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1 LAW LIMITED

**REPORT AND
FINANCIAL STATEMENTS**

**FOR THE PERIOD
FROM 1 NOVEMBER 2000 TO 30 SEPTEMBER 2001**

REGISTERED NUMBER: 3651075



1 LAW LIMITED

**FINANCIAL STATEMENTS
FOR THE PERIOD FROM 1 NOVEMBER 2000 TO 30 SEPTEMBER 2001**

Contents	Pages
Company information	1
Directors' report	2
Profit and loss account	3
Balance sheet	4
Notes to the financial statements	5 - 7

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**COMPANY INFORMATION
AT 30 SEPTEMBER 2001**

DIRECTORS

A J Armitage
A J Colman (resigned 26 March 2002)
S F Armitage
D McIntosh (appointed 23 July 2001 and resigned 6 March 2002)

SECRETARY

A J Armitage

REGISTERED OFFICE

57 Richmond Road
West Wimbledon
London
SW20 0PE

BUSINESS ADDRESS

6 - 8 Bouverie Street
London
EC4Y 4DD

ACCOUNTANTS

Hartley Fowler
Chartered Accountants
44 Springfield Road
Horsham
West Sussex
RH12 2PD

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DIRECTORS' REPORT

The directors present their annual report with the financial statements of the company for the period ended 30 September 2001.

PRINCIPAL ACTIVITIES

The company owns and develops specialist internet based market places that match the buyers and sellers of professional services.

REVIEW OF THE BUSINESS

The net loss after providing for taxation amounted to £41,483.

DIRECTORS AND THEIR INTERESTS

The directors in office in the period and their beneficial interests in the company at the balance sheet date and the beginning of the period (or on appointment if later) were as follows:

		Number of Shares	
		2001	2000
A J Armitage	Ordinary £1 shares	152	152
A J Colman (resigned 26 March 2002)	Ordinary £1 shares	102	102
S F Armitage	Ordinary £1 Shares	1	1
D McIntosh (appointed 23 July 2001 and resigned 6 March 2002)		-	-

The above 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:



A J Armitage
Director

Date: 29 August 2002

1 LAW LIMITED

PROFIT AND LOSS ACCOUNT FOR THE PERIOD FROM 1 NOVEMBER 2000 TO 30 SEPTEMBER 2001

	Notes	2001 £	2000 £
TURNOVER		16,000	-
Administrative expenses		(57,478)	(25,283)
		(41,478)	(25,283)
Other operating income		-	1,500
OPERATING LOSS	2	(41,478)	(23,783)
Interest payable and similar charges		(5)	-
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(41,483)	(23,783)
Tax on loss on ordinary activities	3	-	-
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION		(41,483)	(23,783)

Continuing operations

The company's activities commenced during the prior financial period.

Total recognised gains and losses

The company has no recognised gains or losses other than the loss for the above two financial periods.

1 LAW LIMITED

BALANCE SHEET AT 30 SEPTEMBER 2001

	Notes	£	2001 £	£	2000 £
FIXED ASSETS					
Intangible assets	4		-		10,500
Tangible assets	5		1		45,710
				1	56,210
CURRENT ASSETS					
Debtors	6	5,200		13,519	
Cash at bank and in hand		165		3,274	
		5,365		16,793	
CREDITORS: amounts falling due within one year					
	7	(70,338)		(96,492)	
NET CURRENT LIABILITIES			(64,973)		(79,699)
TOTAL ASSETS LESS CURRENT LIABILITIES			(64,972)		(23,489)
CAPITAL AND RESERVES					
Called up share capital	8		294		294
Profit and loss account	9		(65,266)		(23,783)
TOTAL SHAREHOLDERS' FUNDS			(64,972)		(23,489)

The directors have taken advantage of the exemption conferred by section 249A(1) not to have these financial statements audited and confirm that no notice has been deposited under section 249B(2) of the Companies Act 1985. The directors acknowledge their responsibilities for ensuring that:

- i) The company keeps accounting records which comply with section 221 of the Companies Act 1985;
- ii) The financial statements give a true and fair view of the state of affairs of the company as at 30 September 2001 and of its profit or loss for the year then ended 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.

