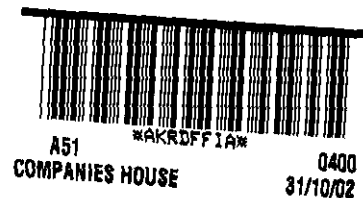


CATALIS GROUP LIMITED
FINANCIAL STATEMENTS
FOR
31 DECEMBER 2001



Company Registration Number 3351659

CATALIS GROUP LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2001

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CATALIS GROUP LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	C Chapman W J C Doui
Company secretary	S Moulton
Registered office	Kingston House Oaklands Business Park Arstrong Way Yate BS37 5NA
Auditors	PKF Pannell House 6 -7 Litfield Place Clifton Bristol BS8 3LX
Bankers	Barclays Bank Plc 27 Milsom Street Bath BA1 2DW

CATALIS GROUP LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2001

The directors present their report and the financial statements of the company for the year ended 31 December 2001.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year continued to be that of an investment company.

RESULTS AND DIVIDENDS

The trading results for the year, and the company's financial position at the end of the year are shown in the attached financial statements.

The directors have recommended the following dividends:

	Year to 31 December 2001 £	Period from 1 April 2000 to 31 December 2000 £
Proposed dividends on preference shares	35,000	26,250
	<u>35,000</u>	<u>26,250</u>

THE DIRECTORS AND THEIR INTERESTS IN SHARES OF THE COMPANY

The directors who served the company during the year together with their beneficial interests in the shares of the company were as follows:

	At 31 December 2001	At 1 January 2001
C Chapman	-	-
W J C Douie	-	-
P W McWeeney	-	-

The company is a wholly owned subsidiary and the interests of the group directors are disclosed in the financial statements of the parent company.

P W McWeeney resigned as a director on 1 April 2002.

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 at the end of the year and of the profit or loss for the year then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements. The directors must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

CATALIS GROUP LIMITED

THE DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2001

DIRECTORS' RESPONSIBILITIES *(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. The directors 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. The directors are responsible for ensuring that the directors report is prepared in accordance with company law in the United Kingdom.

AUDITORS

A resolution to re-appoint PKF as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:
Kingston House
Oaklands Business Park
Arstrong Way
Yate
BS37 5NA

Signed on behalf of the directors



W J C Douie
Director

Approved by the directors on 30 October 2002

CATALIS GROUP LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS

YEAR ENDED 31 DECEMBER 2001

We have audited the financial statements of Catalis Group Limited for the year ended 31 December 2001, which comprise the Profit and Loss account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

The directors' responsibilities for the preparation of 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.

It is our responsibility 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 December 2001 and of the loss of the company for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

31 March 2002

PKF

Registered Auditors

CATALIS GROUP LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 DECEMBER 2001

	Note	Year to 31 Dec 01 £	Period from 1 Apr 00 to 31 Dec 00 £
TURNOVER	2	73,332	59,994
Administrative expenses		<u>2,009</u>	<u>5,893</u>
OPERATING PROFIT	3	71,323	54,101
Interest receivable		672	3,109
Interest payable	5	<u>(84,147)</u>	<u>(182,972)</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(12,152)	(125,762)
Tax on loss on ordinary activities		-	-
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION		(12,152)	(125,762)
Dividends (including non-equity)	6	<u>(35,000)</u>	<u>(26,250)</u>
LOSS FOR THE FINANCIAL YEAR		<u>(47,152)</u>	<u>(152,012)</u>

The company has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the company are classed as continuing.

The notes on pages 7 to 12 form part of these financial statements.

