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SPORTS NEWS TELEVISION MANAGEMENT LIMITED

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 DECEMBER 2003**



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Sports News Television Management Limited

Financial Statements

For The Year Ended 31 December 2003

Company Registration Number: 3177758

Registered Office: Media House
3 Burlington Lane
London
W4 2TH

Directors: E Drossart
W Sinrich
N Baker
I Ritchie

Secretary: J. Loffhagen

Bankers: Skandinaviska Enskilda Banken
Scandinavian House
2 Cannon Street
London
EC4M 6XX

Auditors: KPMG LLP
8 Salisbury square
London
EC4Y 8BB

Sports News Television Management Limited
Financial Statements
For The Year Ended 31 December 2003

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Sports News Television Management Limited

REPORT OF THE DIRECTORS

The directors present their annual report and the audited financial statements for the year ended 31 December 2003.

Principal activity

The company is principally engaged in the general management of Sports News Television (Limited Partnership) ("SNTV"), a partnership involved in the production and distribution of television sports news programmes.

Business review

The company's profit for the financial year was £220,120 (2002: £229,094). No dividend was paid during the year (2002: £484,669).

Directors

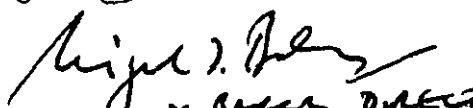
The directors who held office during the year were as follows:

E Drossart
W Sinrich
N Baker
I Ritchie

None of the directors received any remuneration from the company or had any interest in the shares of the company during the year.

BY ORDER OF THE BOARD


W Sinrich
Director

 16 February 2005
N. Baker, Director

Statement of 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 for that period.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply 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 financial statements 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 financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SPORTS NEWS TELEVISION MANAGEMENT LIMITED

We have audited the financial statements on pages 3 to 7.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report and for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 1, 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 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 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.

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 directors 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 the 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 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG LLP

KPMG LLP
Chartered Accountants
Registered Auditor

28 February 2005

Sports News Television Management Limited

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2003

		Year ended 31 December 2003	Year ended 31 December 2002
	<u>Note</u>	£	£
Share of partnership profit	2	268,802	259,660
Administrative expenses		<u>(500)</u>	<u>(1,029)</u>
Operating profit		268,302	258,631
Net interest receivable and similar charges	3	<u>(35,040)</u>	<u>(18,127)</u>
Profit on ordinary activities before taxation		233,262	240,504
Taxation on profit on ordinary activities	4	<u>(13,142)</u>	<u>(11,410)</u>
Profit for the financial year		220,120	229,094
Dividends	5	<u>-</u>	<u>(484,669)</u>
Retained profit/(loss) for the year	8	<u>220,120</u>	<u>(255,575)</u>

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 DECEMBER 2003**

The company had no recognised gains or losses during the year other than those reflected in the above profit and loss account.

**NOTE OF HISTORICAL COST PROFITS AND LOSSES
FOR THE YEAR ENDED 31 DECEMBER 2003**

There is no difference between the reported profit for the year and the profit that would be reported under the historical cost convention.

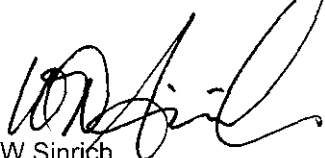
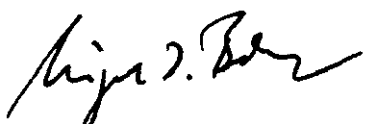
The accompanying accounting policies and notes form an integral part of these financial statements.

Sports News Television Management Limited

BALANCE SHEET AT 31 DECEMBER 2003

	<u>Note</u>	2003 £	2002 £
Current assets			
Debtors	6	493,564	270,973
Cash at bank and in hand		<u>9,563</u>	<u>12,034</u>
		<u>503,127</u>	<u>283,007</u>
Net assets		<u>503,127</u>	<u>283,007</u>
Capital and reserves			
Share capital	7	5,000	5,000
Profit and loss account	8	<u>498,127</u>	<u>278,007</u>
Equity shareholders' funds	9	<u>503,127</u>	<u>283,007</u>

These financial statements were approved by the Board of Directors on *15 February* 2005 and were signed on its behalf by:


 W Sinrich)
)
) Directors
 N Baker )
)

The accompanying accounting policies and notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2003

1 PRINCIPAL ACCOUNTING POLICIES**Basis of preparation**

The financial statements have been prepared in accordance with applicable accounting standards, and under the historic cost accounting rules.

Foreign currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date.

