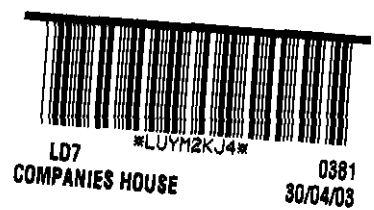


Trojan Three Limited

REPORT AND FINANCIAL STATEMENTS

period ended 30 September 2002



Company Registration No. 4246028

Trojan Three Limited

DIRECTORS AND OFFICERS

DIRECTORS

M Miller
J Cokell
EJN Cook
MJ Haxby

COMPANY SECRETARY

SEA Standing

REGISTERED OFFICE

Sanctuary House
45-53 Sinclair Road
London W14 0NS

AUDITORS

Baker Tilly
Chartered Accountants
2 Bloomsbury Street
London WC1B 3ST

Trojan Three Limited

DIRECTORS' REPORT

The directors present their report together with the audited financial statements for the period ended 30 September 2002.

PRINCIPAL ACTIVITIES, REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

The company operates as the holding company for the Trojan group of companies.

INCORPORATION

The company was incorporated on 4 July 2001.

RESULTS AND DIVIDENDS

The profit for the period before taxation amounted to £nil.

The directors do not recommend the payment of a dividend.

DIRECTORS

The following directors have held office during the year:

J Cokell	(appointed 22 August 2001)
EJN Cook	(appointed 22 August 2001)
MJ Haxby	(appointed 5 September 2001)
MD Miller	(appointed 3 August 2001)
MT Cass	(appointed 3 August 2001; resigned 22 August 2001))
DMCS Directors Limited	(appointed 4 July 2001; resigned 3 August 2001)
Colin M Newman	(appointed 4 July 2001; resigned 3 August 2001)

DIRECTORS' INTERESTS IN SHARES

There were no contracts of significance existing during the period or at the period-end in which a director of the company was materially interested.

Messrs Cokell, Haxby and Miller were officers of the ultimate parent company, The Sanctuary Group plc. Their interests in the shares and options in that company are disclosed in its statutory accounts.

The shareholdings of the other directors in The Sanctuary Group plc are as follows:

	Ordinary shares of 12.5p each 30.09.02
EJN Cook	916,318
HH Davies	830,516

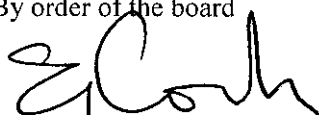
Trojan Three Limited

DIRECTORS' REPORT

AUDITORS

A resolution to reappoint Baker Tilly, Chartered Accountants, as auditors will be put to the members at the annual general meeting.

By order of the board

A handwritten signature in black ink, appearing to read 'E.J.N. Cook', written over the printed name.

EJN Cook
Director

20th January 2003

Trojan Three Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF 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 period. In preparing those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 requirements of 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TROJAN THREE LIMITED

We have audited the financial statements on pages 6 to 10.

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 as a body, for our audit work, for this report, or for the opinion we have formed.

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 on page 4.

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 and other members of the group is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report. 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.

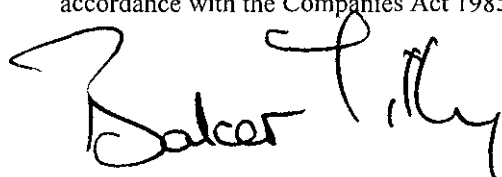
Basis of opinion

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 affairs of the company at 30 September 2002 and of the company's result for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



BAKER TILLY
Registered Auditor
Chartered Accountants
2 Bloomsbury Street
London WC1B 3ST

20th January 2003

Trojan Three Limited
PROFIT AND LOSS ACCOUNT
for the period ended 30 September 2002

	Notes	Fifteen Month Period to 30 September 2002 £
Administrative expenses		-
Other operating income		-
OPERATING PROFIT	1	<hr/> -
Interest payable and similar charges		-
Taxation		-
RETAINED PROFIT FOR THE YEAR		<hr/> <hr/> -

The operating profit for the year arises from the company's continuing operations.

