

VITEC GROUP HOLDINGS LIMITED
REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2001
Registered Number 3800708



VITEC GROUP HOLDINGS LIMITED

DIRECTOR'S REPORT

The director submits his report and the audited accounts for the year ended 31 December 2001.

Principal activity

The company has not actively traded in the year.

Results

The profit for the year transferred to reserves amounted to £22,229 (2000: £126,050 loss).

Directors

The director of the company in the year under review was R A Green.

The director is also a director of the company's ultimate parent company. His interests in the shares of that company are shown in its accounts.

By order of the Board


R D Peate
Secretary

22 February 2002

VITEC GROUP HOLDINGS LIMITED

Statement of Director's Responsibilities

Company law requires the director 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 for that period. In preparing those financial statements the director is 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 financial statements;
- prepare the accounts on the going concern basis unless it is inappropriate to assume that the company will continue in business.

The director is 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. He has a general responsibility for taking such steps as are reasonably open to him to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

VITEC GROUP HOLDINGS LIMITED

Independent auditors' report to the members of Vitec Group Holdings Limited.

We have audited the accounts on pages 4 to 7.

Respective responsibilities of director and auditors.

The director is responsible for preparing the director's report and, as described on page 2, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the director's report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if the information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

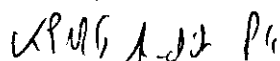
Basis of audit opinion

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 financial statements. It also includes an assessment of the significant estimates and judgements made by the director in the preparation of the financial statements, 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 consider necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements 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 information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2001 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



KPMG Audit Plc
Chartered Accountants

Registered Auditor
London

22 February 2002

VITEC GROUP HOLDINGS LIMITED

Profit and loss account for the year ended 31 December 2001

	Note	Year ended 2001 £	18 months ended December 2000 £
Operating expenses		2,230	(132,779)
Operating profit/(loss)	3	<u>2,230</u>	<u>(132,779)</u>
Interest receivable	4	813,402	1,047,641
Interest payable	5	<u>(784,652)</u>	<u>(1,038,207)</u>
Profit/(loss) on ordinary activities before tax		30,980	(123,345)
Tax on ordinary activities	6	<u>(8,751)</u>	<u>(2,705)</u>
Retained profit/(loss) for the year transferred to reserves	11	<u>22,229</u>	<u>(126,050)</u>

The profit and loss account contains all the gains and losses recognised in the period and the retained profit for the period is the only movement in shareholders' funds.

All the above results are derived from continuing activity.

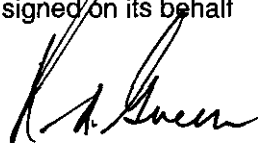
The notes on page 6 and 7 form an integral part of these accounts.

VITEC GROUP HOLDINGS LIMITED

Balance Sheet as at 31 December 2001

	Notes	2001 £	2000 £
Current assets			
Debtors	7	2	2
Cash at bank and in hand		-	9,015
		<u>2</u>	<u>9,017</u>
Creditors -amounts falling due within one year	8	<u>(103,821)</u>	<u>(135,065)</u>
Net current liabilities		(103,819)	(126,048)
Debtors – amounts due after one year	7	<u>11,500,000</u>	<u>11,500,000</u>
Total assets less current liabilities		11,396,181	11,373,952
Creditors –amounts due after more than one year	9	<u>(11,500,000)</u>	<u>(11,500,000)</u>
Net liabilities		<u>(103,819)</u>	<u>(126,048)</u>
Capital and reserves			
Called up share capital	10	2	2
Profit and loss account	11	(103,821)	(126,050)
Shareholder's funds – equity		<u>(103,819)</u>	<u>(126,048)</u>

Approved by the Board on 22 February 2002 and signed on its behalf



R A Green
Director

The notes on pages 6 to 7 form an integral part of these accounts.

VITEC GROUP HOLDINGS LIMITED

Notes to the accounts

1. Basis of preparation

The accounts have been prepared in accordance with all applicable accounting standards under the historical cost convention.

Under Financial Reporting Standard 1, the company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly-owned subsidiary of the ultimate parent company.

2. Accounting policies

Foreign currencies

Assets and liabilities have been translated at the rates ruling at the end of the financial year.

3. Operating profit/(loss)

All director's remuneration and audit fees are borne by the ultimate parent company.

	2001 £	18 months ended December 2000 £
4. Interest receivable		
Receivable from fellow subsidiary companies	813,402	1,047,641
5. Interest payable		
Payable to parent company	784,652	1,038,207
6. Tax on ordinary activities		
The tax charge comprises:		
UK Corporation tax charge at 30% (2000:30%)	8,751	2,705
7. Debtors	2001 £	2000 £
Amounts due within one year: by holding company	2	2
Amounts due after one year: by fellow subsidiary companies	11,500,000	11,500,000

VITEC GROUP HOLDINGS LIMITED

Notes to the accounts

8. Creditors – amounts falling due within one year

	2001 £	2000 £
Bank overdraft	92,366	-
Corporation tax	11,455	2,705
Amounts owed to fellow subsidiary companies	-	132,360
	<u>103,281</u>	<u>135,065</u>

9. Creditors – amounts falling due to after more than one year

	2001 £	2000 £
Amounts owed to parent company	<u>11,500,000</u>	<u>11,500,000</u>

10. Share capital

	2001 £	2000 £
Authorised: Ordinary shares of £1 each	<u>100</u>	<u>100</u>
Allotted, issued and fully paid: Ordinary shares of £1 each	<u>2</u>	<u>2</u>

11. Profit and loss account

	2001 £	2000 £
Balance as at 1 January	(126,050)	0
Retained profit/(loss) for the year	22,229	(126,050)
Balance as at 31 December	<u>(103,821)</u>	<u>(126,050)</u>

12. Parent company

The company is a wholly-owned subsidiary of The Vitec Group plc, a company which is registered in England and Wales and is the ultimate parent company. Copies of the accounts of The Vitec Group plc are available from One Wheatfield Way, Kingston upon Thames, KT1 2TU.