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

Approved by the board of directors on 29 August 2002 and signed on its behalf by:



A J Armitage
Director

1 LAW LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 NOVEMBER 2000 TO 30 SEPTEMBER 2001

1. STATEMENT OF ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared on a going concern basis which assumes the continuing support of the company's directors and loan creditors.

Cash flow

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1: "Cash flow statements".

Turnover

Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the period.

Depreciation of tangible fixed assets

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

Web site development 50% on cost

The costs of maintaining the company's web sites are written off to profit and loss account as incurred.

Amortisation of intangible fixed assets

Intangible fixed assets, other than goodwill, are stated at cost. The directors undertake an annual impairment review to ensure that their carrying value does not exceed the recoverable amount.

2. OPERATING LOSS

Operating loss is stated

	2001	2000
	£	£
After charging:		
Depreciation of fixed assets	49,609	3,390
Amortisation of intangible assets	10,500	-
	<u>60,109</u>	<u>3,390</u>

3. TAX ON LOSS ON ORDINARY ACTIVITIES

There is no liability to corporation tax in the period.

4. INTANGIBLE FIXED ASSETS

	Database £
Cost:	
At 1 November 2000 and at 30 September 2001	<u>10,500</u>
Amortisation:	
Charge for period	<u>10,500</u>
Net book value:	
At 30 September 2001	<u>-</u>
At 31 October 2000	<u>10,500</u>

1 LAW LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 NOVEMBER 2000 TO 30 SEPTEMBER 2001

5. TANGIBLE FIXED ASSETS

	Web site development etc. £
Cost:	
At 1 November 2000 and at 30 September 2001	49,100
Depreciation:	
At 1 November 2000	3,390
Charge for period	45,709
At 30 September 2001	49,099
Net book value:	
At 30 September 2001	1
At 31 October 2000	45,710

6. DEBTORS

	2001 £	2000 £
Trade debtors	5,200	-
Other debtors	-	13,519
	<u>5,200</u>	<u>13,519</u>

7. CREDITORS: amounts falling due within one year

	2001 £	2000 £
Trade creditors	3,624	11,280
Taxation and social security	2,612	1,625
Other creditors	64,102	83,587
	<u>70,338</u>	<u>96,492</u>

8. SHARE CAPITAL

	2001 £	2000 £
Authorised:		
Equity interests:		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid:		
Equity interests:		
294 Ordinary shares of £1 each	<u>294</u>	<u>294</u>

1 LAW LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 NOVEMBER 2000 TO 30 SEPTEMBER 2001

9. PROFIT AND LOSS ACCOUNT

	2001 £	2000 £
(Accumulated loss) / Retained profit as at 1 November 2000	(23,783)	-
Loss for the period	(41,483)	(23,783)
Accumulated loss as at 30 September 2001	<u>(65,266)</u>	<u>(23,783)</u>

10. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2001 £	2000 £
Loss for the period	(41,483)	(23,783)
New share capital subscribed	-	292
Net reduction to shareholders' funds	(41,483)	(23,491)
Opening shareholders' funds	(23,489)	2
Closing shareholders' funds	<u>(64,972)</u>	<u>(23,489)</u>
Represented by:-		
Equity interests	<u>(64,972)</u>	<u>(23,489)</u>

11. RELATED PARTY DISCLOSURES

The company is under the control of the directors.

As at the year end, the following amounts were owed to the directors:

A J Armitage £42,882 (2000 - £61,094)

In addition, A Colman, as shareholder, has loaned to the company the sum of £ 17,000 (2000 - £ 20,050)

All the director and shareholder loans are unsecured, interest free and of no fixed term.