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Company Registration No. 04330657 (England and Wales)

SECURA HOSTING LTD
DIRECTORS' REPORT AND ACCOUNTS
FOR THE PERIOD ENDED 31 DECEMBER 2002



Faulkner House
Victoria Street
St Albans
Herts
AL1 3SE

RAYNER ESSEX
CHARTERED ACCOUNTANTS

SECURA HOSTING LTD

COMPANY INFORMATION

Directors

M Chambers	(Appointed 15 April 2002)
J E Biswell	(Appointed 15 April 2002)
M Castle	(Appointed 15 April 2002)

Secretary

M Chambers

Company number

04330657

Registered office

Faulkner House
Victoria Street
St Albans
Hertfordshire
AL1 3SE

Accountants

Rayner Essex
Faulkner House
Victoria Street
St Albans
Herts
AL1 3SE

SECURA HOSTING LTD

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SECURA HOSTING LTD

DIRECTORS' REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2002

The directors present their report and financial statements for the period ended 31 December 2002.

Principal activities

The company was incorporated on 28 November 2001 and commenced trading on 1 March 2002. The principal activity was that of Website Hosting.

Directors

The following directors have held office since 28 November 2001:

M Chambers	(Appointed 15 April 2002)
J E Biswell	(Appointed 15 April 2002)
M Castle	(Appointed 15 April 2002)
Form 10 Directors FD Ltd	(Appointed 28 November 2001 and resigned 3 December 2001)
Idev Consulting Ltd	(Appointed 4 December 2001 and resigned 15 April 2002)
Secura Consulting Ltd	(Appointed 4 December 2001 and resigned 15 April 2002)

Directors' interests

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

	Ordinary shares of £ 1 each	
	31 December 2002	28 November 2001
M Chambers	33	-
J E Biswell	33	-
M Castle	33	-

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:

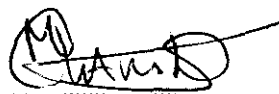
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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.

Small company exemption

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



M Chambers

Secretary

12 May 2003

SECURA HOSTING LTD

PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 31 DECEMBER 2002

	Notes	Period ended 31 December 2002 £
Turnover		57,802
Cost of sales		(14,507)
Gross profit		43,295
Administrative expenses		(25,093)
Operating profit	2	18,202
Interest payable and similar charges	3	(40)
Profit on ordinary activities before taxation		18,162
Tax on profit on ordinary activities	4	(909)
Profit on ordinary activities after taxation		17,253
Dividends		(4,500)
Retained profit for the period	10	12,753

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.

SECURA HOSTING LTD

BALANCE SHEET

AS AT 31 DECEMBER 2002

	Notes	2002 £	£
Fixed assets			
Tangible assets	5		6,519
Current assets			
Stocks		361	
Debtors	6	15,098	
Cash at bank and in hand		12,631	
		<u>28,090</u>	
Creditors: amounts falling due within one year	7	<u>(19,771)</u>	
Net current assets			8,319
Total assets less current liabilities			<u>14,838</u>
Creditors: amounts falling due after more than one year	8		<u>(1,986)</u>
			<u>12,852</u>
Capital and reserves			
Called up share capital	9		99
Profit and loss account	10		<u>12,753</u>
Shareholders' funds - equity interests	11		<u>12,852</u>

In preparing these financial statements:

- (a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The directors acknowledge their responsibilities for:
 - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - (ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss for the financial period in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

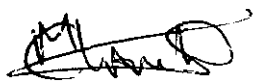
These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

SECURA HOSTING LTD

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2002

The financial statements were approved by the Board on 12/05/03



M Chambers
Director



J E Biswell
Director



M Castle
Director

SECURA HOSTING LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2002

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

1.2 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment	33.33% on the straight line basis
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1.4 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.5 Stock and work in progress

Work in progress is valued at the lower of cost and net realisable value.

1.6 Deferred taxation

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes.

2 Operating profit

2002

£

Operating profit is stated after charging:

Depreciation of tangible assets

6,520

Directors' emoluments

11,250

3 Interest payable

2002

£

Included in interest payable is the following amount:

Hire purchase interest

40

SECURA HOSTING LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2002

4 Taxation	2002
	£
Domestic current year tax	
U.K. corporation tax	909
	<hr/>
Current tax charge	909
	<hr/>
Factors affecting the tax charge for the period	
Profit on ordinary activities before taxation	18,162
	<hr/>
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 7.66% (2001 : 0.00%)	1,391
	<hr/>
Effects of:	
Non deductible expenses	18
Depreciation	499
Capital allowances	(999)
	<hr/>
	(482)
	<hr/>
Current tax charge	909
	<hr/>

SECURA HOSTING LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2002

5 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 28 November 2001	-
Additions	13,039
	<hr/>
At 31 December 2002	13,039
	<hr/>
Depreciation	
At 28 November 2001	-
Charge for the period	6,520
	<hr/>
At 31 December 2002	6,520
	<hr/>
Net book value	
At 31 December 2002	6,519
	<hr/>

Included above are assets held under finance leases or hire purchase contracts as follows:

	Fixtures, fittings & equipment £
Net book values	
At 31 December 2002	2,166
	<hr/>
Depreciation charge for the period	
31 December 2002	2,166
	<hr/>

6 Debtors

	2002 £
Trade debtors	10,987
Other debtors	4,111
	<hr/>
	15,098
	<hr/>

Other debtors includes the overdrawn director current accounts as disclosed in note 12.

SECURA HOSTING LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2002

7	Creditors: amounts falling due within one year	2002
		£
	Net obligations under hire purchase contracts	2,166
	Trade creditors	1,392
	Taxation and social security	2,042
	Other creditors	14,171
		<u>19,771</u>
8	Creditors: amounts falling due after more than one year	2002
		£
	Net obligations under hire purchase contracts	<u>1,986</u>
	Net obligations under hire purchase contracts	
	Repayable within one year	2,166
	Repayable between one and five years	1,986
		<u>4,152</u>
	Included in liabilities falling due within one year	<u>(2,166)</u>
		<u>1,986</u>
9	Share capital	2002
		£
	Authorised	
	100 Ordinary shares of £ 1 each	<u>100</u>
	Allotted, called up and fully paid	
	99 Ordinary shares of £ 1 each	<u>99</u>
10	Statement of movements on profit and loss account	Profit and loss account
		£
	Retained profit for the period	<u>12,753</u>

SECURA HOSTING LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2002

11 Reconciliation of movements in shareholders' funds	2002
	£
Profit for the financial period	17,253
Dividends	(4,500)
	<hr/>
	12,753
Proceeds from issue of shares	99
	<hr/>
Net addition to shareholders' funds	12,852
Opening shareholders' funds	-
	<hr/>
Closing shareholders' funds	12,852
	<hr/>

12 Transactions with directors

The following directors had interest free loans during the period. The movement on these loans are as follows:

	Amount outstanding 2002 £	Maximum in period £
M Chambers	1,142	1,430
J Biswell	1,209	1,351
M Castle	921	1,136
	<hr/>	<hr/>

All loan accounts were repaid after the year end by a dividend proposed at 31 December 2002 and paid on 18 April 2003.

13 Control

The company is ultimately controlled by M Chambers, J E Biswell and M Castle by virtue of their shareholdings.