Any exchange differences are recorded in the profit and loss account.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

2 SHARE OF PARTNERSHIP RESULTS

This represents 5% of the profits of Sports News Television (Limited Partnership) for the year ended 31 December 2003 translated into sterling at the average rate for the year.

3 NET INTEREST RECEIVABLE AND SIMILAR CHARGES

	2003 £	2002 £
Bank interest receivable	246	1696
Exchange differences	(35,286)	(19,823)
	<u>(35,040)</u>	<u>(18,127)</u>

4 TAXATION

	2003 £	2002 £
Analysis of charge in period:		
<i>UK corporation tax</i>		
Tax on income for the period	43,963	35,193
Adjustments in respect of prior periods	(30,821)	(23,783)
	<u>13,142</u>	<u>11,410</u>

Factors affecting tax charge for the current period:

The current tax charge for the period is lower than the small companies' rate of corporation tax in the UK (19%, 2002: 19.75%). The differences are explained below:

	2003 £	2002 £
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax	233,262	240,504
	<u>44,320</u>	<u>47,500</u>
Current tax at 19% (2002: 19.75%)		
	44,320	47,500
<i>Effects of:</i>		
Expenses not deductible for tax purposes	-	(3,819)
Double taxation relief	-	(7,419)
Difference in tax rates	(357)	(1,069)
Adjustment to tax charge in respect of previous periods	(30,821)	(23,783)
	<u>13,142</u>	<u>11,410</u>
Total current tax charge		

Sports News Television Management Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2003

5 DIVIDENDS	2003	2002
	£	£
Paid during the year	-	484,669
	<u>-</u>	<u>-</u>
6 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2003	2002
	£	£
Amounts due from Sports News Television (Limited Partnership)	457,968	258,508
Taxation and social security	35,596	12,465
	<u>493,564</u>	<u>270,973</u>
7 SHARE CAPITAL	2003	2002
	£	£
Authorised 5,000 ordinary shares of £1 each	5,000	5,000
	<u>5,000</u>	<u>5,000</u>
Allotted, called up and paid 5,000 ordinary shares of £1 each	5,000	5,000
	<u>5,000</u>	<u>5,000</u>
8 RESERVES	£	£
At 1 January 2003	278,007	533,582
Retained profit/(loss) for the year	220,120	(255,575)
At 31 December 2003	<u>498,127</u>	<u>278,007</u>
9 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS	£	£
Shareholders' fund at 1 January 2003	283,007	538,582
Profit for the year	220,120	229,094
Dividends	-	(484,669)
Shareholders' funds at 31 December 2003	<u>503,127</u>	<u>283,007</u>

10 CASHFLOW STATEMENT

Under Financial Reporting Standard 1, the company is exempt from the requirement to prepare a cashflow statement on the grounds of its size.

11 CAPITAL COMMITMENTS

The company had no capital commitments at 31 December 2003 (2002: £nil).

Sports News Television Management Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2003

12 CONTINGENT LIABILITIES

There were no contingent liabilities at 31 December 2003 (2002: £nil).

13 ULTIMATE CONTROLLING PARTY AND RELATED PARTY TRANSACTIONS

Sports News Television Management Limited is a 50:50 joint venture between Trans World International, Inc. (US) and The Associated Press, Inc. (US).

Balances due from these related parties are shown in note 6 to the financial statements.

14 SPORTS NEWS TELEVISION (Limited Partnership)

The company has a 5% investment in Sports News Television (Limited Partnership) a limited partnership with the same registered office as the company.

A copy of the latest accounts of the partnership is appended to the copy of the company's accounts filed with the Registrar of Companies.

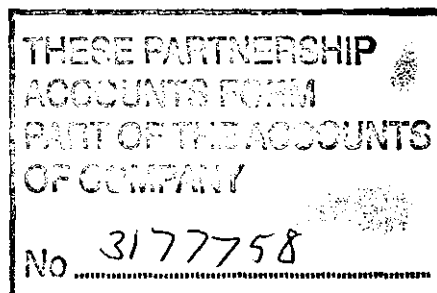
15 POST BALANCE SHEET EVENTS

On 30 September 2004, Forstmann Little & Co., a New York private investment firm, announced they have signed a definitive agreement to acquire the ultimate holding company of Trans World International, Inc. (US), IMG Worldwide, Inc. The transaction closed on 4 November 2004.

