Moness Properties Limited

Directors' report and financial statements

Registered number 198913 SC

For the period from incorporation on 13 August 1999 to 31 December 2000



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Directors' report

The directors present their annual report and the audited financial statements for the period ended 31 December 2000.

Principal activities

The company holds legal title of land used by other group companies.

Results and dividends

The result for the period after taxation was £nil. The directors do not recommend the payment of a dividend.

The company was incorporated on 13 August 1999.

Directors and directors' interests

The directors who held office during the period were as follows:

R G R Holland (appointed 13 August 1999)

Directors interests in the shares of the company, or any other group company, are disclosed in the financial statements of Paradise Group Limited.

Auditors

In accordance with section 384 of the Companies Act 1985, a resolution for the appointment of KPMG as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the board

R G R Holland
Director

Moness House Hotel & Country Club
Crieff Road
Aberfeldy
Perthshire
PH15 2DY

3/12/2001

Statement of directors' responsibilities

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 for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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 Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

KPMG
Edward VII Quay
Navigation Way
Ashton-on-Ribble
PRESTON
Lancashire PR2 2YF

Report of the auditors to the members of Moness Properties Limited

We have audited the financial statements on pages 4 to 7.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the directors' report and, as described on page 2, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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. 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.

Basis of audit 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 31 December 2000 and of its result for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG

KPMG
Chartered Accountants
Registered Auditors

4/12/ 2001

Profit and loss account

for the period from incorporation on 13 August 1999 to 31 December 2000

During the financial period the company did not trade and received no income and incurred no expenditure. Consequently, it made neither a profit nor a loss.

Statement of total recognised gains and losses

for the period from incorporation on 13 August 1999 to 31 December 2000

The profit and loss account includes the only gains and losses of the company for the current period.

Balance sheet
at 31 December 2000

	Note		**2000** **£**
Fixed assets			
Tangible assets	*2*		**10,000**
Current assets			
Debtors	*3*	**1**	
Creditors: amounts falling due within one year	*4*	**(10,000)**	
Net current liabilities			**(9,999)**
Net assets			**1**
Capital and reserves			
Called up share capital	*5*		1
Shareholders' funds			**1**

These financial statements were approved by the board of directors on 3/12/ 2001 were signed on its behalf by:

R G R Holland
Director

Notes
(forming part of the financial statements)

1 Accounting policies

Basis of preparation

The accounts are prepared under the historical cost convention and in accordance with applicable Accounting Standards.

The company is exempt from the requirement to prepare a cash flow statement on the grounds of its size.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. No depreciation is provided on land.

2 Tangible fixed assets

	Freehold land £
Cost	
At 13 August 1999	-
Additions	10,000
At 31 December 2000	10,000
Depreciation	
At 13 August 1999 and 31 December 2000	-
Net book value	
At 31 December 2000	**10,000**
At 13 August 1999	-

3 Debtors

	2000 £
Amounts owed by group undertakings	1

At 31 December 2000 amounts owed by group undertakings included £1 of unpaid share capital

4 Creditors: amounts falling due within one year

	2000 £
Amounts owed to group undertakings	10,000

Notes *(continued)*

5 Share capital

	Authorised 2000 £	Allotted and called up 2000 £
Ordinary shares of £1 each	100	1

During the period the company allotted one £1 ordinary share for a consideration of £1.

6 Reconciliation of shareholder's funds and movements on reserves

	Share capital £
At 13 August 1999	-
Issued share capital	1
At 31 December 2000	1

7 Related party disclosures

During the period the company entered into transactions with the following group companies:

	Transactions during the period		Balance at 31 December 2000	
	Loans	Issue of share capital	Debtors	Creditors
	£	£	£	£
Moness Group Limited	10,000	-	-	10,000
Paradise Group Limited	-	1	1	-
	10,000	1	1	10,000

8 Ultimate holding company

The ultimate holding company is Paradise Group Limited, a company incorporated in England and Wales.