

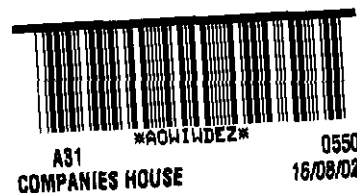
Registered Number: 3894721

EAKIN MACDONALD & ASSOCIATES LIMITED

REPORT AND ACCOUNTS

31st DECEMBER 2001

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



EAKIN MACDONALD & ASSOCIATES LIMITED

REPORT OF THE DIRECTORS

The directors present their report and audited accounts for the year ended 31st December 2001.

ACTIVITIES

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

DIRECTORS AND THEIR INTERESTS

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

**Ordinary shares of £1 each
At 31st December 2001 and 1st January 2001**

K R Eakin	1
S C Macdonald	1

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of its result for that year. 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

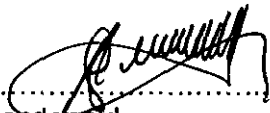
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AUDITORS

A resolution proposing the reappointment of the auditors Finley & Partners, 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

12th August 2002

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF

EAKIN MACDONALD & ASSOCIATES LIMITED

We have audited the financial statements of Eakin Macdonald & Associates Limited for the year ended 31st December 2001 which are set out on pages 4 to 8. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of directors and auditors

As described in the Directors' Report the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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 read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

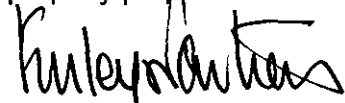
Basis of audit opinion

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 31st December 2001 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



FINLEY & PARTNERS
Registered Auditor
Chartered Accountants
Sevenoaks, Kent.

12 August 2002

EAKIN MACDONALD & ASSOCIATES LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31st DECEMBER 2001**

	Note	2001 £	2000 £
TURNOVER		290,571	96,586
Administrative expenses		162,791	143,205
OPERATING PROFIT/(LOSS)	2	127,780	(46,619)
Bank interest paid		(969)	(4,500)
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		126,811	(51,119)
UK Corporation Tax at 20%		(18,250)	-
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		108,561	(51,119)
Dividends paid		(25,000)	-
Retained profit/(loss) for the year		83,561	(51,119)
Deficit brought forward		(51,119)	-
BALANCE CARRIED FORWARD		£ 32,442	£(51,119)

EAKIN MACDONALD & ASSOCIATES LIMITED

BALANCE SHEET

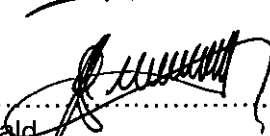
AT 31st DECEMBER 2001

	Notes	2001 £	2000 £
TANGIBLE FIXED ASSETS	3	40,820	3,598
CURRENT ASSETS			
Debtors	4	602	7,102
Cash at bank		18,496	-
		<u>19,098</u>	<u>7,102</u>
CREDITORS: amounts falling due within one year	5	27,474	61,817
		<u>27,474</u>	<u>61,817</u>
NET CURRENT LIABILITIES		(8,376)	(54,715)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£ 32,444</u>	<u>£(51,117)</u>
CAPITAL AND RESERVES			
Called up share capital	6	2	2
Profit and loss account		32,442	(51,119)
		<u>32,444</u>	<u>(51,117)</u>
Shareholders' funds		<u>£ 32,444</u>	<u>£(51,117)</u>

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 June 2002).



 K R Eakin



 S C Macdonald

) Directors

Approved by the Board: 12th August 2002

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 June 2002).

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 rates calculated to write off the cost, less estimated residual value, of each asset over its estimated useful life, as follows:

Motor vehicles	-	over 4 years
Office furniture and equipment	-	25% per annum

2. OPERATING PROFIT/(LOSS)

Operating profit/(loss), arising on ordinary activities, is stated after charging:

	2001 £	2000 £
Directors remuneration	144,000	72,000
Auditors remuneration	3,000	3,000
Depreciation	14,483	1,199

EAKIN MACDONALD & ASSOCIATES LIMITED

NOTES TO THE ACCOUNTS

(Continued)

3. TANGIBLE FIXED ASSETS

	Motor Vehicles	Office Furniture & Equipment	Total
	£	£	£
Cost:			
At 1 st January 2001	-	4,797	4,797
Additions	48,646	3,059	51,705
At 31 st December 2001	48,646	7,856	56,502
Depreciation:			
At 1 st January 2001	-	1,199	1,199
Charge for the year	12,161	2,322	14,483
At 31 st December 2001	12,161	3,521	15,682
Net book value:			
At 31 st December 2001	£ 36,485	£ 4,335	£ 40,820
At 31 st December 2000	£ -	£ 3,598	£ 3,598

4. DEBTORS

	2001 £	2000 £
Trade debtors	-	6,500
Other debtors	602	602
	£ 602	£ 7,102

EAKIN MACDONALD & ASSOCIATES LIMITED

NOTES TO THE ACCOUNTS

(Continued)

5. **CREDITORS:** amounts falling due within one year

	2001 £	2000 £
Bank overdraft (secured)	-	55,730
Debt due within one year	-	55,730
Trade creditors	5,557	1,986
Other creditors	21,917	4,101
	<u>£ 27,474</u>	<u>£ 61,817</u>

6. **SHARE CAPITAL**

	2001	2000
Authorised 10,000 Ordinary shares of £1 each	£ 10,000	£ 10,000
Allotted, issued and fully paid 2 Ordinary shares of £1 each	£ 2	£ 2

7. **OPERATING LEASE COMMITMENT**

The company has an annual commitment of £10,081 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.

The directors have an interest in transactions with Eakin Macdonald (Project Management) Limited, a company controlled by the directors. Management charges were received in the year from Eakin Macdonald (Project Management) Limited in the sum of £81,000.