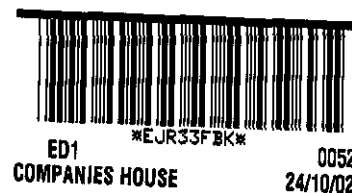


THE COLTMAN MEDIA COMPANY LIMITED
DIRECTOR'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2002
Company Registration No. 2892688 (England and Wales)

Shelley Stock Hutter
Chartered Accountants
45 Mortimer Street
London
W1W 8HJ



THE COLTMAN MEDIA COMPANY LIMITED

COMPANY INFORMATION

Director	S J Coltman
Secretary	J A Coltman
Company number	2892688
Registered office	Aria House 23 Craven Street London WC2N 5NS
Auditors	Shelley Stock Hutter 45 Mortimer Street London W1W 8HJ
Business address	Aria House 23 Craven Street London WC2N 5NS

THE COLTMAN MEDIA COMPANY LIMITED

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THE COLTMAN MEDIA COMPANY LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 30 APRIL 2002

The director presents his report and financial statements for the year ended 30 April 2002.

Principal activities and review of the business

The company is principally engaged in media buying.

Results and dividends

The results for the year are set out on page 3.

The director recommends payment of an ordinary dividend amounting to £40,000.

Director

The following director has held office since 1 May 2001:

S J Coltman

Director's interests

The director's interest in the shares of the company was as stated below:

	Ordinary shares of £ 1 each	
	30 April 2002	1 May 2001
S J Coltman	10,000	10,000

The director's interest in the company as stated above includes 5,000 shares held by his wife.

Charitable contributions

During the year the company made charitable donations of £781 (2001 : £810).

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Shelley Stock Hutter be reappointed as auditors of the company will be put to the Annual General Meeting.

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 of the company 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume 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 him to ensure that the financial statements comply with the Companies Act 1985. He is 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.

By order of the board



J A Coltman
Secretary

27/9/02
Date.....

THE COLTMAN MEDIA COMPANY LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF THE COLTMAN MEDIA COMPANY LIMITED

We have audited the financial statements of The Coltman Media Company Limited on pages 3 to 14 for the year ended 30 April 2002. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of the director and auditors

As described in the statement of director's responsibilities on page 1 the company's director is responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit 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 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 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 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 30 April 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Shelley Stock Hutter

Shelley Stock Hutter
Chartered Accountants
Registered Auditor

2nd October 2002

45 Mortimer Street
London
W1W 8HJ

THE COLTMAN MEDIA COMPANY LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 APRIL 2002

	Notes	2002 £	2001 £
Turnover	2	10,457,386	12,801,191
Cost of sales		(9,727,047)	(11,961,728)
Gross profit		730,341	839,463
Administrative expenses		(700,494)	(784,139)
Other operating income		10,750	750
Operating profit	3	40,597	56,074
Other interest receivable and similar income		44,522	64,702
Interest payable and similar charges	4	(619)	(1,797)
Profit on ordinary activities before taxation		84,500	118,979
Tax on profit on ordinary activities	5	(18,310)	(27,795)
Profit on ordinary activities after taxation		66,190	91,184
Dividends	6	(40,000)	(70,000)
Retained profit for the year	13	26,190	21,184

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

THE COLTMAN MEDIA COMPANY LIMITED

BALANCE SHEET AS AT 30 APRIL 2002

	Notes	2002		2001	
		£	£	£	£
Fixed assets					
Tangible assets	7		56,115		98,145
Investments	8		2,800		2,800
			<u>58,914</u>		<u>100,945</u>
Current assets					
Debtors	9	1,302,256		1,326,409	
Cash at bank and in hand		464,261		1,409,203	
		<u>1,766,517</u>		<u>2,735,612</u>	
Creditors: amounts falling due within one year	10	(1,608,867)		(2,646,181)	
Net current assets			<u>157,650</u>		<u>89,431</u>
Total assets less current liabilities			<u>216,565</u>		<u>190,376</u>
Capital and reserves					
Called up share capital	12		10,000		10,000
Profit and loss account	13		206,565		180,376
Shareholders' funds - equity interests	14		<u>216,565</u>		<u>190,376</u>

The financial statements were approved by the Board on 27/9/02


S J Coltman
Director

THE COLTMAN MEDIA COMPANY LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 APRIL 2002

