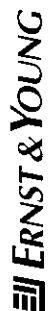
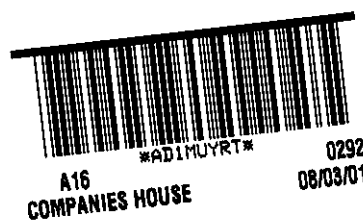


HARLEQUIN ESTATES (TWICKENHAM) LIMITED

Report and Accounts

31 May 2000

 ERNST & YOUNG



Harlequin Estates (Twickenham) Limited

Registered No. 01002965

DIRECTORS

Christopher Haines
Charles Jillings
David Richards
Andrew Vander Meersch

SECRETARY

John Dingle

REGISTERED OFFICE

Stoop Memorial Ground
Langhorn Drive
Twickenham
Middlesex TW2 7SX

AUDITORS

Ernst & Young
Becket House
1 Lambeth Palace Road
London SE1 7EU

BANKERS

Barclays Bank PLC
8 George Street
Richmond TW9 1JU

Harlequin Estates (Twickenham) Limited

DIRECTORS' REPORT

The Directors present their report and accounts for the year ended 31 May 2000.

RESULTS AND DIVIDENDS

The profit for the year was £27,584 (1999 – profit of £1,350). The Directors do not recommend the payment of a dividend for the year (1999 – £nil).

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The Company's principal activity during the period was that of an investment holding company, owning the leasehold interest in the land comprising the Stoop Memorial Ground.

YEAR 2000

The Company does not undertake any trading activities. As a consequence, the Company was not affected by the Year 2000 problem.

DIRECTORS AND THEIR INTERESTS

The Directors who served during the year ended 31 May 2000 were as follows:

P R Pollard	(resigned 10 September 1999)
R F Looker	(resigned 5 September 1999)
Malcolm Wall	(resigned 16 December 1999)
Christopher Haines	(appointed 5 September 1999)
Charles Jillings	(appointed 5 September 1999)
Dafydd Huw Morgan	(appointed 4 September 1999, resigned 31 May 2000)
David Richards	(appointed 10 April 2000)
Andrew Vander Meersch	(appointed 5 September 1999)
Donald Kerr	(resigned 5 September 1999)

No Director held any interest in the share capital of the Company at any time during the period.

AUDITORS

In accordance with section 385 of the Companies Act 1985, a resolution proposing Ernst & Young's re-appointment will be put to the members at the Annual General Meeting.

By order of the board



Secretary

Harlequin Estates (Twickenham) Limited

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Company law requires the directors to prepare accounts 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 accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume 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 accounts 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.

REPORT OF THE AUDITORS

to the members of Harlequin Estates (Twickenham) Limited

We have audited the accounts on pages 5 to 9, which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 7.

Respective responsibilities of Directors and auditors

As described on page 3 the Company's Directors are responsible for the preparation of the accounts in accordance with applicable United Kingdom law and accounting standards. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you. Our responsibilities, as independent auditors, are established in the United Kingdom by Statute, the Auditing Practices Board and by our profession's ethical guidance.

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. It also includes an assessment 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.

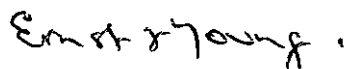
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Fundamental uncertainty

The accounts have been prepared on a going concern basis, the validity of which depends upon the continued support of Winter Holdings Limited to enable the Company's parent undertaking, to meet its interest and loan repayments as well as its working capital needs. In forming our opinion we have considered the adequacy of the disclosures made in Note 1 to the accounts concerning these matters. The accounts do not include any adjustments which would result if the going concern assumption was found to be inappropriate. Should continuing finance not be forthcoming it may be necessary to include provision for the diminution of fixed assets so as to reduce their carrying value to their estimated realisable amount, to provide for further liabilities which might arise, and to re-classify fixed assets and long-term liabilities as current assets and liabilities. Our opinion is not qualified in this respect.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the Company as at 31 May 2000 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young
Registered Auditor
London

22 DEC 2000

Harlequin Estates (Twickenham) Limited

PROFIT AND LOSS ACCOUNT

for the year ended 31 May 2000

	Notes	2000 £	1999 £
TURNOVER			
Income from listed investments - net	2	908	1,190
Tax credits		101	276
		<u>1,009</u>	<u>1,466</u>
Administrative expenses		(1,174)	(651)
OPERATING (LOSS)/PROFIT	3	<u>(165)</u>	<u>815</u>
Other interest receivable and similar income		166	811
Profit on sale of investment		27,684	-
		<u>27,685</u>	<u>1,626</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			
Tax on profit on ordinary activities	4	-	-
Tax on UK dividends received		(101)	(231)
Overseas tax		-	(45)
		<u>(101)</u>	<u>(276)</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		<u>27,584</u>	<u>1,350</u>
RETAINED PROFIT BROUGHT FORWARD		72,666	71,316
RETAINED PROFIT CARRIED FORWARD		<u>100,250</u>	<u>72,666</u>

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

The Company had no recognised gains or losses during either year other than the profit for the period.


