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Metmix Limited
Financial statements
Year Ended 30 April 2001

Registration number 2492463

Rawi & Co.
chartered accountants
128 Ebury Street
London
SW1W 9QQ



Metmix Limited

Report and accounts

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Metmix Limited

General Information

DIRECTOR

MR H AL-NAKEEB

SECRETARY

MR ANTONIO VENUTI

REGISTERED OFFICE

158-160 CROMWELL ROAD
LONDON SW5 OTL

AUDITORS

RAWI & CO
CHARTERED ACCOUNTANTS
REGISTERED AUDITORS
128 EBURY STREET
LONDON SW1W 9QQ

BANKERS

NATIONAL WESTMINSTER BANK PLC
PO BOX 420
88 CROMWELL ROAD
LONDON SW7 4EW

SOLICITORS

SPRECHER GRIER
LINCOLN HOUSE
300 HIGH HOLBORN
LONDON WC1V 7JH

Metmix Limited

Director's Report

The director presents his report and financial statements for the year ended 30 April 2001.

Statement of Director's Responsibilities

Company law requires the director 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 for that period. In preparing those accounts, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for maintaining 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 accounts comply with the Companies Act 1985. He is 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.

Principal activities

The company's principal activity during the year continued to be that of hoteliers.

Director and Director's interests

Mr H Al-Nakeeb was the only director who served the company throughout the year under review and held two shares of the company at the beginning and end of the year.

Auditors

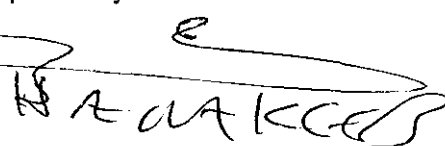
A resolution to reappoint Rawi & Co. as auditors will be put to the members at the Annual General Meeting.

Small company special provisions

The report of the director has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the board on ...2.5.02.....

H Al-Nakeeb
Director



Metmix Limited

Independent auditors' report to the shareholders of Metmix Limited

We have audited the accounts of Metmix Limited for the year ended 30 April 2001 which comprise pages 4 to 9. These accounts have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described in the director's report, the company's director is responsible for the preparation of the accounts in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the accounts 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 Director's Report is not consistent with the accounts, 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 Director's Report and consider the implications for our report if we become aware of any apparent misstatements within it.

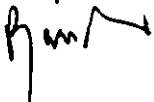
Basis of opinion

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 accounts. It also includes an assessment of the significant estimates and judgements made by the director in the preparation of the accounts, 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 accounts 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 accounts.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 April 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Rawi & Co.

Chartered Accountants
Registered Auditors

128 Ebury Street, London SW1W 9QQ

Date: 7.5.02.....

Metmix Limited

Profit and Loss Account for the year ended 30 April 2001

	Notes	2001 £	2000 £
Turnover	2	2,039,286	2,325,025
Cost of sales		(1,032,260)	(1,345,093)
Gross profit		<u>1,007,026</u>	<u>979,932</u>
Administrative expenses		(1,018,819)	(880,877)
Other operating income		118,022	91,687
Operating profit	3	<u>106,229</u>	<u>190,742</u>
Interest receivable		5,790	38,628
Interest payable		(33)	(40)
Profit on ordinary activities before taxation		<u>111,986</u>	<u>229,330</u>
Taxation on profit on ordinary activities	4	(9,867)	(62,445)
Profit on ordinary activities after taxation		<u>102,119</u>	<u>166,885</u>
Dividends:	5		
ordinary dividend on equity shares		(900,000)	-
Retained (loss)/profit for the year	11	<u>(797,881)</u>	<u>166,885</u>

Continuing operations

None of the company's activities were acquired or discontinued during the above two financial years.

Statement of total recognised gains and losses

The company has no recognised gains or losses other than the profit for the above two financial years.

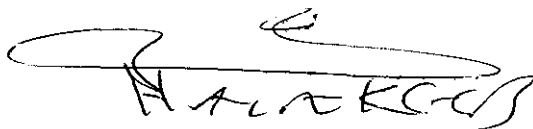
Metmix Limited

Balance Sheet as at 30 April 2001

	Notes	2001 £	2000 £
Fixed assets			
Intangible fixed assets	6	36,125	40,139
Tangible assets	7	<u>715,804</u>	<u>739,359</u>
		751,929	779,498
Current assets			
Stocks		8,937	9,826
Debtors	8	1,357,826	659,313
Cash at bank and in hand		<u>33,426</u>	<u>476,872</u>
		1,400,189	1,146,011
Creditors: amounts falling due within one year	9	<u>(2,072,601)</u>	<u>(1,048,111)</u>
Net current (liabilities)/assets		(672,412)	97,900
Total assets less current liabilities		<u>79,517</u>	<u>877,398</u>
Capital and reserves			
Called up share capital	10	100	100
Profit and loss account	11	79,417	877,298
Equity Shareholders' Funds	12	<u>79,517</u>	<u>877,398</u>

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

H Al-Nakeeb
Director



Approved by the board on 2.5.02.....

