ANDERSEN

Carnegie Worldwide Limited

Financial statements for the 8 months ended 31 January 2002
together with directors' and auditors' reports

Registered number: SC21 9611



Directors' report

For the 8 months ended 31 January 2002

The directors present their annual report on the affairs of the company, together with the financial statements and auditors' report for the 8 months period from 29 May 2001, the date of incorporation, to 31 January 2002.

Principal activities and business review

The principal activity of the business is the provision of sports hospitality, event management and marketing services to the corporate market.

Results and dividends

The loss for the 8 months to 31 January 2002 is £49,098. No dividend was paid or proposed in respect of the year.

Directors and their interests

The directors who held office during the year were as follows:

David Douglas Murray	(appointed 29 May 2001)
James Donald Gilmour Wilson	(appointed 29 May 2001)
Martin Edward Bain	(appointed 29 May 2001)
Nick Gerald Peel	(appointed 29 May 2001)

At 31 January 2002 none of the directors had any interest in the ordinary share capital of the company. The interests of the directors in the share capital of the ultimate holding company (Note 12) are disclosed in the directors' report accompanying that company's financial statements.

Directors' responsibilities

Company law requires the directors 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 of the company for that period. In preparing those financial statements, 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 financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

Directors' responsibilities (continued)

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and 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 and other irregularities.

9 Charlotte Square
Edinburgh
EH2 4DR

By order of the Board,

G. Milne
Company Secretary

14 June 2002

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To the Shareholders of Carnegie Worldwide Limited:

We have audited the financial statements of Carnegie Worldwide Limited for the 8 months ended 31 January 2002 which comprise the Profit and loss account and Balance sheet and the related notes numbered 1 to 16. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of directors' responsibilities. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 Directors' 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 information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of opinion

We conducted our audit in accordance with United Kingdom 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 judgments made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the circumstances of the company, 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 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 accounts.

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Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company at 31 January 2002 and of the company's loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

Arthur Andersen
Chartered Accountants and Registered Auditors

Saltire Court
20 Castle Terrace
Edinburgh
EH1 2DB

14 June 2002

Profit and loss account

For the 8 months ended 31 January 2002

	Notes	8 months from date of incorporation to 31 January 2002 £
Turnover		107,296
Cost of sales		(69,352)
Gross profit		37,944
Administration expenses		(107,485)
Operating loss		(69,541)
Interest payable and similar charges	2	(23)
Loss on ordinary activities before taxation	4	(69,564)
Tax on loss on ordinary activities	5	20,466
Loss for the financial year		(49,098)

The above profit and loss account relates wholly to continuing operations.

The reported loss before taxation equates to the historical cost loss before taxation.

There are no other movements in reserves which reflect recognised gains or losses.

The accompanying notes form an integral part of this profit and loss account.

Balance sheet

31 January 2002

	Notes	2002 £
Current assets		
Debtors	6	73,380
Cash at bank and in hand		37,185
		110,565
Creditors: Amounts falling due within one year	7	(159,662)
Net current liabilities		(49,097)
Net liabilities		(49,097)
Capital and reserves		
Called-up equity share capital	8	1
Profit and loss account	9	(49,098)
Shareholders' deficit	10	(49,097)

Signed on behalf of the Board of Directors

Director

14 June 2002

The accompanying notes form an integral part of this balance sheet.

1 Accounting policies

A summary of the principal accounting policies, which have been applied consistently throughout the period, is shown below:

a) Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. Reliance is placed on the continuing financial support described in Note 12 in preparing the financial statements on the going concern basis.

b) Pension costs

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

c) Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

d) Turnover

Turnover, all of which is generated in the United Kingdom, is stated net of VAT and represents the value of sales of goods and services supplied in the normal course of business.

2 Interest payable and similar charges

	2002 £
On bank overdrafts	(23)

3 Staff costs

Employee costs during the year amounted to:

	2002 £
Wages and salaries	22,314
Social security costs	3,448
Other pension costs	918
	26,680

The company contributes to the Duocom International Consulting Pension Scheme which is a defined contribution scheme. The pension cost charge for the year amounted to £918.

The average monthly number of persons employed by the company (including executive directors) during the period, was as follows:

	2002 Number
Sales	5
Administration	1
	6

David Douglas Murray, James Donald Gilmour Wilson, Martin Edward Bain and Nick Gerald Peel are directors of, and are remunerated by, other group undertakings.

4 Loss on ordinary activities before taxation

Loss on ordinary activities before taxation is stated after charging:

	2002 £
Auditors' remuneration	1,000
Staff costs (note 3)	26,680

5 Tax on loss on ordinary activities:

The tax credit is based on the loss for the period and comprises:

	2002 £
UK corporation tax at 30%	(20,466)

No provision has been made for deferred taxation. There is an unprovided deferred taxation asset at 31 January 2002 of £115,271.

The difference between the total current tax shown above and the current amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	2002 £
Loss on ordinary activities before tax	(69,564)
Tax on profit on ordinary activities at standard UK corporation tax rate of 30%	(20,869)
Effects of:	
Expenses not deductible for tax purposes	1,836
Capital allowances in excess of depreciation	(11,377)
Losses transferred in	(105,327)
Deffered tax asset not provided	115,271
Current tax credit for period	(20,466)

6 Debtors

Amounts falling due within one year:

	2002 £
Trade debtors	64,380
Amounts owed by other group undertakings	7,798
Other debtors	1,202
Amounts owed by related parties	-
Prepayments and accrued income	-
	73,380

7 Creditors: Amounts falling due within one year

	2002 £
Trade creditors	95,364
Amounts owed to other group undertakings	-
Accruals and deferred income	59,321
Other creditors	4,977
	159,662

8 Called-up equity share capital:

	2002 £
Authorised:	
1,000 ordinary shares of £1 each	1,000
Allotted, called-up and fully paid:	
1 ordinary shares of £1 each	1

9 Profit and loss account

	Profit and loss account £
Loss for the 8 months to 31 January 2002	(49,098)
End of period	(49,098)

10 Reconciliation of movement in shareholders' funds:

	2002 £
Loss for the financial period	(49,098)
New shares issued	1
Net depletion of shareholders' funds	(49,097)
Opening shareholders' funds	-
Closing shareholders' funds	(49,097)