ZETTERS COMPETITIONS LIMITED

REPORT AND ACCOUNTS

31 MARCH 2001

Company No: 810796

ZETTERS COMPETITIONS LIMITED

COMPANY INFORMATION

Directors	A S Wollenberg (resigned 16 August 2001) H Israel D Amin
Secretary	D Amin
Company number	810796
Registered office	Saffron House, 67-74 Saffron Hill London EC1P 1ZS
Auditors	BDO Stoy Hayward 8 Baker Street London W1U 3LL

ZETTERS COMPETITIONS LIMITED

YEAR ENDED 31 MARCH 2001

Contents

ZETTERS COMPETITIONS LIMITED

REPORT OF THE DIRECTORS

The Directors present herewith their annual report together with the audited accounts of the Company for the year ended 31 March 2001.

Principal Activity and Review of the Business
The Company did not trade during the year.

Details of assets and liabilities are shown in the accompanying balance sheet and notes.

The directors recommend that, at the present time, no dividend be paid for the year under review.

Future Developments
The Company intends to remain non-trading for the foreseeable future.

Directors and their Interests
The Directors of the Company at the Balance Sheet date who were Directors for the whole of the year ended on that date, except where stated, and their interests in shares of the Company are shown below: -

	Ordinary Shares held at	
	31 March 2001	1 April 2000
A. Wollenberg (resigned 16 August 2001)	-	-
H. Israel	-	-
D. Amin	-	-

D. Amin has an interest in 1,000 ordinary shares of 5p each in Zetters Group Plc, the ultimate parent company. The remaining directors' interests in the shares of Zetters Group Plc are shown in the accounts of that company.

Directors' Responsibilities
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;
- follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts;
- 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 maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the accounts comply with the Companies Act. 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.

Auditors
In accordance with the Companies Act 1985, a resolution re-appointing BDO Stoy Hayward as auditors will be presented at the annual general meeting.

By Order Of The Board

D. Amin
Secretary
16 October 2001

INDEPENDENT AUDITORS REPORT TO THE SHAREHOLDERS OF ZETTERS COMPETITIONS LIMITED

We have audited the financial statements of Zetters Competitions Limited for the period ended 31 March 2001 on pages 3 to 5. 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 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 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 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 March 2001 and of its results for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

BDO Stoy Hayward

BDO Stoy Hayward
Chartered Accountants
Registered Auditors
8 Baker Street
London
W1U 3LL

16 October 2001

ZETTERS COMPETITIONS LIMITED

BALANCE SHEET

31 MARCH 2001

	Notes	**2001**	2000
		£	£
Current Assets			
Debtors	2	***12,239***	*12,239*
Net Assets		**£12,239**	£12,239
Capital And Reserves			
Called-up Share Capital	4	**8,100**	8,100
Capital Reserve	5	**895**	895
Profit and Loss Account	5	**3,244**	3,244
Equity Shareholders' Funds		**£12,239**	£12,239

Approved by the Board on
16 October 2001

H. Israel
Director

ZETTERS COMPETITIONS LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2001

1. Accounting Policies

Basis of Accounting

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards. No cash flow statement has been included, as a consolidated cash flow statement is included in the accounts of the ultimate parent company.

Deferred Taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

2. Debtors

	2001	2000
	£	£
Amounts owed by parent undertaking	**12,239**	12,239

3. Share Capital

	2001	2000
	£	£
Authorised -		
8,100 Ordinary Shares of £1 each	**8,100**	8,100
Allotted, Called-up and Fully Paid -		
8,100 Ordinary Shares of £1 each	**8,100**	8,100

4. Statement of Movements On Reserves

	Other reserves	**Profit and loss account**
	£	£
Balance at 31 March 2000 and at 31 March 2001	**895**	**3,244**

5. Contingent Liabilities

A legal right of set-off is in force covering the bank accounts of the companies within the group.

6. Employees

There were no employees during the year apart from the directors.

7. Parent Company

The Company's immediate parent company is Zetters International Pools Limited, incorporated in England.

The Company's ultimate parent company is Zetters Group plc, incorporated in England. Copies of the accounts of Zetters Group plc can be obtained from Saffron House, 67-74 Saffron Hill, London, EC1P 1ZS.

8. Related Party Transactions

Advantage has been taken of the exemption under FRS 8 from disclosing transactions with entities that are part of the group.