**SPORTS NEWS TELEVISION
(LIMITED PARTNERSHIP)**

**PARTNERS REPORT
AND
FINANCIAL STATEMENTS**

31 DECEMBER 2003



Sports News Television (Limited Partnership)

PARTNERS REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2003

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Sports News Television (Limited Partnership)

PARTNERS REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2003

Registered Office: Media House
3 Burlington Lane
London
W4 2TH

Partners: Sports News Television Management Limited ("SNTV Management Limited")
Trans World International (UK) Limited ("TWI")
The Associated Press, A New York Corporation ("APTN")

Bankers: Skandinaviska Enskilda Banken
Scandinavian House
2 Cannon Street
London
EC4M 6XX

Auditors: KPMG LLP
8 Salisbury square
London
EC4Y 8BB

Sports News Television (Limited Partnership)

GENERAL PARTNER'S REPORT

For The Year Ended 31 December 2003

The General Partner presents its annual report and the audited financial statements for the year ended 31 December 2003.

Principal activity

The partnership operates as a television sports news agency for the supply of sports news to broadcasters and other persons, producing on average 43 feeds per week.

Business review

There was a profit for the year, before taxation, of US\$8,792,741 (2002:US\$7,820,966), which has been transferred to partners' capital accounts in accordance with the ratios set out in the partners' capital agreement below.

Partners' capital agreement

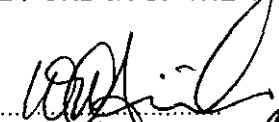
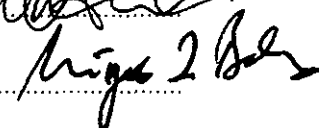
The partners, and their respective interests in the profits and losses of the partnership, at the end of the year, are listed below:

Sports News Television Management Limited (General Partner) (5%)

Trans World International (UK) Limited (Limited Partner) (47.5%)

The Associated Press, A New York Corporation (Limited Partner) (47.5%)

BY ORDER OF THE GENERAL PARTNER


.....

.....) Directors of General Partner

16 February 2005

Statement of the General Partner's responsibilities

The partnership agreement requires the General Partner to prepare and have audited financial statements for each financial year which give a true and fair view of the state of affairs of the partnership and of the profit or loss for that period.

In preparing those financial statements the General Partner is required to:

- * select suitable accounting policies and 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 financial statements on the going concern basis unless it is inappropriate to presume that the partnership will continue in business.

The partnership agreements states that the General Partner is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the partnership and to enable it to ensure that the financial statements comply with the partnership agreement. The General Partner has general responsibility for taking such steps as are reasonably open to it to safeguard the assets of the partnership and to prevent and detect fraud and other irregularities. In respect of assets held by the partners such matters are the responsibility of these partners.

**REPORT OF THE INDEPENDENT AUDITORS TO THE PARTNERS
OF SPORTS NEWS TELEVISION (LIMITED PARTNERSHIP)**

We have audited the financial statements on pages 3 to 7.

The report is made solely to the partners as a body, in accordance with the terms of our engagement. Our audit work has been undertaken so that we might state to the partners those matters we are required to state to them in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the partners, as a body, for our audit work, for this report and for the opinions we have formed.

Respective responsibilities of partners and auditors

The General Partner is responsible for preparing the General Partners' Report and, as described on page 1, the financial statements in accordance with the stated accounting policies and the Limited Partnership Agreement dated 18 June 1996 and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by our engagement letter dated 30 January 2002, 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 stated accounting policies and the Limited Partnership Agreement dated 18 June 1996. We also report to you if, in our opinion, the General Partner's Report is not consistent with the financial statements, if the partnership 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 the Limited Partnership Agreement regarding partners' remuneration and transactions with the partnership 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 General Partner in the preparation of the financial statements, and of whether the accounting policies are appropriate to the partnership'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 partnership's affairs as at 31 December 2003 and of its profit for the year then ended and have been properly prepared on the basis of the accounting policies set out in note 1 to the accounts and in accordance with the Limited Partnership Agreement dated 18 June 1996.

KPMG LLP

KPMG LLP
Chartered Accountants

28 February 2005

Sports News Television (Limited Partnership)

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2003

	<u>Note</u>	Year ended 31 December 2003 US\$	Year ended 31 December 2002 US\$
TURNOVER	(1)	14,538,095	14,329,943
Cost of sales		<u>(3,132,800)</u>	<u>(3,786,441)</u>
GROSS PROFIT		11,405,295	10,543,502
Administrative expenses		<u>(2,612,554)</u>	<u>(2,722,829)</u>
OPERATING PROFIT	(3)	8,792,741	7,820,673
Other interest receivable and similar income	(4)	-	293
PROFIT FOR THE YEAR		<u>8,792,741</u>	<u>7,820,966</u>
Appropriations to partners		<u>(9,987,322)</u>	<u>(8,475,103)</u>
RETAINED LOSS FOR THE YEAR		<u>(1,194,581)</u>	<u>(654,137)</u>

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 DECEMBER 2003**

The partnership had no recognised gains or losses during the year other than those reflected in the above profit and loss account.

