

KEYRAD LIMITED
DIRECTORS' REPORT AND ACCOUNTS
FOR THE YEAR ENDED
31 DECEMBER 2000



KEYRAD LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2000

Company Number 3266902

Directors Samantha Leak
 Frank Robinson
 Caversham Management Limited

Secretary Marylebone Management Services Limited

Registered Office 5 Marylebone Mews
 London W1G 8PX

KEYRAD LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2000

The Directors of the Company, present their report to the members together with the Financial Statements for the year ended 31 December 2000.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the Company is investment holding. The Company has a 100% owned subsidiary in Sweden called Satellitbildgruppen Norrort AB.

RESULTS AND DIVIDENDS

The financial position of the Company at 31 December 2000 and the profit for the year ended on that date are set out in the annexed accounts. A dividend of GBP41,203 has been paid in respect of financial year.

DIRECTORS

The Directors of the Company during the year, who did not have any beneficial interest in the issued share capital, were:

	Date Appointed	Date Resigned
Nicholas Bell	23 October 1996	1 September 2000
Raymond Gibson	12 November 1996	1 September 2000
Robert Boerenbeker	12 November 1996	1 September 2000
Samantha Leak	1 September 2000	
Frank Robinson	1 September 2000	
Caversham Management Limited	1 September 2000	

SECRETARY

Marylebone Management Services Limited 1 September 2000

DIRECTORS' RESPONSIBILITIES FOR THE PREPARATION OF THE FINANCIAL STATEMENTS

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 year. 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

KEYRAD LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2000 (CONTINUED)

DIRECTORS' RESPONSIBILITIES FOR THE PREPARATION OF THE FINANCIAL STATEMENTS (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 to 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.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

THIS REPORT WAS APPROVED ON BEHALF OF THE BOARD



Samantha Leak
DIRECTOR

KEYRAD LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED
31 DECEMBER 2000

	Note	2000 GBP	1999 GBP
EXPENSES			
Administration expenses		5,266	4,502
Directors' fees		600	-
Exchange losses		2,027	6,065
		-----	-----
		(7,893)	(10,567)
Income from shares in group undertakings		38,108	301,210
Bank interest received		427	428
Interest payable and similar charges		(20)	(73)
		-----	-----
		30,622	290,998
Taxation credit/(charge)	2	12,194	(15,000)
		-----	-----
Profit for the year after taxation		42,816	275,998
Dividends paid and proposed		(41,203)	(258,880)
		-----	-----
		1,613	17,118
Profit/(loss) brought forward		5,759	(11,359)
		-----	-----
Profit carried forward		7,372	5,759
		=====	=====

There were no other recognised gains and losses apart from those shown in the Profit and Loss Account, above.

None of the company's activities were discontinued during the above financial period.

The notes on pages 6 and 7 form part of these financial statements.

KEYRAD LIMITED
BALANCE SHEET
AS AT 31 DECEMBER 2000

	Notes	2000 GBP	1999 GBP
Fixed Assets			
Investments	3	24,724	24,724
Current Assets			
Debtors		1,897	1,971
Cash in bank		27,585	36,584
		<u>29,482</u>	<u>38,555</u>
Creditors: amounts falling due within one year			
Accrued expenses		19,212	15,490
Loan	4	24,814	27,028
Taxation	2	2,806	15,000
		<u>46,832</u>	<u>57,518</u>
Net current liabilities		(16,350)	(18,953)
		<u>7,374</u>	<u>5,761</u>
		=====	=====
SHAREHOLDERS FUNDS			
Called up share capital	5	2	2
Profit and loss account		7,372	5,759
		<u>7,374</u>	<u>5,761</u>
		=====	=====

In preparing these financial statements:

- (a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The directors acknowledge their responsibilities for:
 - (i) Ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - (ii) Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective March 2000).


Samantha Leak
DIRECTOR

15 OCTOBER 2001
DATE

KEYRAD LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2000

1. ACCOUNTING POLICIES

Accounting Convention

The Financial Statements have been prepared under the historical cost convention, in accordance with the Financial Reporting Standard for Smaller Entities effective March 2000.

Consolidated Accounts

In accordance with the provisions of Financial Reporting Standard No 2, the Company has not prepared consolidated financial statements, as it qualifies as a small group.

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.

2. TAXATION

The company is liable for UK corporation tax at the small companies rate of 20% (1999: 30.25%) less relief for the underlying Swedish tax on dividends received from its Swedish subsidiary. As a result, no UK tax is payable for this year, and an over provision last year has been written back to Profit and Loss Account.

3. INVESTMENTS

The Company has a 100% owned subsidiary called Satellitbildgruppen Norrort AB which is registered in Sweden. The company's shares are unquoted.

	2000 GBP	1999 GBP
Investment at cost:		
2,000 Ordinary shares of SEK 100 each	24,724 =====	24,724 =====

In the opinion of the Directors, the value of the investment at the balance sheet date was not less than cost.

The following information was extracted from the audited accounts of the subsidiary as at 31 December 2000. The aggregate of the capital and reserves of the subsidiary was SEK 752,249, equivalent to GBP53,370 (1999: SEK 915,380, equivalent to GBP 66,482). Its profit for the year was SEK 276,869, equivalent to GBP 19,643 (1999: SEK 555,863, equivalent to GBP 40,371).

4. LOAN

	2000 GBP	1999 GBP
Loans from Wells Way Limited	24,814 =====	27,028 =====

The loan is interest free, unsecured and with no fixed date of repayment.

KEYRAD LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2000 (Continued)

5. CALLED UP SHARE CAPITAL

	2000 and 1999 GBP
Authorised: 1,000 Ordinary shares of £1 each	1,000 =====
Allotted, issued and fully paid: 2 Ordinary shares of £1 each	2 =====

6. RELATED PARTY TRANSACTIONS

The Company is controlled by its Directors. The Company is ultimately controlled by Premier Life (Bermuda) Limited.

The Company has a loan from Wells Way (Limited) (see note 4), a company also controlled by Premier Life (Bermuda) Limited. The loan was unchanged during the year.

During the period, the Company incurred fees and expenses of GBP 5,866 with the Caversham group of companies, in which Samantha Leak and Frank Robinson are directors. There were no other material transactions with any related party.

7. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2000 GBP	1999 GBP
Opening shareholders' funds	5,761	(11,357)
Total recognised profits for the year	42,816	275,998
Dividends paid	(41,203)	(258,880)
At 31 December	7,374 =====	5,761 =====

8. APPROVAL OF FINANCIAL STATEMENTS

The Financial Statements were approved by the Board on 15 October 2001