CATALIS GROUP LIMITED

BALANCE SHEET

31 DECEMBER 2001

	Note	2001 £	2000 £
FIXED ASSETS			
Investments	7	3,402,177	3,402,177
CURRENT ASSETS			
Debtors	8	16,308	11,933
Cash at bank		<u>13,254</u>	<u>41,235</u>
		29,562	53,168
CREDITORS: Amounts falling due within one year	9	<u>(2,474,247)</u>	<u>(2,174,981)</u>
NET CURRENT LIABILITIES		<u>(2,444,685)</u>	<u>(2,121,813)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		957,492	1,280,364
CREDITORS: Amounts falling due after more than one year	10	<u>(621,400)</u>	<u>(932,120)</u>
		<u>336,092</u>	<u>348,244</u>
CAPITAL AND RESERVES			
Called-up share capital	11	505,894	505,894
Share premium account		299,164	299,164
Profit and Loss Account	12	<u>(468,966)</u>	<u>(456,814)</u>
SHAREHOLDERS' FUNDS (including non-equity interests)			
	13	<u>336,092</u>	<u>348,244</u>

These financial statements were approved by the directors on the 30 OCTOBER 2002, and are signed on their behalf by:


C Chapman
Director

The notes on pages 7 to 12 form part of these financial statements.

CATALIS GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2001

1. ACCOUNTING POLICIES

Basis of accounting

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

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 228 of the Companies Act 1985. The financial statements therefore present information about the company as an individual undertaking and not about its group.

The principal accounting policies of the company have remained unchanged from the previous year and are set out below.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year.

Investments

Investments are included at cost. Profits or losses arising from the disposal of fixed asset investments are treated as part of the result from ordinary activities.

2. TURNOVER

The turnover and loss before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below:

	Year to 31 Dec 01 £	Period from 1 Apr 00 to 31 Dec 00 £
United Kingdom	<u>73,332</u>	<u>59,994</u>

3. OPERATING PROFIT

Operating profit is stated after charging:

	Year to 31 Dec 01 £	Period from 1 Apr 00 to 31 Dec 00 £
Auditors' remuneration		
- as auditors	-	2,555
Interest payable to group undertakings	<u>-</u>	<u>2,695</u>

CATALIS GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2001

4. PARTICULARS OF EMPLOYEES

No salaries or wages have been paid to employees, including the directors, during the year.

5. INTEREST PAYABLE

	Year to 31 Dec 01 £	Period from 1 Apr 00 to 31 Dec 00 £
Interest payable on bank borrowing	84,147	182,972
	<u>84,147</u>	<u>182,972</u>

6. DIVIDEND APPROPRIATION :

Cumulative preference dividends not yet declared:

	Year to 31 Dec 01 £	Period from 1 Apr 00 to 31 Dec 00 £
Non Equity Accrued in respect of 7% cumulative redeemable Preference shares of £1 each	35,000	26,250
	<u>35,000</u>	<u>26,250</u>

7. INVESTMENTS

Acquisition of subsidiary undertakings

COST

At 1 January 2001 and 31 December 2001

£

3,402,177

NET BOOK VALUE

At 31 December 2001

3,402,177

At 31 December 2000

3,402,177

CATALIS GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2001

7. INVESTMENTS (cont)

At 31 December 2001, the company directly or indirectly held more than 20% of the equity share capital of the following undertakings:

	Country of Registration	Class of share capital held	Proportion Held	Nature of Business
CRT Training Limited	Great Britain	Ordinary	100%	Dormant
RTAS Training Limited	Great Britain	Ordinary	100%	Dormant
Advicepart Limited	Great Britain	Ordinary	100%	Dormant
Catalis Plc	Great Britain	Ordinary	50%	Dormant

The shareholdings of Advicepart and Catalis Plc are held by CRT Training Limited.

8. DEBTORS

	2001 £	2000 £
Other debtors	16,250	11,875
Called up share capital not paid	58	58
	<u>16,308</u>	<u>11,933</u>

9. CREDITORS: Amounts falling due within one year

	2001 £	2000 £
Bank loans and overdrafts	310,720	310,720
Amounts owed to group undertakings	2,153,846	1,204,610
Other taxes and social security	-	(4,375)
Other creditors	5,681	632,026
Accruals and deferred income	4,000	32,000
	<u>2,474,247</u>	<u>2,174,981</u>

10. CREDITORS: Amounts falling due after more than one year

	2001 £	2000 £
Bank loans and overdrafts	621,400	932,120
	<u>621,000</u>	<u>932,120</u>

