</u>	<u>79,202</u>
DEPRECIATION				
Charge for the year	2,280	441	6,150	8,871
At 30 September 2000	<u>2,280</u>	<u>441</u>	<u>6,150</u>	<u>8,871</u>
NET BOOK VALUE				
At 30 September 2000	<u>29,339</u>	<u>6,515</u>	<u>34,477</u>	<u>70,331</u>

Company

	Fixtures & Fittings £	Office Equipment £	Computer Equipment £	Total £
COST				
Additions	31,619	6,313	36,322	74,254
At 30 September 2000	<u>31,619</u>	<u>6,313</u>	<u>36,322</u>	<u>74,254</u>
DEPRECIATION				
Charge for the year	2,280	289	4,839	7,408
At 30 September 2000	<u>2,280</u>	<u>289</u>	<u>4,837</u>	<u>7,408</u>
NET BOOK VALUE				
At 30 September 2000	<u>29,339</u>	<u>6,024</u>	<u>31,483</u>	<u>66,846</u>

X WORKS LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 30 SEPTEMBER 2000

8. INVESTMENTS

Group	Shares in Group undertakings
	£
COST	
Additions	<u>12,500</u>
At 30 September 2000	<u>12,500</u>
 NET BOOK VALUE	
At 30 September 2000	<u>12,500</u>
 Company	Group companies
	£
COST	
Additions	<u>83,893</u>
At 30 September 2000	<u>83,893</u>
 AMOUNTS WRITTEN OFF	
Provided during the year	<u>46,154</u>
At 30 September 2000	<u>46,154</u>
 NET BOOK VALUE	
At 30 September 2000	<u>37,739</u>

In the opinion of the directors, the aggregate value of the investments in undertakings in which the directors do not exercise significant influence is not less than the amount at which it is stated in the balance sheet.

X WORKS LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 30 SEPTEMBER 2000

8. INVESTMENTS

(continued)

	Country of incorporation	Holding	Proportion of voting rights and shares held	Nature of business
Subsidiary undertakings consolidated under acquisition accounting				
All held by the company:				
Chemserve Group Plc	England and Wales	30,000 £1	100%	Holding Company
Aggregate Capital and Reserves	£26,259			
Quantum Products Limited	England and Wales	102 £1	100%	Telesales
Aggregate Capital and Reserves	£(10,371)			
Careerplus Limited	England and Wales	975 10p	97.5%	Recruitment agency
Dormant Company				
World Motorsports Limited	England and Wales	90 £1	90%	Motorsport Website
Dormant Company				
On the Box Limited	England and Wales	51 £1	51%	Web based TV Listings
Dormant Company				
Held by Chemserve Group Plc:				
Chemserve.net Limited	England and Wales	100 £1	100%	Services to the chemical industry
Aggregate Capital and Reserves	£(21,960)			

X WORKS LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 30 SEPTEMBER 2000

Fixed Asset Investments held at cost

Space 7 Limited	England and Wales	20 £1	20%	Website design
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Wundercars Limited	England and Wales	5 £1	5%	Internet Car Sales
Trading not commenced				

9. DEBTORS

	Group £	Company £
Trade debtors	18,486	3,358
Other debtors	63,328	79,121
	81,814	82,479

10. CREDITORS: Amounts falling due within one year

	Group £	Company £
Bank loans and overdrafts	71,254	74,563
Trade creditors	121,094	124,058
Taxation and social security	57,985	50,119
Other creditors	4,183	4,124
Accruals and deferred income	37,678	30,178
	292,194	283,042

11. TRANSACTIONS WITH THE DIRECTORS

During the period J P Drummond received 200,000 25p ordinary shares in the company plus £5,000 in consideration for his 100% shareholding in Quantum Products Limited and his 65% shareholding in Chemserve Group Plc. The development work in Chemserve was subsequently stopped and the investment in X Works Limited's financial statements has been written off.

During the period the company incurred costs from Pardao Consulting Services Limited of £39,960 for the services of two members of staff. Mr P J Williams, director and shareholder of X Works Limited, is also a director and the majority shareholder of Pardao Consulting Services Limited. At the period end £1,211 was owed by Pardao Consulting Services Limited.

X WORKS LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 30 SEPTEMBER 2000

12. RELATED PARTY TRANSACTIONS

In the director's opinion the company is controlled by J K Drummond, the majority shareholder.

Details of transactions with other group companies, eliminated on consolidation are not separately disclosed within this note.

Details of transactions with other related parties are disclosed in the Transactions with Directors note.

13. OPERATING LEASE COMMITMENTS

At 30th September 2000 the company had annual commitments under non-cancellable operating leases as set out below:

	Land and Buildings 2000 £	Other 2000 £
Operating leases which expire: Between two and five years	51,290	7,047
	<u>51,290</u>	<u>7,047</u>

14. POST BALANCE SHEET EVENTS

Since 30th September 2000, the company has undertaken the following transactions:

- an option to acquire a further 5% of the ordinary shares in Wundercars Limited was exercised on 14th March 2001 such that the company now owns 10% of its issued share capital.
- the disposal of the Formula -1 site website included within World Motorsports Limited. As part of the transaction, the company took over the minority shareholding and accordingly now owns 100% of issued share capital of World Motorsports Limited, which is dormant.

In addition, the company's 20% holding in Space 7 Limited at 30th September 2000 has been diluted to 16.8% as a result of the capitalisation into share capital of loans made to Space 7 Limited by certain shareholders.

15. SHARE CAPITAL

Authorised share capital:

	2000 £
1,000,000 Ordinary shares of £0.25 each	250,000

Allotted, called up and fully paid:

	2000 £
Ordinary share capital	250,000

The company was incorporated with an authorised share capital of £1,000 divided into 1,000 ordinary shares of £1 each.

X WORKS LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 30 SEPTEMBER 2000

15. SHARE CAPITAL cont.

The following is a summary of changes in the share capital of the Company since incorporation.

- (i) on 3rd September 1999, two ordinary shares of £1 each were allotted as subscriber shares at a price of £1 each;
- (ii) on 3rd April 2000, the Company sub-divided each £1 ordinary share into four shares of 25p each and increased the Company's authorised share capital from £1,000 to £250,000 by the creation of an additional 996,000 ordinary shares;
- (iii) on 3rd April 2000, 264608 ordinary shares of 25p each were allotted at a price of 25p each, as consideration for the shares in Quantum Products Limited and Chemserve Group Plc;
- (iv) on 3rd April 2000, 50,000 ordinary shares of 25p each were allotted at a price of 25p each, as consideration for the shares in Space 7 Limited and the investment in Wundercars Limited;
- (v) on 3rd April 2000, 140,000 ordinary shares of 25p each were allotted at a price of 25p each;
- (vi) on 30th June 2000, 545,384 ordinary shares of 25p each were allotted at a price of 45.84p each in order to raise further finance.

16. RESERVES

Group

	Share premium account £	Profit and loss account £
Premium on new issue	113,654	
Loss for the year		(476,400)
Balance carried forward	<u>113,654</u>	<u>(476,400)</u>

Company

	Share premium account £	Profit and loss account £
Premium on new issue	113,654	
Loss for the year		(458,306)
Balance carried forward	<u>113,654</u>	<u>(458,306)</u>