3882621

WESTSIDE ACQUISITIONS PLC

CONTENTS

COMPANY INFORMATION

DIRECTORS

R L Owen FCA	*Executive Chairman*
G M Simmonds FCA	*Chief Executive*
D W Meddings FCA	*Finance Director*
J Zucker	*Non Executive*
D J Coldbeck ACIB	*Non Executive*

SECRETARY

D W Meddings FCA

COMPANY NUMBER

3882621

REGISTERED OFFICE

Regent House
5 - 7 Broadhurst Gardens
London
NW6 3RZ

AUDITORS

Horwath Clark Whitehill
25 New Street Square
London
EC4A 3LN

LEGAL ADVISORS

D J Freeman
43 Fetter Lane
London
EC4A 1JU

Roiter Zucker
Regent House
5-7 Broadhurst Gardens
London
NW6 3RZ

BANKERS

Barclays Bank plc
50 Pall Mall
PO Box 15162
London
SW1A 1QB

NOMINATED ADVISOR

Seymour Pierce Limited
29/30 Cornhill
London
EC3V 3NF

NOMINATED BROKER

Seymour Pierce Ellis Limited
Talisman House
Jubilee Walk
Three Bridges
Crawley
West Sussex
RH10 ILQ

REGISTRARS

Capita IRG plc
Bourne House
34 Beckenham Road
Beckenham
Kent
BR3 4TU

CHAIRMAN'S STATEMENT
AND
CHIEF EXECUTIVE'S REVIEW

We are pleased to be able to make our first Annual Report to shareholders of Westside Acquisitions plc.

CORPORATE OBJECTIVES

Westside was formed in November 1999 to acquire companies or interests in companies which it believes have the prospect of generating high returns and substantial capital growth. It was always envisaged that such companies were likely to be at a stage of their development where they would still require injections of further capital and strategic guidance before they would be able to realise their full potential. The company would therefore expect to be investing in relatively early stage companies and it would be a realistic target for them to establish significant added value over a three year view.

OPERATING RESULTS

In respect of the period to 31 December 2000 the company incurred exceptional legal and professional costs on abortive acquisitions of £75,183, and after deduction of these charges there is a loss of £75,001.

As anticipated in our December 1999 Prospectus document, it is not the intention at present to pay a dividend.

FINANCIAL POSITION

In December 1999 Westside shares and warrants were admitted to the Alternative Investment Market (AIM). At that time, a placing of 24 million shares at 2.5p per share raised £475,000 (after expenses). In addition 4.8 million warrants were issued free of charge on the basis of 1 warrant for every 5 shares which were placed.

Subsequently the company has raised an additional £4.1 million (net of costs) at an approximate average price of 12.75p per share. As a consequence shareholders funds today stand at some £5 million compared with £810,000 in December 1999 at the time of admission to AIM.

REVIEW OF OPERATIONS

The company's activities are divided between three subsidiary companies Westside Sports, Westside Investments and WestsideTech. Prior to the end of the year each of the subsidiary companies had entered into their first transactions.

In July 2000 **Westside Sports** acquired 100% of the issued share capital of The Elms Group. The consideration for the acquisition was satisfied by the issue of 1,150,000 new Ordinary Shares in Westside and £300,000 payable in cash. In addition, we have provided a further £150,000 of working capital for development.

The Elms is headed up by the sports marketing specialists Barbara Moss and Patricia Geminder. It operates in grass roots football and the commercial opportunities surrounding the game. The Elms has developed 5 a-side leagues, which are recognised as the most successful of their kind in London, with up to 8,000 players involved each week. They are also London's largest organisers of corporate football events for companies such as BT, Liffe, Express Newspapers and Coca-Cola.

In addition, The Elms has launched **www.footballdirectory.co.uk** a comprehensive directory of UK suppliers and services to the football industry. The company also operates Elms Soccer Schools and runs various schemes in conjunction with Arsenal Football Club.

