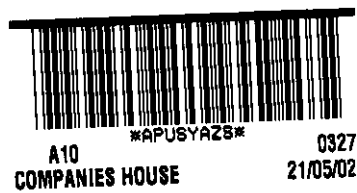


Company Registration No. 3918268 (England and Wales)

ROBINSON WEBSTER DIVERSIFIED INVESTMENTS LIMITED.
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2001



ROBINSON WEBSTER DIVERSIFIED INVESTMENTS LIMITED.

COMPANY INFORMATION

Directors Charles S. J. Atterton
Anna K. Matthews

Secretary Anna K. Matthews

Company number 3918268

Registered office 159 Mortlake Road
Kew
Surrey
United Kingdom
TW9 4AW

Auditors Simmons Gainsford
7/10 Chandos Street
Cavendish Square
London
W1G 9DQ

Business address 159 Mortlake Road
Kew
Surrey
United Kingdom
TW9 4AW

ROBINSON WEBSTER DIVERSIFIED INVESTMENTS LIMITED.

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ROBINSON WEBSTER DIVERSIFIED INVESTMENTS LIMITED.

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2001

The directors present their report and financial statements for the year ended 30 September 2001.

Principal activities

The principal activity of the company is that of a holding company for a portfolio of investments.

Directors

The following directors have held office since 1 October 2000:

Charles S. J. Atterton
Anna K. Matthews

Directors' interests

The directors' interests in the shares of the company were as stated below:

	Ordinary shares of £ 1 each	
	30 September 2001	1 October 2000
Charles S. J. Atterton	-	-
Anna K. Matthews	-	-

Auditors

Simmons Gainsford were appointed auditors to the company and in accordance with section 385 of the Companies Act 1985, a resolution proposing that they be re-appointed will be put to the Annual General Meeting.

Directors' responsibilities

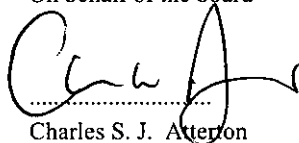
Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- 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.

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



Charles S. J. Atterton
Director

17 May 2002

ROBINSON WEBSTER DIVERSIFIED INVESTMENTS LIMITED.

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF ROBINSON WEBSTER DIVERSIFIED INVESTMENTS LIMITED.

We have audited the financial statements of Robinson Webster Diversified Investments Limited. on pages 3 to 7 for the year ended 30 September 2001. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of the directors and auditors

As described in the statement of directors' responsibilities on page 1 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 company's circumstances, consistently applied and adequately disclosed.

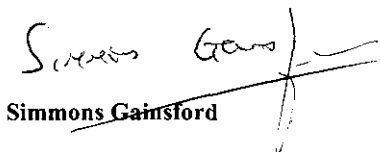
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity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

Fundamental uncertainty.

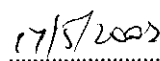
In forming our opinion, we have considered the disclosures made in note 1 of the financial statements concerning the fact that the accounts have been prepared on a going concern basis which assumes that adequate financial support will continue. Our opinion is not qualified in this respect.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 September 2001 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


Simmons Gainsford

Chartered Accountants
Registered Auditor


17/5/2002

7/10 Chandos Street
Cavendish Square
London
W1G 9DQ

ROBINSON WEBSTER DIVERSIFIED INVESTMENTS LIMITED.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2001

	Notes	2001 £	2000 £
Administrative expenses		(122,722)	(177)
Operating loss	2	(122,722)	(177)
Investment income	3	39,750	-
Other interest receivable and similar income		19,192	3,531
Amounts written off investments	4	-	(150,000)
Loss on ordinary activities before taxation		(63,780)	(146,646)
Tax on loss on ordinary activities	5	2	(710)
Loss on ordinary activities after taxation	10	(63,778)	(147,356)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

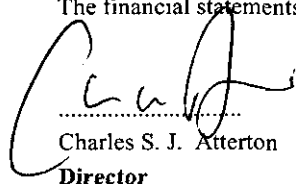
ROBINSON WEBSTER DIVERSIFIED INVESTMENTS LIMITED.