**NOTE OF HISTORICAL COST PROFITS AND LOSSES
FOR THE YEAR ENDED 31 DECEMBER 2003**

There is no difference between the reported profit for the year and the profit that would be reported under the historical cost convention.

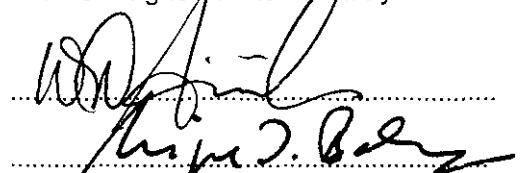

The accompanying accounting policies and notes form an integral part of these financial statements.

Sports News Television (Limited Partnership)

BALANCE SHEET AT 31 DECEMBER 2003

	<u>Note</u>	<u>31.12.03</u> US\$	<u>31.12.03</u> US\$	<u>31.12.02</u> US\$	<u>31.12.02</u> US\$
FIXED ASSETS:					
Tangible assets	(5)		85,934		49,567
CURRENT ASSETS:					
Debtors	(6)	2,151,491		3,450,608	
Cash at bank and in hand		<u>350,890</u>		<u>475,208</u>	
TOTAL CURRENT ASSETS			2,502,381		3,925,816
Creditors:					
Amounts falling due within one year	(7)		<u>(1,556,305)</u>		<u>(1,748,792)</u>
NET CURRENT ASSETS			946,076		2,177,024
TOTAL ASSETS LESS CURRENT LIABILITIES AND NET ASSETS			<u>1,032,010</u>		<u>2,226,591</u>
PROFIT AND LOSS ACCOUNT					
Opening balance	(8)	2,226,591		2,880,728	
Current year		<u>(1,194,581)</u>		<u>(654,137)</u>	
			<u>1,032,010</u>		<u>2,226,591</u>
			<u>1,032,010</u>		<u>2,226,591</u>
PARTNERS CAPITAL ACCOUNTS					
SNTV Management Limited	(9)	822,674		438,967	
The Associated Press		104,668		893,812	
Trans World International (UK) Limited		104,668		893,812	
			<u>1,032,010</u>		<u>2,226,591</u>

These financial statements were approved by the General Partner on 15 February 2005 and were signed on its behalf by:


)
)
) Directors of the General Partner
)


The accompanying accounting policies and notes form an integral part of these financial statements.

Sports News Television (Limited Partnership)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2003

1 PRINCIPAL ACCOUNTING POLICIES

The financial statements have been prepared under the historic cost convention in accordance with applicable accounting standards. The financial statements have been prepared in US dollars, since this is the functional currency of the partnership. The functional currency of an entity is determined by the currency of its primary economic environment. Since the partnership undertakes the majority of its transactions in US dollars, and was funded in US dollars, the currency of its economic environment is deemed to be US dollars.

TURNOVER

Turnover represents amounts invoiced by the partnership, excluding value added tax, for services provided to external customers.

FOREIGN CURRENCIES

Transactions in foreign currencies are translated at the rate of exchange ruling on the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date.

FIXED ASSETS

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Furniture and office equipment	- 33.3%
Production equipment	- 33.3%
Computer Equipment	- 33.3%
Hosting Hardware	- 50%

PRODUCTION COSTS

Production costs are charged to the profit and loss account as incurred.

TAXATION

Under current UK tax legislation, the profits of the Limited Partnership are taxable on the individual partners. No tax charge is made in the profit and loss account of the Limited Partnership.