Harlequin Estates (Twickenham) Limited

BALANCE SHEET

at 31 May 2000

	Notes	2000 £	1999 £
FIXED ASSETS			
Tangible assets	5	105,238	105,238
Investments	6	—	10,722
		<u>105,238</u>	<u>115,960</u>
CURRENT ASSETS			
Amounts owed by parent undertaking			
– due within one year		59,214	6,272
– due after more than one year		114,000	114,000
Cash at bank and in hand		—	15,979
		<u>173,214</u>	<u>136,251</u>
CREDITORS: amounts falling due within one year			
Amount owed to parent undertaking	7	(100)	(100)
Other creditors		—	(1,342)
		<u>173,114</u>	<u>134,809</u>
NET CURRENT ASSETS		<u>173,114</u>	<u>134,809</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>278,352</u>	<u>250,769</u>
CREDITORS: amounts falling due after more than one year			
Amounts owed to parent undertaking	7	(178,099)	(178,100)
		<u>100,253</u>	<u>72,669</u>
CAPITAL AND RESERVES			
Called up share capital	8	3	3
Profit and loss account	9	100,250	72,666
		<u>100,253</u>	<u>72,669</u>
Shareholder's funds – all equity interests		<u>100,253</u>	<u>72,669</u>

Director


22 DEC 2000

Harlequin Estates (Twickenham) Limited

NOTES TO THE ACCOUNTS

at 31 May 2000

1. ACCOUNTING POLICIES

Accounting convention and basis of preparation

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

The Directors have given careful consideration to the assumption that the Company and its parent undertaking, Harlequin Football Club Limited, will continue in operational existence for the foreseeable future and accordingly the accounts have been prepared on the going concern basis. The validity of this assumption depends on the continued support of the parent undertaking's principal investor, Winter Holdings Limited. The directors believe this continued support to be forthcoming.

The accounts do not include any adjustments that would result if the going concern assumption was found to be inappropriate. Such adjustments could include provision for the diminution in value of all fixed assets so as to reduce their carrying value to their estimated realisable amount, to provide for any further liabilities which might arise, and to re-classify fixed assets and long-term liabilities as current assets and liabilities.

Whilst the Directors can not predict the future financial performance of the Company with certainty, they believe that it is appropriate for the accounts to be prepared on the going concern basis.

Depreciation

No depreciation has been charged on the leasehold property as the lease term is 999 years and it is the Company's practice to maintain the property in a continual state of sound repair and extend and make improvements thereto from time to time and accordingly the Directors consider that the life of the asset is so long and residual values are so high that its depreciation is insignificant.

Cashflow statement

The Directors have taken advantage of the exemption available to small companies under Financial Reporting Standard 1 and have not prepared a cashflow statement as part of these accounts as the Company qualifies as a small company.

2. TURNOVER

Turnover consists of income from fixed asset quoted investments.

3. OPERATING LOSS/PROFIT

This is stated after charging:

	2000	1999
	£	£
Auditors' remuneration	600	600

4. TAX ON PROFIT ON ORDINARY ACTIVITIES

There is no Corporation Tax Liability (1999 – £nil) on the grounds that the Company is claiming group relief (under ICTA 1988 S.402) from the parent undertaking against its profit.

Harlequin Estates (Twickenham) Limited

NOTES TO THE ACCOUNTS

at 31 May 2000

5. LONG LEASEHOLD PROPERTY

This is a 999 year lease expiring in the year 2972 of Stoop Memorial Ground, Twickenham, at a cost as at 1 May 1976 of £105,238 including legal charges, stamp duty and improvements.

A bank loan to the Company's parent undertaking, Harlequin Football Club Limited, is secured by way of a legal charge dated 3 April 1998 on this leasehold property.

6. INVESTMENTS

	2000	1999
	£	£
Cost:		
Opening balance	10,722	10,799
Disposals	(10,722)	(77)
Closing balance	—	10,722

All the investments were listed on a recognised stock exchange. The investments were sold for £38,406 during the year.

7. AMOUNTS OWED TO PARENT UNDERTAKING

	2000	1999
	£	£
Repayable within five years	500	500
Repayable after five years:	177,699	177,700
	178,199	178,200
Included in current liabilities	(100)	(100)
	178,099	178,100

The Company owed £178,199 to its parent undertaking, Harlequin Football Club Limited. This is repayable by 20 annual instalments and a final instalment of £176,199. The loan is interest free.

8. SHARE CAPITAL

	2000	1999
	£	£
Authorised:		
100 Ordinary shares of £1 each	100	100
Ordinary shares of £1 each :		
Allotted, called up and fully paid	3	3

Harlequin Estates (Twickenham) Limited

NOTES TO THE ACCOUNTS

at 31 May 2000

9. RECONCILIATION OF MOVEMENT IN SHAREHOLDER'S FUNDS

	<i>Called up share capital 2000 £</i>	<i>Profit and loss account 2000 £</i>	<i>Total shareholders' funds 2000 £</i>
Opening balance	3	72,666	72,669
Profit for the year	—	27,584	27,584
Closing balance	<u>3</u>	<u>100,250</u>	<u>100,253</u>

10. PARENT UNDERTAKING

The Company's parent undertaking is Harlequin Football Club Limited, a Company incorporated in England and Wales.

11. RELATED PARTY

The parent undertaking's principal shareholder is Winter Holdings Limited which holds 50% of the called up equity shareholding.

Winter Holdings Limited also held £6,100,000 of convertible loan stock in the parent undertaking at year end.