CATALIS GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2001

10. CREDITORS: Amounts falling due after more than one year (cont)

Bank and other loans	2001	2000
	£	£
Within 1 year	310,720	310,720
After 1 and within 2 years	310,720	310,720
After 2 and within 5 years	310,680	621,400
	<u>932,120</u>	<u>1,242,840</u>

Bank loans are secured by fixed and floating charges over the assets and undertakings of the company and of its subsidiaries

11. SHARE CAPITAL

Authorised share capital:

	2001	2000
	£	£
500,000 Cumulative Redeemable Preference shares of £1.00 each	500,000.00	500,000.00
990 A ordinary shares of £10.00 each	9,900.00	9,900.00
10,000 B Ordinary shares of £0.01 each	100.00	100.00
	<u>510,000.00</u>	<u>510,000.00</u>

Allotted and called up:

	2001		2000	
	No.	£	No.	£
Cumulative Redeemable Preference shares	500,000.00	500,000.00	500,000.00	500,000.00
A ordinary shares	580.00	5,800.00	580.00	5,800.00
B Ordinary shares	9,400.00	94.00	9,400.00	94.00
	<u>509,980.00</u>	<u>505,894.00</u>	<u>509,980.00</u>	<u>505,894.00</u>

The amounts of paid-up share capital for the following category of shares differed from the called-up share capital stated above due to unpaid calls and were as follows:

	2001	2000
	£	£
A ordinary shares	<u>5,742</u>	<u>5,742</u>

CATALIS GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2001

PREFERENCE SHARES

The Preference dividend at a rate of 7% shall accrue from day to day and, if declared, be paid on 1 December in each year. Any preference dividend payable at a later date shall include any arrears and a further sum of interest on such arrears from the date they should have been paid if declared.

Preference shareholders have first call a winding up in respect of any arrears of preference dividend and related interest and the return of paid up capital. A holder of preference shares is entitled to notice and to attend and speak at all general meetings of the company but shall not be entitled to vote.

Preference shares shall be redeemed in full at par on 4 December 2007. There may also be whole or partial exemption at the discretion of the company provided that conditions in 4(h) of the Articles of Association are met.

'A' AND 'B' ORDINARY SHARES

'A' and 'B' ordinary shares rank pari passu in all respects.

12. PROFIT AND LOSS ACCOUNT

	Year to 31 Dec 01 £	Period from 1 Apr 00 to 31 Dec 00 £
Balance brought forward	(456,814)	(331,052)
Retained loss for the financial year	(47,152)	(152,012)
Preference dividends not yet declared	35,000	26,250
Balance carried forward	<u>(468,966)</u>	<u>(456,814)</u>

13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

EQUITY SHAREHOLDERS' FUNDS

	2001 £	2000 £
Loss for the financial year	(12,152)	(125,762)
Dividends	(35,000)	(26,250)
	<u>(47,152)</u>	<u>(152,012)</u>
Opening shareholders' equity funds	(257,979)	(105,967)
Closing shareholders' equity funds	<u>(305,131)</u>	<u>(257,979)</u>

NON-EQUITY SHAREHOLDERS' FUNDS

Opening shareholders' non-equity funds	606,223	579,973
Preference dividends not yet declared	<u>35,000</u>	<u>26,250</u>
TOTAL SHAREHOLDERS' FUNDS	<u>641,222</u>	<u>606,223</u>

CATALIS GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2001

14. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemptions available in Financial Reporting Standard No.8 (Related Party Disclosures) and has not disclosed transactions with either the parent company, or other wholly owned subsidiary undertakings of the parent company.

15. CONTINGENT LIABILITY

The company has entered into a guarantee and charge over its bank deposit in favour of the bank in respect of bank borrowings of its subsidiary, Catalis Rail Training Limited, which amounted to £nil at 31 December 2001 (2000 £nil).

16. ULTIMATE PARENT UNDERTAKING

The directors consider the company's ultimate parent undertaking to be ATA Group Plc, a company registered in England and Wales, and which is the largest group into which the results of the company are consolidated. The consolidated financial statements are available from ATA Group Plc, Kingston House, Oaklands Business Park, Armstrong Way, Yate, BS37 5NA.