

Registered Number: 3894721

EAKIN MACDONALD & ASSOCIATES LIMITED
REPORT AND ACCOUNTS
31st DECEMBER 2000



FINLEY & PARTNERS
Chartered Accountants
Tubs Hill House
London Road
Sevenoaks, Kent

EAKIN MACDONALD & ASSOCIATES LIMITED

REPORT OF THE DIRECTORS

The directors present their first report and audited accounts for the period ended 31st December 2000.

ACTIVITIES

The principal activity of the company is the provision of money broking services to the hotel and leisure industry.

The company was incorporated on 15th December 1999 and commenced to trade on 1st January 2000.

DIRECTORS AND THEIR INTERESTS

The directors who held office during the period and their beneficial interests in the share capital of the company were as follows:

Ordinary shares of £1 each At 31st December 2000 and since incorporation

Waterlow Nominees	(appointed 15 th December 1999)	
	(resigned 15 th December 1999)	-
K R Eakin	(appointed 15 th December 1999)	1
S C Macdonald	(appointed 15 th December 1999)	1

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare accounts for each financial period which give a true and fair view of the state of affairs of the company and of its result for that period. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates which are reasonable and prudent,
- prepare the accounts 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 accounts comply with 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.

EAKIN MACDONALD & ASSOCIATES LIMITED

REPORT OF THE DIRECTORS

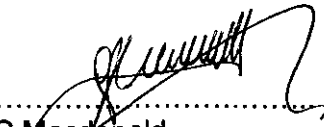
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AUDITORS

Finley & Partners were appointed as auditors during the period since incorporation and a resolution proposing their reappointment will be submitted to the shareholders at the annual general meeting.

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

By order of the Board



.....
S C Macdonald
Secretary

29th June 2001

**REPORT OF THE AUDITORS TO THE MEMBERS OF
EAKIN MACDONALD & ASSOCIATES LIMITED**

We have audited the financial statements on pages 4 to 8 which have been prepared in accordance with the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described in the Report of the Directors the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those 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 company's affairs as at 31st December 2000 and of its result for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



FINLEY & PARTNERS
Registered Auditor
Chartered Accountants
Sevenoaks, Kent.

29 June 2001

EAKIN MACDONALD & ASSOCIATES LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE PERIOD 15th DECEMBER 1999 TO 31st DECEMBER 2000

	Note	£
TURNOVER		96,586
Administrative expenses		143,205
OPERATING LOSS	2	(46,619)
Bank interest paid		(4,500)
LOSS FOR THE FINANCIAL PERIOD CARRIED FORWARD		£(51,119)

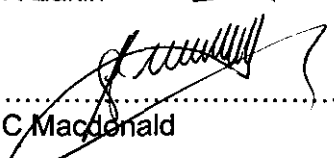
EAKIN MACDONALD & ASSOCIATES LIMITED

BALANCE SHEET

AT 31st DECEMBER 2000

	Notes	£	£
TANGIBLE FIXED ASSETS	3		3,598
CURRENT ASSETS			
Debtors	4	7,102	
CREDITORS: amounts falling due within one year	5	61,817	
NET CURRENT LIABILITIES			(54,715)
TOTAL ASSETS LESS CURRENT LIABILITIES			
			£(51,117)
CAPITAL AND RESERVES			
Called up share capital	6		2
Profit and loss account			(51,119)
Shareholders' funds			£(51,117)

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).


.....)
K R Eakin)
.....) Directors

.....)
S C Macdonald)
Approved by the Board: 29th June 2001

EAKIN MACDONALD & ASSOCIATES LIMITED

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

Basis of accounting

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

Turnover

Turnover comprises the invoice value of services supplied by the company and commissions earned.

Depreciation

Depreciation is provided on all tangible fixed assets at a rate of 25% per annum calculated to write off the cost, less estimated residual value, of each asset over its estimated useful life.

2. OPERATING LOSS

Operating loss, arising on ordinary activities, is stated after charging:

	£
Directors remuneration	72,000
Depreciation	1,199

3. TANGIBLE FIXED ASSETS

	Office Furniture & Equipment
	£
Cost:	
Purchases in the period and balance at 31 st December 2000	4,797
Depreciation:	
Charge for the period and balance at 31 st December 2000	1,199
Net book value at 31 st December 2000	£3,598

EAKIN MACDONALD & ASSOCIATES LIMITED

NOTES TO THE ACCOUNTS

(Continued)

4. DEBTORS

31st December 2000

	£
Trade debtors	6,500
Other debtors	602
	£ 7,102

5. CREDITORS: amounts falling due
within one year

31st December 2000

	£
Bank overdraft (secured)	55,730
Debt due within one year	55,730
Trade creditors	1,986
Other creditors	4,101
	£ 61,817

6. SHARE CAPITAL

31st December 2000

Authorised 10,000 Ordinary shares of £1 each	£ 10,000
Allotted, issued and fully paid 2 Ordinary shares of £1 each	£ 2

EAKIN MACDONALD & ASSOCIATES LIMITED

NOTES TO THE ACCOUNTS

(Continued)

7. OPERATING LEASE COMMITMENT

The company has an annual commitment of £7,260 under a non-cancellable operating lease which expires between 2 to 5 years.

8. RELATED PARTY DISCLOSURES

The company is controlled by the directors.

The directors have provided the company's bankers, Bank of Scotland plc, with security in support of the company's bank facilities.