

Registered Number: 3894721

EAKIN MACDONALD & ASSOCIATES LIMITED

REPORT AND ACCOUNTS

31st DECEMBER 2002

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 2002.

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 2002 and 1st January 2002

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

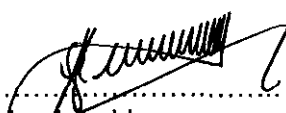
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AUDITORS

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



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S C Macdonald
Secretary

24th July 2003

**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 2002 which comprise the Profit and Loss Account, Balance Sheet, and related notes. These financial statements have been prepared under the historical cost convention and 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 auditor's 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 opinions we have formed.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of 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.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF

EAKIN MACDONALD & ASSOCIATES LIMITED

(Continued)

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 2002 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.

 July 2003

EAKIN MACDONALD & ASSOCIATES LIMITED**PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31st DECEMBER 2002**

	Note	2002 £	2001 £
TURNOVER		433,882	290,571
Administrative expenses		350,853	162,791
OPERATING PROFIT	2	83,029	127,780
Bank interest received		609	-
		83,638	127,780
Bank interest paid		186	969
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		83,452	126,811
Taxation	3	20,891	18,250
PROFIT FOR THE FINANCIAL YEAR		62,561	108,561
Dividends paid		25,000	25,000
Retained profit for the year		37,561	83,561
Balance brought forward		32,442	(51,119)
RETAINED PROFIT CARRIED FORWARD		£ 70,003	£ 32,442

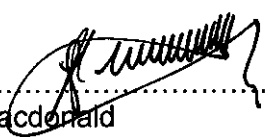
EAKIN MACDONALD & ASSOCIATES LIMITED

BALANCE SHEET

AT 31st DECEMBER 2002

	Notes	2002 £	2001 £
TANGIBLE FIXED ASSETS	4	45,249	40,820
CURRENT ASSETS			
Debtors	5	27,199	602
Cash at bank		28,807	18,496
		<u>56,006</u>	<u>19,098</u>
CREDITORS: amounts falling due within one year	6	31,250	27,474
		<u>31,250</u>	<u>27,474</u>
NET CURRENT ASSETS/(LIABILITIES)		24,756	(8,376)
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£ 70,005</u>	<u>£ 32,444</u>
CAPITAL AND RESERVES			
Called up share capital	7	2	2
Profit and loss account		70,003	32,442
		<u>70,005</u>	<u>32,444</u>
Shareholders' funds		<u>£ 70,005</u>	<u>£ 32,444</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).


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 K R Eakin)
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 S C Macdonald) Directors

Approved by the Board: 24th July 2003

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

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

	2002	2001
	£	£
Directors remuneration	210,000	144,000
Auditors remuneration	3,000	3,000
Depreciation	20,777	14,483

3. TAXATION

	2002	2001
	£	£
UK Corporation Tax at current rates	20,697	18,250
Adjustment in respect of prior years	194	-
	£ 20,891	£ 18,250

EAKIN MACDONALD & ASSOCIATES LIMITED

NOTES TO THE ACCOUNTS

(Continued)

4. TANGIBLE FIXED ASSETS

	Motor Vehicles	Office Furniture & Equipment	Total
	£	£	£
Cost:			
At 1 st January 2002	48,646	7,856	56,502
Additions	21,250	3,956	25,206
At 31 st December 2002	69,896	11,812	81,708
Depreciation:			
At 1 st January 2002	12,161	3,521	15,682
Charge for the year	17,473	3,304	20,777
At 31 st December 2002	29,634	6,825	36,459
Net book value:			
At 31 st December 2002	£ 40,262	£ 4,987	£ 45,249
At 31 st December 2001	£ 36,485	£ 4,335	£ 40,820

5. DEBTORS

	2002 £	2001 £
Trade debtors	6,624	-
Prepayments	20,575	602
	£ 27,199	£ 602

EAKIN MACDONALD & ASSOCIATES LIMITED

NOTES TO THE ACCOUNTS

(Continued)

5. CREDITORS: amounts falling due within one year

	2002	2001
	£	£
Trade creditors	3,443	5,557
Other creditors	27,807	21,917
	£ 31,250	£ 27,474

7. SHARE CAPITAL

	2002	2001
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

8. OPERATING LEASE COMMITMENT

The company has an annual commitment of £10,857 under a non-cancellable operating lease which expires within one year.

9. 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 £34,000.