We regard the acquisition as an exciting opportunity and believe that our financial strength and general business experience will greatly assist The Elms in significantly developing its core business of grass roots football.

In November 2000 **Westside Investments** announced that it would, subject to shareholder approval, invest £500,000 in the share capital of Reverse Take-Over Investments plc (RTI).

RTI was incorporated in October 2000. It believes that significant opportunities exist for a company which is dedicated to acquiring and developing share stakes in shell companies. Such companies are expected to benefit from the skills and expertise provided by RTI to help find and negotiate the acquisition of targeted companies which in turn would seek admission to AIM, OFEX or another recognised investment exchange.

Subsequent to company meetings in December 2000 the investment by Westside Investments in RTI was approved by Westside shareholders and, in addition a further sum of £836,750 was sourced from a combination of Westside shareholders and third party investors. As a consequence RTI now has some 500 shareholders, net tangible assets at 31 December 2000 which exceed £1,250,000 and will itself be seeking a market for its own shares and warrants through OFEX. Westside Investments now holds 37.33% of the issued share capital of RTI.

In December 2000 **WestsideTech** acquired 33⅓% of the issued share capital of T2 Training Limited, (T^2WO) at a cost of £100,000 payable by a cash subscription to the company.

In addition WestsideTech made a £25,000 loan to help develop an on-line training development programme known as 'T^2WO Training in a Box'.

T^2WO was established in 1997 by Sandra Parker who has over 20 years experience as a leading professional training consultant.

T^2WO has an impressive client list which includes British Airways, British Telecom, Cap Gemini and EDS. The company delivers training at its client's premises in 2-hour modules which are designed to focus and maximise the learning opportunity by reinforcement using high energy learning techniques. WestsideTech will help T^2WO to expand its activities.

CONCLUSION AND FUTURE PROSPECTS

Our first year has been both exciting and challenging, particularly in the light of recent stock market conditions. We enjoy considerable financial strength with our net assets nearing £5 million (equal to net assets per share of more than 6.8p). Accordingly, your Board is confident and enthusiastic about our future prospects.

Richard L Owen

Geoffrey M Simmonds

16th May 2001

DIRECTORS' REPORT

The directors present their report and the accounts for the period ended 31 December 2000

RESULTS AND DIVIDENDS

The loss for the period after taxation amounted to £75,001. The directors do not recommend the payment of a dividend.

PRINCIPAL ACTIVITY

Westside Acquisitions plc was incorporated on 19 November 1999. The company commenced trading on 26 November 1999. The principal activity of Westside is to make investments in or to acquire early stage companies operating in the sectors of sport, technology and general investment.

REVIEW OF DEVELOPMENTS

In the period to December 2000 Westside has obtained a listing on the Alternative Investment Market (AIM) in London and has raised some £5 million of equity capital from its founders and other investors. It has made investments in three business activities. At 31 December 2000 none of the businesses were listed on any stock exchange.

FUTURE PROSPECTS

The Board believes that the best returns to shareholders will be achieved by continuing the policy as set out in the original prospectus issued in December 1999 and the interim statement issued in August 2000.

GROUP'S POLICY FOR PAYMENT OF CREDITORS

The group's policy is to settle the terms of payment with suppliers and abide by those terms. At 31 December 2000 the period of credit taken from the Group's suppliers amounted to 28 days.

DIRECTORS AND THEIR INTERESTS

The directors who served during the period and their interests in the company's issued share capital were:

Appointment date	
R L Owen	19 November 1999
G M Simmonds	19 November 1999
D W Meddings	26 November 1999
J Zucker (Non executive)	26 November 1999
D J Coldbeck (Non executive)	26 November 1999

Those directors who held office at 31 December 2000 have the following beneficial interests in the ordinary share capital, share options and warrants of the company.

