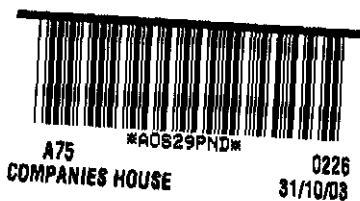


CATALIS GROUP LIMITED
FINANCIAL STATEMENTS
FOR
31 DECEMBER 2002

Company Registration Number 3351659



CATALIS GROUP LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2002

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CATALIS GROUP LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	C Chapman W J C Douie
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	Bank Of Scotland 14-16 Cockspur Street London SW1Y 5BL

CATALIS GROUP LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2002

The directors present their report and the financial statements of the company for the year ended 31 December 2002.

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:

	2002	2001
	£	£
Proposed dividends on preference shares	<u>35,000</u>	<u>35,000</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 2002	At 1 January 2002
C Chapman	-	-
W J C Douie	-	-
P McWeeney	<u>-</u>	<u>-</u>

None of the directors had any direct shareholding in the company at any time during the period. The company is a wholly owned subsidiary of the ATA Group Plc. The interests of the group directors in the share capital of the parent company are disclosed in the financial statements of that company.

P McWeeney resigned as a director on 2 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, as described on page 7, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. 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 2002

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 21 October 2003

CATALIS GROUP LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

YEAR ENDED 31 DECEMBER 2002

We have audited the financial statements of Catalis Group Limited for the year ended 31 December 2002 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.

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 auditors 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 for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing 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 consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

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 affairs of the Company as at 31 December 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

31.08.2003

PKF

Registered Auditors

CATALIS GROUP LIMITED
PROFIT AND LOSS ACCOUNT
YEAR ENDED 31 DECEMBER 2002

	Note	2002 £	2001 £
TURNOVER	2	-	73,332
Administrative expenses		(16,209)	2,009
OPERATING PROFIT		16,209	71,323
Interest receivable		644	672
Interest payable	4	-	(84,147)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		16,853	(12,152)
Tax on profit/(loss) on ordinary activities	5	(3,244)	-
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		13,609	(12,152)
Dividends (including non-equity)	6	35,000	35,000
LOSS FOR THE FINANCIAL YEAR		(21,391)	(47,152)

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 page 5 form part of these financial statements.

CATALIS GROUP LIMITED

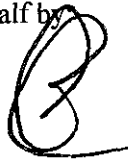
BALANCE SHEET

31 DECEMBER 2002

	Note	2002 £	2001 £
FIXED ASSETS			
Investments	7	3,402,177	3,402,177
CURRENT ASSETS			
Debtors	8	4,533	16,308
Cash at bank		8,713	13,254
		<u>13,246</u>	<u>29,562</u>
CREDITORS: Amounts falling due within one year	9	<u>(3,065,722)</u>	<u>(2,474,247)</u>
NET CURRENT LIABILITIES		<u>(3,052,476)</u>	<u>(2,444,685)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>349,701</u>	<u>957,492</u>
CREDITORS: Amounts falling due after more than one year	10	<u>-</u>	<u>(621,400)</u>
		<u>349,701</u>	<u>336,092</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	(455,357)	(468,966)
SHAREHOLDER'S FUNDS (including non-equity interests)	13	<u>349,701</u>	<u>336,092</u>

These financial statements were approved by the directors on the 21 October 2003, and are signed on their behalf by

C Chapman
Director



The notes on page 6 form part of these financial statements.

CATALIS GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2002

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.

Cash Flow Statement

The directors have taken advantage of the exemption in Financial Reporting Standard No.1 (Revised) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent company publishes a consolidated cash flow statement.

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 profit before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below:

	2002	2001
	£	£
United Kingdom	-	73,332
	<u> </u>	<u> </u>

3. PARTICULARS OF EMPLOYEES

No salaries or wages have been paid to employees, including the directors, during the year. The directors of the company who are also directors of the parent company, do not receive any emoluments from Catalis Group Limited. Full details of their emoluments and benefits are disclosed in the financial statements of the parent company, ATA Group Plc.