No separate statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the profit and loss account.

Trojan Three Limited

BALANCE SHEET

30 September 2002

	<i>Notes</i>	2002 £
FIXED ASSETS		
Investments	2	10,000
TOTAL ASSETS		<u>10,000</u>
CAPITAL AND RESERVES		
Called up share capital	3	10,000
Profit and loss account	4	-
EQUITY SHAREHOLDERS' FUNDS	5	<u>10,000</u>

Approved by the board on 20th January 2003
and signed on its behalf



EJN Cook Director

Trojan Three Limited

ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements have been prepared on the historical cost basis of accounting, and in accordance with applicable Accounting Standards in the United Kingdom applied on a consistent basis.

GOING CONCERN

The company relies on the continued support of its ultimate parent company, The Sanctuary Group plc. The directors continue to adopt the going concern concept in preparing the financial statements.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with section 228 of the Companies Act 1985, consolidated financial statements are not prepared as the company is a wholly owned subsidiary undertaking of the ultimate parent company, The Sanctuary Group plc, which is incorporated in Great Britain.

FOREIGN EXCHANGE DIFFERENCES

Assets and liabilities denominated in foreign currencies are translated at the rate 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 the profit and loss account.

CASHFLOW STATEMENT

The company is a wholly owned subsidiary of the immediate parent company The Sanctuary Group plc, and is included in the consolidated financial statements of The Sanctuary Group plc. Consequently, the company has taken advantage of the exemption from preparing a cashflow statement under the terms of Financial Reporting Standard 1 (revised 1996).

Trojan Three Limited

NOTES TO THE FINANCIAL STATEMENTS

for the period ended 30 September 2002

1 PROFIT ON ORDINARY ACTIVITIES

Auditors' remuneration was borne by another group company.

2 INVESTMENTS

	Cost £	Provision £	Net Book Value £
Additions and 30 September 2002	10,000	-	10,000

The company's investment in Trojan Recordings Limited is carried at the original cost less provision for diminution in value.

	Percentage of ordinary share capital held at 30 September 2002	Country of incorporation and principal country in which company operates
Trojan Recordings Limited	100%	Great Britain

All group companies incorporated in Great Britain are registered in England and Wales. All group companies operate in the entertainment industry.

3	SHARE CAPITAL	2002 £
	Authorised:	
	10,000,000 ordinary shares of 0.1p each	10,000
	Allotted, issued and fully paid:	
	10,000,000 ordinary shares of 0.1p each	10,000

The company was incorporated with a share capital of 10,000,000 ordinary shares of 0.1p each.

4	PROFIT AND LOSS ACCOUNT	2002 £
	Retained profit for the period	-
	30 September 2002	-

5	RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS	2002 £
	Profit for the financial year	-
	Shares allotted in period	10,000
	Closing shareholders' funds	10,000

Trojan Three Limited

NOTES TO THE FINANCIAL STATEMENTS

for the period ended 30 September 2002

6 RELATED PARTY TRANSACTIONS

The company is a wholly owned subsidiary of the ultimate parent company, The Sanctuary Group plc, and is included in the consolidated financial statements of The Sanctuary Group plc, which are publicly available. The company has chosen to take advantage of the exemption in Financial Reporting Standard ('FRS') No. 8 which allows the financial statements of the subsidiary undertakings, 90% or more of whose voting rights are controlled within the group, not to disclose details of transactions that are part of the group.

There were no transactions with the ultimate parent company, The Sanctuary Group plc, or any other related party which are required to be disclosed under Financial Reporting Standard No.8.

7 ULTIMATE PARENT COMPANY

The ultimate and immediate parent company and largest and smallest group to consolidate these financial statements is The Sanctuary Group plc, incorporated in the United Kingdom.

Copies of the group financial statements of The Sanctuary Group plc are available from Companies House, Crown Way, Maindy, Cardiff CF4 3UZ.