Ordinary shares	*On Appt.*	*31 Dec. 2000*	*Current*
R L Owen	1	4,000,000	5,000,000
G M Simmonds	1	4,000,000	5,000,000
D W Meddings	400,000	400,000	400,000
J Zucker	2,000,000	2,000,000	2,500,000
D J Coldbeck	400,000	400,000	400,000
Warrants			
R L Owen	-	4,000,000	4,000,000
G M Simmonds	-	4,000,000	4,000,000
D W Meddings	400,000	400,000	400,000
J Zucker	2,000,000	2,000,000	2,000,000
D J Coldbeck	400,000	400,000	400,000

Share options
The following share options were granted on 26 November 1999.

R L Owen	2,805,000
G M Simmonds	2,805,000

The above share options are exercisable at a price of $2\frac{1}{2}$p per share during the period up to 26 November 2009.

No share options held by the directors lapsed or were exercised in the period to 31 December 2000.

SUBSTANTIAL INTERESTS

In addition to certain directors noted above, the following had an interest of 3% or more in the company's issued share capital at 31 March 2001.

	No of ordinary Shares	*Percentage*
T D Waterhouse Nominees (Europe) Ltd	2,392,324	3.27%
Sharelink Nominees	2,242,185	3.06%
W Roiter	2,500,000	3.42%
W Weston	3,000,000	4.10%
N Y Nominees Ltd	3,520,000	4.81%

ENTERPRISE INVESTMENT SCHEME

The company has been notified that shareholders do not qualify for relief.

AUDITORS

Horwath Clark Whitehill were appointed as auditors during the period. They will retire at the forthcoming annual general meeting and offer themselves for reappointment.

ANNUAL GENERAL MEETING

Notice of the Annual General Meeting to be held on 21 June 2001 is set out on page 22 of the Annual Report.

By Order of the Board

David W Meddings

Secretary

16th May 2001

CORPORATE GOVERNANCE

The company has considered the principles and provisions of the Combined Code issued by the Committee on Corporate Governance in June 1998 and applied them to the extent considered appropriate by the Board given the size of the company.

- The company is headed by an effective Board which leads and controls the company.
- There is a clear division of responsibilities in running the Board and running the company's business.
- The Board currently comprises 3 executive directors, and 2 non executive directors. The final selection of any director is performed by the full Board and any appointments approved by the Board are recorded in the minutes.
- The Board receives and reviews on a timely basis financial and operating information appropriate to being able to discharge its duties.
- Directors submit themselves for re-election every three years by rotation in accordance with the Articles of Association.
- The Board is available to discuss current events with its institutional and private shareholders and positively encourages attendance at the Annual General Meeting.
- The Board, through the Chairman's statement, presents a clear and detailed account of the Company's position and prospects.
- The Board regularly reviews the system of internal financial controls and considers the effectiveness at safeguarding shareholders' investments and the company's assets.
- The Audit Committee comprises the non-executive directors and David Meddings the finance director.

Its duties include monitoring internal control throughout the company, approving the company's accounting policies and reviewing the interim and annual financial statements before submission to the Board.

REMUNERATION COMMITTEE

The Board currently acts as the Remuneration Committee, the details of the directors' emoluments being set out in the accounts. However, there is no separate report of the Remuneration Committee. It is the Company's policy that the remuneration of directors should be commensurate with services provided by them to the Company.

GOING CONCERN

As part of its regular assessment of the prospects for the company, the Board reviews a detailed one year plan and further projections. As a result of such considerations the directors have reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

INTERNAL CONTROL

The directors are responsible for the company's system of internal financial control. The system of internal financial control is designed to provide reasonable, but not absolute, assurance against misstatement or loss. In fulfilling these responsibilities, the Board has reviewed the effectiveness of the system of internal financial control. The directors have established procedures for planning and budgeting and for monitoring, on a regular basis, the performance of the company.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The purpose of this statement is to distinguish between the directors' responsibility for the accounts and those of the auditors as stated in their report.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on a going concern basis unless it is inappropriate to assume 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 or other irregularities.

AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the accounts on pages 10 to 22 which have been prepared under the historical cost convention and the accounting policies set out on page 14.

