

Copperteam Limited

Directors' Report and Accounts for the 11 month period ended 31 March 1998

Registered No. 02680409



COPPERTEAM LIMITED

Directors' Report and Accounts For the 11 month period ended 31 March 1998

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COPPERTeam LIMITED

Report of the Directors

The directors present their report and their audited Accounts for the 11 month period to 31 March 1998.

Results and dividend

The loss for the period amounted to £8,000 (1997 profit:£4,000). The directors recommend that no dividend be paid for the period ended 31 March 1998 (1997:£Nil) and that the loss for the period be transferred from reserves.

Activities and review

The company's principal activity during the period was that of media consultancy. On 7 August 1997, 61,624 ordinary shares of £1 each, in the immediate parent undertaking Telephone International Media Holdings Limited, were purchased by Scottish Power plc. On 18 May 1998, Scottish Power plc purchased from David Redmile the remaining 44,626 ordinary shares of £1 each in that company, thereby acquiring 100% of that company's issued share capital.

The company has net liabilities of £31,000 as at 31 March 1998. The directors consider that sufficient funding will be made available to the company by its parent company to continue operations and to meet liabilities as they fall due for the foreseeable future.

Directors and their interests

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

Neil Haddow	(appointed 2 March 1998)	David Redmile	(resigned 7 August 1997)
Roderick Matthews	(appointed 7 August 1997)	Phyllis Redmile	(resigned 7 August 1997)
Gregory McLean	(appointed 7 August 1997, resigned 2 March 1998)		
Angus MacSween	(appointed 7 August 1997)		

None of the directors who held office at the end of the financial period had any disclosable interests in the shares of the company. The interests of the directors in the shares of Scottish Power plc at the beginning of the period, or date of appointment if later, and end of the period were as follows:

	Ordinary Shares		Share Options					
			Executive Share Option Scheme		Sharesave Scheme		* Long Term Incentive Plan	
	31.3.98	30.4.97	31.3.98	30.4.97	31.3.98	30.4.97	31.3.98	30.4.97
Neil Haddow (appointed 2.3.1998)	2,595	2,595	-	-	3,412	3,412	9,062	9,062
Roderick Matthews (appointed 7.8.1997)	381	381	-	53,640	6,300	6,300	28,753	28,753
Angus MacSween (appointed 7.8.1997)	3,740	3,740	-	-	3,705	3,705	-	-

* These shares represent, in each case, the maximum number of shares which the directors may receive, dependent on the satisfaction of certain performance criteria as approved by the shareholders of Scottish Power plc in connection with the Long Term Incentive Plan.

COPPERTeam LIMITED

Directors' responsibilities

The directors are required by UK company law to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company as at the end of the financial period and of the profit or loss of the company for that period.

The directors confirm that suitable accounting policies have been used and applied consistently and that reasonable and prudent judgments and estimates have been made in the preparation of the financial statements for the period ended 31 March 1998. The directors also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

The directors are responsible for maintaining proper accounting records, and sufficient internal controls to safeguard the assets of the company and to prevent and detect fraud or any other irregularities.

Year 2000 policy statement

A Year 2000 strategy has been established for the ScottishPower group of which Copperteam Limited is a member. Details are contained in the Operating and Financial Review within the 1997/98 Annual Report and Accounts of Scottish Power plc.

Auditors

A resolution to reappoint the auditors, Coopers & Lybrand, will be proposed at the Annual General Meeting.

By order of the Board



D Macleod

Secretary
22 July 1998

COPPERTEAM LIMITED

Accounting Policies

Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards in the UK and, with the requirements of the Companies Act 1985.

Statement of cash flows

The company is exempt from including a statement of cash flows in its accounts as it is a wholly owned subsidiary of a company incorporated in the UK, which has included a consolidated statement of cash flows in its consolidated accounts.

Turnover

Turnover, which excludes Value Added Tax, represents the value of goods and services supplied to customers during the year.

Tangible fixed assets

Tangible fixed assets are stated at cost and are depreciated on the straight line method over their estimated operational lives. Depreciation is, in general, first charged in the year following that in which the expenditure was incurred. The main depreciation periods used by the company are as set out below:

	Years
Furniture & Fittings	4 years

Taxation

The credit for ordinary taxation is based on the losses for the year and takes into account taxation deferred, using the liability method, in respect of timing differences to the extent that it is probable that a liability will crystallise in the foreseeable future. Such timing differences arise primarily from the differing treatment for taxation and accounting purposes of provisions and depreciation of fixed assets.

Pensions

The company operates a pension scheme for selected employees. Contributions are charged to the profit and loss account as they arise.

COPPERTTEAM LIMITED

Profit and Loss Account

for the 11 month period to 31 March 1998

	Notes	11 months to 31 March 1998 £'000	12 months to 30 April 1997 £'000
Turnover from continuing operations	1	-	138
Cost of sales		-	-
Gross profit from continuing operations		-	138
Administrative expenses		(11)	(131)
(Loss) / profit on ordinary activities before taxation	2	(11)	7
Taxation	4	3	(3)
(Loss) / profit for the financial period		(8)	4

A statement of total recognised gains and losses and a reconciliation to historical cost profits and losses are not shown as all gains and losses for 1997 and 1998 are recognised in the profit and loss account under the historical cost convention.