BALANCE SHEET AS AT 30 SEPTEMBER 2001

	Notes	2001 £	£	2000 £	£
Fixed assets					
Investments	6		1,763,237		25
Current assets					
Debtors	7	331,246		96,214	
Creditors: amounts falling due within one year	8	<u>(2,305,517)</u>		<u>(243,495)</u>	
Net current liabilities			<u>(1,974,271)</u>		<u>(147,281)</u>
Total assets less current liabilities			<u>(211,034)</u>		<u>(147,256)</u>
Capital and reserves					
Called up share capital	9		100		100
Profit and loss account	10		<u>(211,134)</u>		<u>(147,356)</u>
Shareholders' funds - equity interests	11		<u>(211,034)</u>		<u>(147,256)</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on 17 May 2002


Charles S. J. Atterton
Director

ROBINSON WEBSTER DIVERSIFIED INVESTMENTS LIMITED.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2001

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The company has a deficit on its balance sheet and is reliant upon the continuing support of its parent company. Robinson Webster (Holdings) Limited has indicated that such support will continue for the foreseeable future, and on this basis, the directors consider it appropriate to prepare the accounts on the going concern basis.

1.2 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.3 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

2 Operating loss

	2001 £	2000 £
Operating loss is stated after charging:		
Auditors' remuneration	1,015	-

3 Investment income

	2001 £	2000 £
Income from fixed asset investments	39,750	-

4 Amounts written off investments

	2001 £	2000 £
Amounts written off fixed asset investments:		
- provision	-	150,000

5 Taxation

	2001 £	2000 £
Domestic current year taxation		
U.K. corporation tax	-	710
Adjustment for prior years	(2)	-

ROBINSON WEBSTER DIVERSIFIED INVESTMENTS LIMITED.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2001

6 Fixed asset investments

	Listed investments	Unlisted investments	Shares in group undertakings and participating interests	Total
	£	£	£	£
Cost				
At 1 October 2000	-	150,000	25	150,025
Additions	1,763,212	-	-	1,763,212
At 30 September 2001	1,763,212	150,000	25	1,913,237
Provisions for diminution in value				
At 1 October 2000 & at 30 September 2001	-	150,000	-	150,000
Net book value				
At 30 September 2001	1,763,212	-	25	1,763,237
At 30 September 2000	-	-	25	25

Holdings of more than 10%

The company holds more than 10% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held %
Participating interests			
K-Balls Limited	England	Ordinary	25
Other significant interests			
Sofamouse Limited	England	Ordinary	13

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Capital and reserves	Profit for the year
K-Balls Limited	(96,460)	(36,102)

7 Debtors	2001 £	2000 £
Other debtors	331,246	96,214

ROBINSON WEBSTER DIVERSIFIED INVESTMENTS LIMITED.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2001

8	Creditors: amounts falling due within one year	2001	2000
		£	£
	Amounts owed to group undertakings and undertakings in which the company has a participating interest	2,305,517	242,785
	Taxation and social security	-	710
		<u>2,305,517</u>	<u>243,495</u>
9	Share capital	2001	2000
		£	£
	Authorised		
	100 Ordinary shares of £ 1 each	<u>100</u>	<u>100</u>
	Allotted, called up and fully paid		
	100 Ordinary shares of £ 1 each	<u>100</u>	<u>100</u>
10	Statement of movements on profit and loss account		Profit and loss account
			£
	Balance at 1 October 2000		(147,356)
	Retained loss for the year		(63,778)
	Balance at 30 September 2001		<u>(211,134)</u>
11	Reconciliation of movements in shareholders' funds	2001	2000
		£	£
	Loss for the financial year	(63,778)	(147,356)
	Proceeds from issue of shares	-	100
	Net depletion in shareholders' funds	(63,778)	(147,256)
	Opening shareholders' funds	(147,256)	-
	Closing shareholders' funds	<u>(211,034)</u>	<u>(147,256)</u>
12	Control		

The ultimate parent company is Robinson Webster (Holdings) Limited, a company registered in England and Wales.