Respective responsibilities of directors and auditors

As described on page 8 the company's directors are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with 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 accounts, and of the significant estimates and judgements made by the directors in the preparation of the accounts 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 accounts 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 the information in the accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the affairs of the company and of the group as at 31 December 2000 and of the loss of the group for the period then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.

Horwath Clark Whitehill

Horwath Clark Whitehill
Chartered Accountants
and Registered Auditors

25 New Street Square
London
EC4A 3LN

16th May 2001

CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 31 DECEMBER 2000

	Notes	£
TURNOVER - Acquisitions	2	**288,288**
Cost of sales		**(224,158)**
GROSS PROFIT		**64,130**
Administrative expenses - other		**(304,791)**
- exceptional item	5	**(75,183)**
		(379,974)
OPERATING LOSS		
Acquisitions		**(27,225)**
Continuing operations		**(288,619)**
		(315,844)
Interest receivable	6	**240,843**
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	3	**(75,001)**
Taxation		**-**
LOSS FOR THE FINANCIAL YEAR		**(75,001)**
BASIC LOSS PER SHARE	8	**0.106p**
FULLY DILUTED LOSS PER SHARE	8	**0.077p**

There were no recognised gains and losses for the period other than those included in the profit and loss account.

The notes on pages 14 to 21 form part of these accounts

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2000

	Notes	£
FIXED ASSETS		
Intangible assets	10	543,562
Tangible assets	11	100,513
Investments	12	622,923
		1,266,998
CURRENT ASSETS		
Stocks	13	3,762
Debtors	14	93,076
Investments	15	1,000,000
Cash at bank and in hand		2,732,883
		3,829,721
CREDITORS: amounts falling due within one year	16	(118,141)
NET CURRENT ASSETS		3,711,580
TOTAL ASSETS LESS CURRENT LIABILITIES		4,978,578
CAPITAL AND RESERVES		
Called up share capital	17	731,579
Share premium account	18	4,322,000
Profit and loss account	18	(75,001)
SHAREHOLDERS' FUNDS		4,978,578

The accounts were approved by the board on 16th May 2001
and signed on its behalf:

Richard L. Owen
Geoffrey M. Simmonds
} Directors

The notes on pages 14 to 21 form part of these accounts

COMPANY BALANCE SHEET

AS AT 31 DECEMBER 2000

	Notes	£
FIXED ASSETS		
Tangible assets	11	70,214
Investments	12	600,001
		670,215
CURRENT ASSETS		
Debtors	14	694,459
Investments	15	1,000,000
Cash at bank and in hand		2,705,568
		4,400,027
CREDITORS: amounts falling due within one year	16	(56,939)
NET CURRENT ASSETS		4,343,088
TOTAL ASSETS LESS CURRENT LIABILITIES		5,013,303
CAPITAL AND RESERVES		
Called up share capital	17	731,579
Share premium account	18	4,322,000
Profit and loss account	18	(40,276)
SHAREHOLDERS' FUNDS		5,013,303

The accounts were approved by the board on 16th May 2001 and signed on its behalf:

Richard L. Owen
Geoffrey M. Simmonds } Directors

The notes on pages 14 to 21 form part of these accounts

CONSOLIDATED CASH FLOW STATEMENT

FOR THE PERIOD ENDED 31 DECEMBER 2000

	Notes	£
Net cash (outflow) from operating activities	20	(365,959)
Returns on investments and servicing of Finance		
Interest received		192,163
Capital expenditure and financial investment		
Payments to acquire tangible fixed assets		(96,064)
Payments to acquire investments		(622,923)
Cash outflow from capital expenditure and financial investment Activities		(718,987)
Acquisitions and disposals		
Payment to acquire subsidiary		(428,606)
Cash acquired with subsidiary		692
Net cash outflow from acquisitions		(427,914)
Net cash outflow before use of liquid resources and financing		(1,320,697)
Management of liquid resources		
Cash placed on deposit		(1,000,000)
Financing		
Issue of ordinary share capital		5,337,697
Expenses of issue of shares		(284,117)
Net cash inflow from financing		5,053,580
Increase in cash in the period	21	2,732,883

