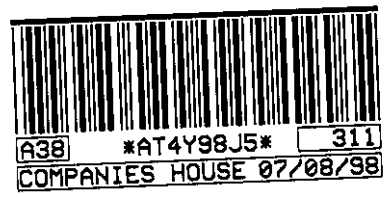


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NETFM LIMITED
ABBREVIATED ACCOUNTS
FOR THE PERIOD ENDED 31ST AUGUST 1997



NETFM LIMITED

ABBREVIATED BALANCE SHEET

AS AT 31ST AUGUST 1997

	Notes	1997	
		£	£
Fixed Assets			
Tangible fixed assets	2		1,455
Current Assets			
Debtors		4,359	
Cash at Bank and in Hand		15,361	
		<u>19,720</u>	
Creditors: Amounts Falling Due Within One Year		<u>20,120</u>	
Net Current Liabilities			(400)
Total Assets Less Current Liabilities			<u>1,055</u>
Capital and Reserves			
Share Capital - Equity	3		100
Profit and loss account			955
Shareholders' Funds			<u>1,055</u>

The directors are of the opinion that the company is entitled to exemption from audit conferred by subsection 1 of Section 249A of the Companies Act 1985 for the period ended 31st August 1997.

The directors confirm that no member or members have requested an audit pursuant to subsection 2 of Section 249B of the Companies Act 1985.

The directors confirm that they are responsible for:

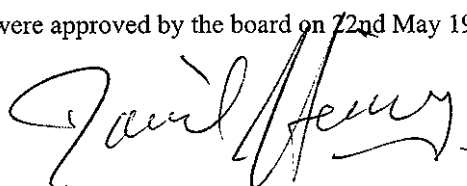
ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and

preparing accounts which give a true and fair view of the state of the affairs of the company as at the end of the financial period and of its results for the financial period in accordance with the requirements of Section 226 of the Companies Act 1985, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

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

These accounts were approved by the board on 2nd May 1998 and signed on its behalf.

David Herring
Director



NETFM LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE PERIOD ENDED 31ST AUGUST 1997

1 Accounting Policies

Basis of Accounting

The Accounts have been prepared under the historical cost convention.

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

Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT and trade discounts.

Income from Investments

Investment income comprises dividends declared during the accounting period and interest receivable on listed and unlisted investments.

Depreciation

Depreciation is calculated to write down the cost or valuation less estimated residual value of all tangible fixed assets other than freehold land by equal annual instalments or by the reducing balance method over their expected useful lives. The rates and periods generally applicable are:

Computer Equipment	1/3 Straight Line
Fixtures and fittings	15% Reducing Balance

2 Fixed Assets

	Tangible Fixed Assets
	£
Cost	
Additions	2,130
At 31st August 1997	<u>2,130</u>
Depreciation and Amortisation	
Charge for the period	675
At 31st August 1997	<u>675</u>
Net Book Value	
At 31st August 1997	<u><u>1,455</u></u>

NETFM LIMITED

NOTES TO THE ABBREVIATED ACCOUNTS

FOR THE PERIOD ENDED 31ST AUGUST 1997

3 Share Capital	1997 £
Authorised Equity Shares 100 Ordinary shares of £1.00 each	<u>100</u>
	<u>100</u>
Allotted Equity Shares 100 Allotted, called up and fully paid ordinary shares of £1.00 each	<u>100</u>

On 22nd August 1996, 1 ordinary share was issued at par on incorporation.

On 31st August 1997, 99 ordinary shares were issued at par for cash, in order to provide working capital.