POST-RETIREMENT BENEFITS

The partnership operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the partnership in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

2 PARTICULARS OF EMPLOYEES

The average number of persons employed by the partnership during the period was 23 (2002:23)

The aggregate payroll cost of these employees was as follows:

	<u>2003</u>	<u>2002</u>
	US\$	US\$
Wages and salaries	1,561,025	1,560,103
Social security costs	198,971	171,967
Other pension costs	56,428	58,220
	<u>1,816,424</u>	<u>1,790,290</u>

3 OPERATING PROFIT

Operating profit is stated after charging:

	<u>2003</u>	<u>2002</u>
	US\$	US\$
Depreciation	45,979	37,636
Auditors remuneration	<u>12,000</u>	<u>12,000</u>

Sports News Television (Limited Partnership)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2003

4 OTHER INTEREST RECEIVABLE AND SIMILAR INCOME

	<u>2003</u>	<u>2002</u>
	<u>US\$</u>	<u>US\$</u>
Bank interest	-	293

5 TANGIBLE FIXED ASSETS

	Production Equipment US\$	Hosting Hardware US\$	Computer Equipment US\$	Fixtures & Fittings US\$	Total US\$
Cost					
At 1 January 2003	63,339	66,090	-	-	129,429
Additions	-	8,547	23,542	50,257	82,346
At 31 December 2003	<u>63,339</u>	<u>74,637</u>	<u>23,542</u>	<u>50,257</u>	<u>211,775</u>
Depreciation					
At 1 January 2003	63,339	16,523	-	-	79,862
Charge for the year	-	37,319	3,634	5,026	45,979
At 31 December 2003	<u>63,339</u>	<u>53,842</u>	<u>3,634</u>	<u>5,026</u>	<u>125,841</u>
Net book value					
At 31 December 2003	-	20,795	19,908	45,231	85,934
At 31 December 2002	-	49,567	-	-	49,567

6 DEBTORS

	<u>2003</u>	<u>2002</u>
	<u>US\$</u>	<u>US\$</u>
Trade debtors	1,889,017	2,827,222
Amounts due from related parties	17,312	34,663
Deferred expenses	116,649	195,300
Accrued revenue	54,678	319,558
VAT receivable /recoverable foreign taxes	73,835	73,865
	<u>2,151,491</u>	<u>3,450,608</u>

7 CREDITORS

	<u>2003</u>	<u>2002</u>
	<u>US\$</u>	<u>US\$</u>
Trade creditors	1,439,795	1,556,950
Other taxes and social security	27,374	25,031
Accruals and deferred income	89,136	165,651
Amounts due to related parties	-	1,160
	<u>1,556,305</u>	<u>1,748,792</u>

8 RESERVES

	<u>2003</u>	<u>2002</u>
	<u>US\$</u>	<u>US\$</u>
At 1 January 2003	2,226,591	2,880,728
Profit for the year	8,792,741	7,820,966
Partners' drawings	(9,987,322)	(8,475,103)
At 31 December 2003	<u>1,032,010</u>	<u>2,226,591</u>

Sports News Television (Limited Partnership)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2003

9 RECONCILIATION OF MOVEMENTS IN PARTNERS CAPITAL ACCOUNTS

	The Associated Press US\$	Trans World International (UK) Ltd. US\$	Sports News Television Management Ltd. US\$	Total US\$
At 1 January 2003	893,812	893,812	438,967	2,226,591
Profit for the year	4,176,552	4,176,552	439,637	8,792,741
Partners' drawings	<u>(4,965,696)</u>	<u>(4,965,696)</u>	<u>(55,930)</u>	<u>(9,987,322)</u>
At 31 December 2003	<u>104,668</u>	<u>104,668</u>	<u>822,674</u>	<u>1,032,010</u>

10 PENSION SCHEME

The partnership operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the partnership to the scheme and amounted to \$56,428 (2002: \$58,220).

There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

11 CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

The partnership had no capital commitments or contingent liabilities at 31 December 2003 (2002: \$ nil).

12 ULTIMATE CONTROLLING PARTY AND RELATED PARTY TRANSACTIONS

Sports News Television (Limited Partnership) is a limited partnership. The partners, and their respective interests in the profits and losses of the partnership are set out in the General Partner's report on page 1.

Details of the partners capital accounts are set out in note 9. Balances due from and due to related parties are given in notes 6 and 7 respectively.

During the year, the partnership purchased services from two of its partners at arms length, APTN and TWI to the value of \$2,019,249 (2002: \$2,781,386). At December 31 2003, the outstanding balance payable to its partners was \$nil (2002: \$1,030). During the year the partnership sold subscriptions totalling \$100,537 (2002: \$199,163) to its partners. At December 31 2003, the outstanding balance receivable from its partners was \$17,312 (2002: \$34,663).

13 POST BALANCE SHEET EVENTS

On 30 September 2004, Forstmann Little & Co., a New York private investment firm, announced they have signed a definitive agreement to acquire the ultimate holding company of Trans World International (UK) Limited IMG Worldwide, Inc. The transaction closed on 4 November 2004.