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

Increase in cash in period	2,732,883
Increase in liquid resources	1,000,000
Net funds at 31 December 2000	3,732,883

The notes on pages 14 to 21 form part of these accounts

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2000

1. ACCOUNTING POLICIES

a) Basis of accounting

The financial accounts are prepared under the historical cost convention and in accordance with applicable Accounting Standards.

b) Basis of consolidation

The consolidated financial statements include those of the company and all of its subsidiaries. All intercompany balances and transactions are eliminated and sales and profits relate to external transactions only.

The group's share of profits less losses of associated undertakings is included in the consolidated profit and loss account and the group's share of net assets, excluding goodwill, of the associates is included in the consolidated balance sheet.

c) Turnover

Turnover comprises the invoiced value of goods supplied by the group, exclusive of Value Added Tax and trade discounts.

d) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value over their expected useful lives on the following bases:

Fixtures fittings	25% per annum - straight line
Motor vehicles	33 1/3% per annum - straight line
Computer	25% per annum - straight line
Website development costs	33 1/3% per annum - straight line

e) Goodwill

Goodwill arising on consolidation, representing the excess of the consideration paid over the aggregate of the fair values of the acquired subsidiaries' identifiable assets and liabilities at the date of acquisition, is capitalised and amortised over its expected useful life.

f) Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account as incurred.

g) Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

h) Deferred taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, 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 near future.

2. TURNOVER

All turnover arose with effect from 1 July 2000, the date of the acquisition of The Elms Group Ltd, within the United Kingdom and from five-a-side football activities.

3. OPERATING PROFIT

	£
The operating loss is stated after charging	
Auditors remuneration - audit	13,500
- non audit services	13,391
Depreciation of tangible fixed assets	5,412
Operating lease rentals	
- plant and machinery	3,700
- land and buildings	3,879

Additional fees paid to the auditors for non-audit services amounted to £30,190 relating to work undertaken in respect of the group's acquisitions and share issues during the year. These fees were not charged to the profit and loss account during the year but, instead were included as part of the cost of acquisition or written off to the share premium account as appropriate.

4 a) STAFF COSTS

	£
Staff costs, excluding directors' remuneration, were as follows:	
Wages and salaries	85,897
Social security costs	8,076
	93,973

The average monthly number of employees, excluding directors during the year was as follows:

Administration and sales	14

All directors are paid on a consultancy basis and are therefore not included in the above figures.

b) DIRECTORS' REMUNERATION

	£
An analysis of directors' emoluments is set out below:	
Salary and fees	93,333
Executive directors	80,000
Non-executive directors	13,333

5. EXCEPTIONAL ITEM

These costs relate to non recurring legal and professional costs on abortive acquisitions.

6. INTEREST RECEIVABLE

	£
Bank interest receivable	240,843

7. TAXATION

There is no taxation payable for the period.

8. LOSS PER SHARE

Basic loss per share has been calculated on the group's loss attributable to shareholders of £75,001 and on the weighted average number of shares in issue during the financial period, which was 70,507,191.

Fully diluted loss per share has been calculated on the same loss and on the weighted average number of shares, adjusted for options and warrants, which was 91,958,459.

9. LOSS FOR THE FINANCIAL YEAR

As permitted by Section 230 of the Companies Act 1985, the profit and loss account of the company is not presented as part of these accounts.

The consolidated loss for the financial period of £75,001 includes £40,276 which is dealt with in the accounts of the company.

10. INTANGIBLE FIXED ASSETS

	Goodwill £
Cost	
Acquisition of subsidiary	557,500
At 31 December 2000	557,500
Amortisation	
Charge for the year	13,938
At 31 December 2000	13,938
Net book value	
31 December 2000	543,562

Goodwill arising on the acquisition of The Elms Group Limited is being amortised evenly over the directors' estimate of its useful economic life of 20 years.