	2002	2001
	£	£
Net cash (outflow)/inflow from operating activities	(915,176)	1,187,788
Returns on investments and servicing of finance		
Interest received	51,257	58,367
Interest paid	(619)	(1,797)
	<u> </u>	<u> </u>
Net cash inflow for returns on investments and servicing of finance	50,638	56,570
Taxation	(27,795)	(14,708)
Capital expenditure		
Payments to acquire tangible assets	(609)	(49,082)
Receipts from sales of tangible assets	22,000	2,444
	<u> </u>	<u> </u>
Net cash inflow/(outflow) for capital expenditure	21,391	(46,638)
Equity dividends paid	(70,000)	(70,000)
	<u> </u>	<u> </u>
Net cash (outflow)/inflow before management of liquid resources and financing	(940,942)	1,253,012
Financing		
Capital element of hire purchase contracts	(4,000)	(12,000)
	<u> </u>	<u> </u>
Net cash outflow from financing	(4,000)	(12,000)
	<u> </u>	<u> </u>
(Decrease)/increase in cash in the year	<u><u>(944,942)</u></u>	<u><u>1,241,012</u></u>

THE COLTMAN MEDIA COMPANY LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 30 APRIL 2002

1	Reconciliation of operating profit to net cash (outflow)/inflow from operating activities			2002	2001
				£	£
	Operating profit			40,597	56,074
	Depreciation of tangible assets			20,978	22,321
	(Profit)/loss on disposal of tangible assets			(339)	1,359
	Decrease in debtors			17,417	222,057
	(Decrease)/Increase in creditors within one year			(993,829)	885,977
	Net cash (outflow)/inflow from operating activities			(915,176)	1,187,788
2	Analysis of net funds	1 May 2001	Cash flow	Other non-cash changes	30 April 2002
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	1,409,203	(944,942)	-	464,261
	Debt:				
	Finance leases	(4,000)	4,000	-	-
	Net funds	1,405,203	(940,942)	-	464,261
3	Reconciliation of net cash flow to movement in net funds			2002	2001
				£	£
	(Decrease)/increase in cash in the year			(944,942)	1,171,012
	Cash outflow from decrease in debt and lease financing			4,000	12,000
	Movement in net funds in the year			(940,942)	1,183,012
	Opening net funds			1,405,203	222,191
	Closing net funds			464,261	1,405,203

THE COLTMAN MEDIA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2002

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Turnover

Turnover represents amounts receivable for goods and services provided in the UK net of VAT and trade discounts.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Computer equipment	25% Straight line
Fixtures, fittings & equipment	20% Reducing balance
Motor vehicles	25% Reducing balance

1.4 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.5 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.6 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with SSAP 24.

1.7 Deferred taxation

The accounting policy in respect of deferred tax has been changed to reflect the requirements of FRS19 - Deferred tax. Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

The above amounts to a change in accounting policy. The previous policy was to provide deferred tax only to the extent that it was probable that liabilities would crystallise in the foreseeable future.

The adoption of the standard has not required a prior period adjustment. If the new policy had been in place in the previous period no asset would have been recognised as the conditions for recognition would not have been satisfied.

1.8 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

THE COLTMAN MEDIA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2002

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Operating profit

	2002	2001
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	20,978	22,321
Loss on disposal of tangible assets	-	1,359
Operating lease rentals	60,971	20,293
Auditors' remuneration	6,500	6,500
and after crediting:		
Profit on disposal of tangible assets	(339)	-

4 Interest payable

	2002	2001
	£	£
Hire purchase interest	619	1,797

THE COLTMAN MEDIA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2002

5	Taxation	2002 £	2001 £
	Domestic current year tax		
	U.K. corporation tax	18,310	27,795
	Current tax charge	<u>18,310</u>	<u>27,795</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	84,500	118,979
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2001 : 20.00%)	<u>16,900</u>	<u>23,796</u>
	Effects of:		
	Non deductible expenses	3,400	5,705
	Depreciation	4,196	4,464
	Capital allowances	(6,118)	(6,442)
	Chargeable disposals	(68)	272
		<u>1,410</u>	<u>3,999</u>
	Current tax charge	<u>18,310</u>	<u>27,795</u>

The company is a close company under the provisions of the Income and Corporation Taxes Act 1988.