The accounting policies on page 4, together with the notes on pages 7 to 9, form part of these accounts.

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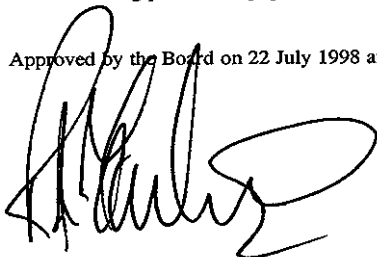
Balance Sheet

as at 31 March 1998

	Notes	31 March 1998 £'000	30 April 1997 £'000
Fixed assets			
Tangible assets	5	-	1
Current assets			
Debtors	6	4	15
Cash at bank and in hand		-	8
		4	23
Creditors: amounts falling due within one year			
Other creditors	7	(35)	(47)
Net current liabilities		(31)	(24)
Net liabilities		(31)	(23)
Called up share capital	8	-	-
Profit and loss account	9	(31)	(23)
Equity shareholders' deficit	9	(31)	(23)

The accounting policies on page 4, together with the notes on pages 7 to 9, form part of these accounts.

Approved by the Board on 22 July 1998 and signed on its behalf by



Roderick Matthews
Director

COPPERTEAM LIMITED

Notes to the Accounts

1 Turnover

Turnover represented the invoiced amounts of goods sold and services provided.

2 Operating (loss) / profit

Operating (loss) / profit is stated after charging:-

	11 months to 31 March 1998 £'000	12 months to 30 April 1997 £'000
Depreciation	1	-
Auditors' remuneration for audit	1	1

3 Employee information

(a) Employee costs

	11 months to 31 March 1998 £'000	12 months to 30 April 1997 £'000
Wages and salaries	-	80
Social security costs	-	9
Pension costs	3	7
Total employee costs	3	96

(b) Employee numbers

The period end and average numbers of employees (full time and part time) employed by the company, were :

	As at		Average	
	31 March 1998	30 April 1997	31 March 1998	30 April 1997
Administration	-	2	-	2

4 Taxation

	11 months to 31 March 1998 £'000	12 months to 30 April 1997 £'000
UK Corporation Tax (credit) / charge at 31% (1997 : 24%)	(3)	3

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Notes to the Accounts

5 Tangible fixed assets

	Furniture & Fittings £'000	Total £'000
Cost :		
At 1 May 1997 and 31 March 1998	2	2
Depreciation :		
At 1 May 1997	1	1
Charge for the period	1	1
At 31 March 1998	2	2
Net book value :		
At 31 March 1998	-	-
At 30 April 1997	1	1

6 Debtors

	31 March 1998 £'000	30 April 1997 £'000
Amounts falling due within one year :		
Trade debtors	3	7
Corporation tax recoverable	1	1
Other debtors	-	7
	4	15

7 Other creditors

	31 March 1998 £'000	30 April 1997 £'000
Amounts falling due within one year		
Corporation tax	-	3
Other taxes and social security	-	9
Other creditors	33	21
Accrued expenses	2	14
	35	47

COPPERTEAM LIMITED

Notes to the Accounts

8 Share capital

	31 March 1998 £	30 April 1997 £
Authorised : 2,000 Ordinary shares of 50p each	1,000	1,000
Allotted, called up and fully paid : 4 Ordinary shares of 50p each	2	2

9 Reconciliation of movements in shareholders' funds

	Profit and loss account £'000	Total 1998 £'000
Balance at 1 May 1997	(23)	(23)
Retained loss for the period	(8)	(8)
Balance at 31 March 1998	(31)	(31)
	Profit and loss account £'000	Total 1997 £'000
Balance at 1 May 1997	(27)	(27)
Retained profit for the year	4	4
Balance at 30 April 1997	(23)	(23)

10 Directors' emoluments

Total emoluments

The following table details the total emoluments paid to directors in office during the period ended 31 March 1998.

	11 months to 31 March 1998 £'000	12 months to 30 April 1997 £'000
Executive directors		
Salaries	-	88
Pension contributions	3	7
	3	95

11 Ultimate parent company

Coperteam Limited is a wholly owned subsidiary of Telephone International Media Holdings Limited. The ultimate parent undertaking is Scottish Power plc. The immediate parent company is registered in England and the ultimate parent company is registered in Scotland.

Copies of the ultimate parent company's consolidated accounts may be obtained from The Secretary, Scottish Power plc, 1 Atlantic Quay, Glasgow G2 8SP.

COPPERTeam LIMITED

Report of the Auditors

to the members of Copperteam Limited

We have audited the financial statements on pages 4 to 9.

Respective responsibilities of directors and auditors

As described on page 3, the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion to you.

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 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 affairs of the company at 31 March 1998 and of its loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

Coopers & Lybrand

Coopers & Lybrand
Chartered Accountants and Registered Auditors
Glasgow

22 July 1998