4. INTEREST PAYABLE

	2002	2001
	£	£
Interest payable on bank borrowing	-	84,147
	<u> </u>	<u> </u>
	-	84,147
	<u> </u>	<u> </u>

CATALIS GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2002

5. TAX ON PROFIT OR LOSS ON ORDINARY ACTIVITIES

	2002	2001
	£	£
Analysis of charge in the period:-		
Current Tax		
UK Corporation tax on profit on ordinary activities	<u>3,244</u>	<u>-</u>
Factors affecting the tax charge for the period:		
The tax assessed for the year is higher than the standard rate of corporation tax in the UK (30%). The differences are explained below:-		
	£'000	£'000
Profit on ordinary activities before tax	<u>16,853</u>	<u>(12,152)</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30%	5,056	(3,646)
Group relief	-	3,646
Marginal relief	<u>(1,812)</u>	<u>-</u>
Current tax charge for year	<u>3,244</u>	<u>0</u>

6. DIVIDEND APPROPRIATION :

Cumulative preference dividends not yet declared:

	2002	2001
	£	£
Non Equity		
Accrued in respect of 7% cumulative redeemable	35,000	26,250
Preference shares of £1 each		
	<u>35,000</u>	<u>26,250</u>

CATALIS GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2002

7. INVESTMENTS

Acquisition of subsidiary undertakings

	£
COST	
At 1 January 2002 and 31 December 2002	<u>3,402,177</u>
NET BOOK VALUE	
At 31 December 2002	<u>3,402,177</u>
At 31 December 2001	<u>3,402,177</u>

At 31 December 2002 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

	2002 £	2001 £
Other debtors	4,475	16,250
Called up share capital not paid	58	58
	<u>4,533</u>	<u>16,308</u>

9. CREDITORS: Amounts falling due within one year

	2002 £	2001 £
Bank loans and overdrafts	-	310,720
Amounts owed to group undertakings	3,062,478	2,153,846
Corporation Tax	3,244	-
Other creditors	-	5,681
Accruals and deferred income	-	4,000
	<u>3,065,722</u>	<u>2,474,247</u>

CATALIS GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2002

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

	2002 £	2001 £
Bank loans and overdrafts	-	<u>621,400</u>

The bank loan is repayable as follows:

	2001 £	2000 £
Within 1 year	-	310,720
After 1 and within 2 years	-	310,720
After 2 and within 5 years	-	310,680
	<u>-</u>	<u>932,120</u>

11. SHARE CAPITAL

Authorised share capital:

	2002 £	2001 £
500,000 Cumulative Redeemable Preference shares of £1.00 each	500,000	500,000
990 A ordinary shares of £10.00 each	9,900	9,900
10,000 B Ordinary shares of £0.01 each	100	100
	<u>510,000</u>	<u>510,000</u>

Allotted and called up:

	2002		2001	
	No.	£	No.	£
Cumulative Redeemable Preference shares	500,000	500,000	500,000	500,000
A ordinary shares	580	5,800	580	5,800
B Ordinary shares	9,400	94	9,400	94
	<u>509,980</u>	<u>505,894</u>	<u>509,980</u>	<u>505,894</u>

11. SHARE CAPITAL (continued)

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:

	2002 £	2001 £
A ordinary shares	<u>5,742</u>	<u>5,742</u>

CATALIS GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2002

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

	2002 £	2001 £
Balance brought forward	(468,966)	(456,814)
Retained loss for the financial year	(21,391)	(47,152)
Preference dividends not yet declared	35,000	35,000
Balance carried forward	<u>(455,357)</u>	<u>(468,966)</u>

13. RECONCILIATION OF MOVEMENTS IN SHAREHOLDER'S FUNDS

EQUITY SHAREHOLDER'S FUNDS

	2002 £	2001 £
Profit/(Loss) for the financial year	13,609	(12,152)
Dividends	(35,000)	(35,000)
	<u>(21,391)</u>	<u>(47,152)</u>
Opening shareholder's equity funds	(305,131)	(257,979)
Closing shareholder's equity funds	<u>(326,522)</u>	<u>(305,131)</u>

NON-EQUITY SHAREHOLDER'S FUNDS

Opening and closing shareholder's non-equity funds	641,223	606,223
Preference dividends not yet declared	35,000	35,000
Closing non equity shareholder's funds	<u>676,223</u>	<u>641,223</u>

CATALIS GROUP LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2002

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. ULTIMATE PARENT UNDERTAKING

The directors consider the company's ultimate parent undertaking to be ATA Group Plc, a company registered in England and Wales, the largest and smallest 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.