6	Dividends	2002 £	2001 £
	Ordinary final proposed	<u>40,000</u>	<u>70,000</u>

THE COLTMAN MEDIA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2002

7 Tangible fixed assets

	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 May 2001	33,881	36,043	85,500	155,424
Additions	609	-	-	609
Disposals	-	-	(50,500)	(50,500)
At 30 April 2002	34,490	36,043	35,000	105,533
Depreciation				
At 1 May 2001	21,359	5,405	30,515	57,279
On disposals	-	-	(28,839)	(28,839)
Charge for the year	5,043	6,127	9,808	20,978
At 30 April 2002	26,402	11,532	11,484	49,418
Net book value				
At 30 April 2002	8,088	24,511	23,516	56,115
At 30 April 2001	12,522	30,638	54,985	98,145

Included above are assets held under finance leases or hire purchase contracts as follows:

	Motor vehicles £
Net book values	
At 30 April 2002	-
At 30 April 2001	23,630
Depreciation charge for the year	
30 April 2002	1,969
30 April 2001	7,877

THE COLTMAN MEDIA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2002

8 Fixed asset investments

	Unlisted investments £
Cost	
At 1 May 2001 & at 30 April 2002	2,800
	<u>2,800</u>
	Director's valuation £
At 30 April 2002	2,800
	<u>2,800</u>
At 30 April 2001	2,800
	<u>2,800</u>

9 Debtors

	2002 £	2001 £
Trade debtors	1,235,472	1,267,377
Other debtors	33,873	38,873
Prepayments and accrued income	32,911	20,159
	<u>1,302,256</u>	<u>1,326,409</u>

THE COLTMAN MEDIA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2002

10 Creditors: amounts falling due within one year	2002	2001
	£	£
Net obligations under hire purchase contracts	-	4,000
Trade creditors	755,414	977,056
Corporation tax	18,310	27,795
Other taxes and social security costs	13,008	115,965
Other creditors	2,808	4,161
Accruals and deferred income	779,327	1,447,204
Proposed dividend	40,000	70,000
	<u>1,608,867</u>	<u>2,646,181</u>
Net obligations under hire purchase contracts		
Repayable within one year	-	4,598
Finance charges and interest allocated to future accounting periods	-	(598)
	<u>-</u>	<u>4,000</u>
11 Pension costs		
Defined contribution		
	2002	2001
	£	£
Contributions payable by the company for the year	<u>25,683</u>	<u>33,599</u>
12 Share capital	2002	2001
	£	£
Authorised		
10,000 Ordinary shares of £ 1 each	<u>10,000</u>	<u>10,000</u>
Allotted, called up and fully paid		
10,000 Ordinary shares of £ 1 each	<u>10,000</u>	<u>10,000</u>

THE COLTMAN MEDIA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2002

13 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 May 2001	180,375
Retained profit for the year	26,190
Balance at 30 April 2002	<u>206,565</u>

14 Reconciliation of movements in shareholders' funds

	2002 £	2001 £
Profit for the financial year	66,190	91,184
Dividends	(40,000)	(70,000)
Net addition to shareholders' funds	<u>26,190</u>	<u>21,184</u>
Opening shareholders' funds	190,375	169,191
Closing shareholders' funds	<u>216,565</u>	<u>190,375</u>

15 Financial commitments

At 30 April 2002 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2002 £	2001 £
Expiry date:		
Between two and five years	<u>67,746</u>	<u>67,746</u>

16 Director's emoluments

	2002 £	2001 £
Emoluments for qualifying services	108,000	199,713
Company pension contributions to money purchase schemes	17,434	22,599
	<u>125,434</u>	<u>222,312</u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 1 (2001 - 1).

THE COLTMAN MEDIA COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2002

17 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2002 Number	2001 Number
Administration	8	8
Employment costs		
	£	£
Wages and salaries	370,000	461,871
Social security costs	46,090	54,618
Other pension costs	25,683	33,599
	441,773	550,088

18 Control

The company is controlled by the director, S J Coltman, and his wife, J A Coltman, who each hold 50% of the issued share capital.

19 Related party transactions

During the year the company sold a car to the director for £22,000 being the market value at the date of disposal.