11. TANGIBLE FIXED ASSETS

Group	Fixtures and fittings £	Computer equipment £	Website Development costs £	Motor vehicles £	Total £
Cost or valuation					
Assets acquired with subsidiary	204	14,285	-	-	14,489
Additions	-	6,476	17,808	71,780	96,064
31 December 2000	**204**	**20,761**	**17,808**	**71,780**	**110,553**
Depreciation					
Asset acquired with subsidiary	191	4,437	-	-	4,628
Charge for the period	-	2,421	-	2,991	5,412
31 December 2000	**191**	**6,858**	**-**	**2,991**	**10,040**
Net book value					
31 December 2000	**13**	**13,903**	**17,808**	**68,789**	**100,513**

Company	Computer equipment £	Motor vehicles £	Total £
Cost			
Additions	1,848	71,780	73,628
At December 2000	**1,848**	**71,780**	**73,628**
Depreciation			
Charge for the period	423	2,991	3,414
At 31 December 2000	**423**	**2,991**	**3,414**
Net book value			
At 31 December 2000	**1,425**	**68,789**	**70,214**

12. FIXED ASSET INVESTMENTS

	Share of Net assets	Goodwill	Total
Group	**£**	**£**	**£**
Associates			
At 19 November 1999	-	-	-
Additions	550,288	72,635	622,923
Share of profit retained by associate	-	-	-
Amortisation of goodwill	-	-	-
At 31 December 2000	**550,288**	**72,635**	**622,923**

Company	Investments in Subsidiaries £
Additions	600,001
At 31 December 2000	**600,001**

Details of the investments held are as follows:

Subsidiary undertakings	Country of Incorporation	% Held	Activity
Westside Investments Ltd	Great Britain	100	Acquisition of investments
WestsideTech Ltd	*Great Britain*	*100*	*Acquisition of investments*
Westside Sports Ltd	Great Britain	100	Holding company
The Elms Group Ltd	Great Britain	100	Sporting activities holding company
Football Partners Ltd	Great Britain	100	Five-a-side football activities
Footballdirectory.co.uk Ltd	Great Britain	100	Football website
Associated undertakings			
T2 Training Ltd	Great Britain	33.33	Personal Development Training
Reverse Take-Over Investments plc	Great Britain	37.33	Acquisition and Development of Shell Companies

13. STOCKS

	Group £	Company £
Raw materials and consumables	3,762	-

14. DEBTORS: due within one year

	Group £	**Company £**
Other debtors and prepayments	**67,305**	**53,960**
Amounts due from subsidiary undertakings	**-**	**630,528**
Amounts due from associated undertakings	**25,000**	**-**
Other taxes and social security	**771**	**9,971**
	93,076	**694,459**

15. CURRENT ASSET INVESTMENTS

	Group £	Company £
Cash deposits	1,000,000	1,000,000

16. CREDITORS: amounts falling due within one year

	Group £	Company £
Trade creditors	50,439	50,439
Corporation tax	-	-
Accruals and deferred income	67,702	6,500
	118,141	56,939

17. CALLED UP SHARE CAPITAL

	£
Authorised 150,000,000 Ordinary shares of 1p each	1,500,000
Allotted, called up and fully paid 73,157,872 Ordinary shares of 1p each	731,579

Issues and amounts

Date of issue	No of shares	Nominal Value £	Consideration £
26 November 1999	37,400,000	374,000	935,000
4 January 2000	14,000,000	140,000	1,050,000
10 January 2000	8,000,000	80,000	1,120,000
25 January 2000	5,000,000	50,000	1,037,500
26 February 2000	17,500	175	437
26 February 2000	890,372	8,904	22,260
26 February 2000	1,350,000	13,500	33,750
8 March 2000	5,250,000	52,500	1,050,000
28 June 2000	100,000	1,000	2,500
30 June 2000	1,150,000	11,500	86,250
	73,157,872	731,579	5,337,697

