

REGISTERED NUMBER: 3241643 (England and Wales)

**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2004
FOR
NET FM LIMITED**



NET FM LIMITED

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2004**

	Page
Company Information	1
Report of the Directors	2
Profit and Loss Account	3
Balance Sheet	4
Notes to the Financial Statements	5
Report of the Accountants	8

NET FM LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 AUGUST 2004**

DIRECTORS: D G F Herring
S J Herring

SECRETARY: S J Herring

REGISTERED OFFICE: Network House
Albert Road
Crowthorne
Berkshire
RG45 7LT

REGISTERED NUMBER: 3241643 (England and Wales)

ACCOUNTANTS: Lawfords Limited
Chartered Accountants
Union House
Walton Lodge
Bridge Street
Walton on Thames
Surrey
KT12 1BT

NET FM LIMITED

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 AUGUST 2004**

The directors present their report with the financial statements of the company for the year ended 31 August 2004.

PRINCIPAL ACTIVITIES

The principal activities of the company in the year under review were those of software consultancy and supply.

DIRECTORS

The directors during the year under review were:

D G F Herring
S J Herring

The beneficial interests of the directors holding office on 31 August 2004 in the issued share capital of the company were as follows:

	31.8.04	1.9.03
Ordinary £1 shares		
D G F Herring	50	50
S J Herring	50	50

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:


.....
D G F Herring - Director

Date: *3rd Nov 2004*
.....

NET FM LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2004**

	Notes	2004 £	2003 £
TURNOVER		119,504	24,728
Administrative expenses		<u>89,890</u>	<u>39,389</u>
OPERATING PROFIT/(LOSS)	2	29,614	(14,661)
Interest receivable and similar income		<u>540</u>	<u>49</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		30,154	(14,612)
Tax on profit/(loss) on ordinary activities	3	<u>-</u>	<u>-</u>
PROFIT/(LOSS) FOR THE FINANCIAL YEAR AFTER TAXATION		<u>30,154</u>	<u>(14,612)</u>
RETAINED PROFIT/(DEFICIT) FOR THE YEAR		<u>30,154</u>	<u>(14,612)</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profit for the current year and the loss for the previous year.

The notes form part of these financial statements

NET FM LIMITED

**BALANCE SHEET
31 AUGUST 2004**

	Notes	2004 £	£	2003 £	£
FIXED ASSETS					
Tangible assets	4		6,584		2,006
CURRENT ASSETS					
Debtors	5	3,300		-	
Cash at bank		<u>64,171</u>		<u>8,283</u>	
		67,471		8,283	
CREDITORS					
Amounts falling due within one year	6	<u>70,271</u>		<u>36,659</u>	
NET CURRENT LIABILITIES			<u>(2,800)</u>		<u>(28,376)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,784</u>		<u>(26,370)</u>
CAPITAL AND RESERVES					
Called up share capital	7		100		100
Profit and loss account	8		<u>3,684</u>		<u>(26,470)</u>
SHAREHOLDERS' FUNDS	9		<u>3,784</u>		<u>(26,370)</u>

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 31 August 2004.

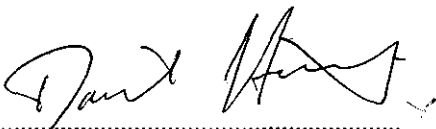
The members have not required the company to obtain an audit of its financial statements for the year ended 31 August 2004 in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, 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.

ON BEHALF OF THE BOARD:



D G F Herring - Director

Approved by the Board on 3rd Nov 2004

The notes form part of these financial statements

NET FM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2004**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

Turnover

Turnover represents net invoiced sales of services, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery etc - 33% on cost

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

2. OPERATING PROFIT/(LOSS)

The operating profit (2003 - operating loss) is stated after charging:

	2004	2003
	£	£
Depreciation - owned assets	<u>2,268</u>	<u>1,216</u>
Directors' emoluments and other benefits etc	<u>9,000</u>	<u>-</u>

3. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 August 2004 nor for the year ended 31 August 2003.

NET FM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2004**

4. TANGIBLE FIXED ASSETS

	Plant and machinery etc £
COST	
At 1 September 2003	3,684
Additions	<u>6,846</u>
At 31 August 2004	<u>10,530</u>
DEPRECIATION	
At 1 September 2003	1,678
Charge for year	<u>2,268</u>
At 31 August 2004	<u>3,946</u>
NET BOOK VALUE	
At 31 August 2004	<u>6,584</u>
At 31 August 2003	<u>2,006</u>

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2004 £	2003 £
Other debtors	<u>3,300</u>	<u>-</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2004 £	2003 £
Taxation and social security	3,604	-
Other creditors	<u>66,667</u>	<u>36,659</u>
	<u>70,271</u>	<u>36,659</u>

7. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:			2004	2003
Number:	Class:	Nominal value:	£	£
100	Ordinary	£1	<u>100</u>	<u>100</u>

NET FM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2004**

8. RESERVES

	Profit and loss account £
At 1 September 2003	(26,470)
Retained profit for the year	<u>30,154</u>
At 31 August 2004	<u>3,684</u>

9. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2004 £	2003 £
Profit/(Loss) for the financial year	<u>30,154</u>	<u>(14,612)</u>
Net addition/(reduction) to shareholders' funds	30,154	(14,612)
Opening shareholders' funds	<u>(26,370)</u>	<u>(11,758)</u>
Closing shareholders' funds	<u>3,784</u>	<u>(26,370)</u>
Equity interests	<u>3,784</u>	<u>(26,370)</u>

10. CONTROLLING PARTY

The ultimate controlling party of the company during the period was Mr and Mrs Herring.

NET FM LIMITED

**REPORT OF THE ACCOUNTANTS TO THE DIRECTORS OF
NET FM LIMITED**

As described on the balance sheet you are responsible for the preparation of the financial statements for the year ended 31 August 2004 set out on pages three to seven and you consider that the company is exempt from an audit.

In accordance with your instructions, we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.

Lawfords Limited
.....
Lawfords Limited
Chartered Accountants
Union House
Walton Lodge
Bridge Street
Walton on Thames
Surrey
KT12 1BT

Date: *4/11/04*

This page does not form part of the statutory financial statements