Metmix Limited

Notes to the Financial Statements as at 30 April 2001

1 Accounting policies

Accounting convention

The accounts have been prepared under the historical cost convention and in accordance with The Financial Reporting Standard for Smaller Entities (effective March 2000)

Depreciation

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Freehold buildings	over 50 years
Leasehold land and buildings	over the lease term
Plant and machinery	20% - reducing basis

Stocks

Stock is valued at the lower of cost and net realisable value.

Deferred taxation

Deferred taxation is provided on the liability method on all timing differences which are expected in the foreseeable future, calculated at the rate at which it is estimated that the tax will be payable.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

Leasing and hire purchase commitments

Assets held under finance leases and hire purchase contracts, which are those where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and depreciated over their useful lives.

The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

2 Turnover

Turnover, which is stated net of value added tax, represents amounts invoiced to third parties.

3 Operating profit

2001 2000

This is stated after charging:

Depreciation of owned fixed assets	27,473	30,271
Amortisation of goodwill	4,014	4,013
Auditors' remuneration	9,000	9,000

4 Taxation

2001 2000
£ £

UK corporation tax @ 20 %	26,222	62,445
Overprovision in prior years	(16,355)	-
	<u>9,867</u>	<u>62,445</u>

Metmix Limited

Notes to the Financial Statements as at 30 April 2001

5 Equity dividends	2001	2000
	£	£
Equity dividends on ordinary shares - interim paid	900,000	-
6 Intangible fixed assets	£	
Goodwill:		
Cost		
At 1 May 2000	80,267	80,267
At 30 April 2001	80,267	80,267
Amortisation		
At 1 May 2000	40,128	36,115
Provided during the year	4,014	4,013
At 30 April 2001	44,142	40,128
Net book value		
At 30 April 2001	36,125	40,139

Goodwill is being written off in equal annual instalments over its estimated economic life of 20 years.

7 Tangible fixed assets				
	Land and buildings	Hotel Improvement	Fixtures, Fittings & Equipment	Total
	£	£	£	£
Cost				
At 1 May 2000	263,200	570,765	578,543	1,412,508
Additions	-	-	3,918	3,918
At 30 April 2001	263,200	570,765	582,461	1,416,426
Depreciation				
At 1 May 2000	50,729	110,006	512,414	673,149
Charge for the year	4,248	9,216	14,009	27,473
At 30 April 2001	54,977	119,222	526,423	700,622
Net book value				
At 30 April 2001	208,223	451,543	56,038	715,804
At 30 April 2000	212,471	460,759	66,129	739,359

8 Debtors	2001	2000
	£	£
Trade debtors	997,117	640,946
Other debtors	360,709	18,367
	1,357,826	659,313

Metmix Limited

Notes to the Financial Statements as at 30 April 2001

9 Creditors: amounts falling due within one year	2001 £	2000 £
Trade creditors	332,642	209,073
Corporation Tax	55,170	69,338
Shareholders Loan	772,113	-
Other Taxes and Social Security	77,089	80,645
Other creditors	835,587	689,055
	<u>2,072,601</u>	<u>1,048,111</u>

10 Share capital	2001 £	2000 £
Authorised:		
Ordinary shares of £1 each	<u>100</u>	<u>100</u>
	2001 £	2000 £
Allotted, called up and fully paid:		
Ordinary shares of £1 each	<u>100</u>	<u>100</u>

11 Profit and loss account	2001 £	2000 £
At 1 May	877,298	710,413
Retained (loss)/profit	(797,881)	166,885
	<u>79,417</u>	<u>877,298</u>
At 30 April		

12 Reconciliation of movements in shareholders' funds	2001 £	2000 £
At 1 May	877,398	710,513
Profit for the financial year	102,119	166,885
Dividends	(900,000)	-
	<u>79,517</u>	<u>877,398</u>
At 30 April		

13 Other financial commitments

At the year end the company had annual commitments under non-cancellable operating leases as set out below:

	Land and buildings 2001 £	Land and buildings 2000 £	Other 2001 £	Other 2000 £
Operating leases which expire:				
within one year	-	-	2,871	8,046
within two to five years	-	-	800	766
in over five years	680,000	680,000	-	-
	<u>680,000</u>	<u>680,000</u>	<u>3,671</u>	<u>8,812</u>

Metmix Limited

Notes to the Financial Statements as at 30 April 2001

14 Related parties

- a. The company is controlled by Mr N Al Nakeeb. However, Mr N Al Nakeeb sold his holding on 26 May 2001 to Metmix Holdings Limited, a company registered in the British Virgin Islands. The director regards this to be the ultimate holding company. The company owed £772,113 to Mr N Al Nakeeb as at the 30 April 2001.
- b. During the year, the following Related Party Transactions were conducted with Panorama International Limited, a company related by virtue of having a common director in Mr H Al Nakeeb.

	2001 £	2000 £
Turnover - net of valued added tax	966,169	1,248,450
Rent & Management charges receivable	90,000	65,000
Salaries Charged by Panorama International Limited	210,567	-
Amounts receivable as at 30 April 2001	945,090	296,730