18. RESERVES

	Group £	Company £
Share Premium Account		
Premium on shares issued during the period	4,606,117	4,606,117
Expenses of share issue	(284,117)	(284,117)
	4,322,000	4,322,000
Profit and loss account		
Loss for the period	(75,001)	(40,276)

19. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Group	**£**
Loss for the period	(75,001)
Shares issued during the period	731,579
Share premium on shares issued (net of expenses)	4,322,000
	4,978,578
Shareholders' funds at 19 November 1999	-
Shareholders' funds at 31 December 2000	4,978,578
Company	
Loss for the period	(40,276)
Shares issued during the period	731,579
Share premium on shares issued (net of expenses)	4,322,000
	5,013,303
Shareholders' funds at 19 November 1999	-
Shareholders' funds at 31 December 2000	5,013,303

20. RECONCILIATION OF OPERATING LOSS TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	£
Operating loss	(315,844)
Depreciation of tangible fixed assets	5,412
Amortisation of goodwill	13,938
Decrease in debtors	1,837
Decrease in stocks	780
Decrease in creditors	(72,082)
Net cash (outflow) from operating activities	(365,959)

21. ANALYSIS OF NET FUNDS

	Cash flow	**At 31 December 2000**
	£	**£**
Cash	2,732,883	2,732,883
Current asset investments	1,000,000	1,000,000
	3,732,883	3,732,883

22. COMMITMENTS

At 31 December 2000 there were annual commitments under non-cancellable operating leases as follows:

Group and company **Operating leases which expire:**	**Land and buildings** **£**	**Other** **£**
In less than one year	-	2,583
In two to five years	-	868
In more than five years	3,700	-
	3,700	3,451

23. RELATED PARTIES

a) During the period, the company paid £24,200 to both R L Owen and G M Simmonds, directors of the company, for office and secretarial services.

b) At 31 December 2000, T2 Training Ltd (an associate) owed WestsideTech Ltd £25,000. This loan is payable in full on 20 December 2003 and bears interest at 5% per annum.

c) During the period, the group incurred £53,804 of charges from Roiter Zucker for Legal Services. J Zucker, a director of Westside Acquisitions plc is a partner of Roiter Zucker.

   At 31 December 2000, the group owed £15,659 to Roiter Zucker.

24. ACQUISITIONS

On 30 June 2000 the group acquired the entire share capital of The Elms Group Limited for a total cash consideration of £428,606. An analysis of the resulting goodwill arising is as follows:

Net liabilities acquired:	**£**
Tangible fixed assets	9,861
Stock	4,542
Debtors	46,233
Cash	692
Current liabilities	(190,222)
	(128,894)
Goodwill	557,500
Consideration payable	428,606

25. FINANCIAL INSTRUMENTS

The Group finances its operations primarily by a mixture of issued share capital, cash and trade creditors.

It is, and has been throughout the period under review, the Group's policy that no trading in financial instruments shall be undertaken. The main risk arising from the Group's financial instruments is interest risk.

£1,000,000 held on an annual deposit earns interest at the Barclays Treasury Deposit Rate. Cash at bank and in hand includes £2,600,000 of deposits, repayable on demand which also earn interest at the Barclays Treasury Deposit Rate.

All other cash balances earn interest at a floating rate.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Westside Acquisitions plc will be held at: 43 Fetter Lane, London, EC4A 1JU on 21 June 2001 at 4.00pm for the following purposes:

ORDINARY BUSINESS

1. To receive and adopt the audited Financial Statements of the Company for the year ended 31 December 2000 and the reports of the Directors and Auditors thereon.

2. To re-appoint Horwath Clark Whitehill, Chartered Accountants, as auditors to the Company and to authorise the Directors to agree their remuneration.

SPECIAL BUSINESS

3. To consider and, if thought fit, to pass the following resolution which will be proposed as an ordinary resolution:

   That the directors be and they are hereby generally and unconditionally authorised, pursuant to Section 80(1) Companies Act 1985, to exercise all the powers of the Company to allot relevant securities (as defined in Section 80(2) Companies Act 1985), up to an aggregate nominal amount of £1,500,000 provided that such authority shall expire on the date of the next Annual General Meeting of the Company or a date falling 15 months after the date on which this resolution is passed whichever is the earlier, save that the Company may before such expiry make any offer or agreement which would or might require relevant securities to be allotted after such expiry and accordingly the Directors may allot relevant securities pursuant to any such offer or agreement as if such authority had not expired.

4. To consider and, if thought fit, to pass the following resolution which will be proposed as a special resolution:

   That the Directors be and they are hereby empowered to allot equity securities for cash within the meaning of section 94 Companies Act 1985 pursuant to the authority conferred by the foregoing resolution as if section 89(1) Companies Act 1985 did not apply to any such allotment, provided that this authority shall be limited to:

   (a) the allotment of ordinary shares pursuant to the exercise of warrants issued under the Warrant Instrument adopted by deed poll dated 26 November 1999, and pursuant to the share option agreements approved on 26 November 1999 between the Company and Mr R L Owen and Mr G M Simmonds respectively;

   (b) otherwise to rights issues and other pre-emptive issues in favour of ordinary shareholders; and

   (c) otherwise up to an aggregate nominal amount of £1,000,000, provided that such power shall expire on the date of the next Annual General Meeting of the Company or a date falling 15 months after the date on which this resolution was passed, whichever is the earlier, save that the Company may before such expiry date make any offer or agreement which would or might require equity securities to be allotted after the relevant expiry date and accordingly the Directors may allot equity securities pursuant to any such offer or agreement as if such authority had not expired.

5. To consider and, if thought fit, to pass the following resolution which will be proposed as an ordinary resolution:

That the Company hereby be unconditionally and generally authorised to make market purchases (within the meaning of Section 163(3) Companies Act 1985) of Ordinary Shares of 1 pence each in its capital on and subject to the following conditions:

(a) the maximum number of Ordinary Shares hereby authorised to be acquired is 10,000,000 which represents less than 15% of the current issued share capital;

(b) the minimum price payable by the Company which may be paid for such shares is 1 pence per share, being the nominal value;

(c) the maximum price payable by the Company which may be paid for such shares is, in respect of a share contracted to be purchased on any day, an amount equal to 105% of the upper and lower prices shown in the quotations for the Ordinary Shares of the Company in The Stock Exchange Daily Official List for the 10 business days immediately preceding the day on which the share is contracted to be purchased; and

(d) the authority hereby conferred shall expire at the next Annual General Meeting of the Company or a date falling 15 months after the date on which this resolution is passed whichever is the earlier but not so as to prejudice the completion of a purchase contracted before the date.

OTHER ORDINARY BUSINESS

6. To transact any other business which may lawfully be transacted at the Annual General Meeting.

BY ORDER OF THE BOARD

16th May 2001

David W Meddings
Company Secretary

Registered Office:
Regent House
5-7 Broadhurst Gardens
London NW6 3RZ

Notes:

- A member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and on a poll vote in his stead. The proxy need not be a member.
- If you do not indicate how you wish to use your vote on any particular matter, the proxy will exercise his/her discretion as to how he/she votes and as to whether he/she abstains from voting.
- In the case of a corporation the form of proxy must be executed under the seal or under the hand of an officer or attorney duly authorised in writing.
- Forms of proxy, to be valid, must be signed and lodged, together with the power of attorney or other authority (if any) under which it is signed, or a notorially certified copy of such power of attorney, with the Company's Registrars, Capita IRG Plc, Bourne House, 34 Beckenham Road, Beckenham, Kent, BR3 4TU, not less than 48 hours before the time appointed to hold the meeting.
- In the case of joint holders, the signature of any of them will suffice, but if a holder other then the first named holder signs the proxy it will help the Registrars if the name of the first named holder is given.
- Any alteration to the form of proxy must be initialled.