

FUNGIFT LIMITED

Registered in England number 2115782

Report of the Directors

The directors herewith present their report together with the financial statement for the year ended 31st March, 2002.

Activities

The principal activity of the company is that of holding legal title to property situated at Club Playa Vista, Mijas Costa, Spain. The property is held by the company for the benefit of the holders of timeshare membership certificates who are members of Club Playa Vista, a club formed with the object of securing occupation rights of the property for its members. The legal title to the property was transferred to the company in accordance with a Trust Deed, dated 16th November 1989 which was subsequently replaced by a trust deed dated 5th July 1996, between the Trustee and the founder members of Club Playa Vista. The Trustee at the date of these accounts was First National Trustee Company (UK) Limited.

No income has accrued to the company during the year. All expenditure in relation to the management and maintenance of the company is borne by the management company, C.P.V. Management Services Limited, on behalf of the members of Club Playa Vista.

The general management and administration of Club Playa Vista was delegated to the management company in accordance with the Management Agreement, dated 2nd April 1991, between the founder members and C.P.V. Management Services Limited.

Directors

The directors of the company throughout the year were:-

Paul Frederick Frances Gardner-Bougard (Resigned 4th December 2001)

Philip Michael Broomhead (Resigned 4th December 2001)

Anthony Desmond Seeldrayers (Appointed 4th December 2001)

Secretary

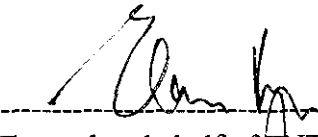
The secretary of the company throughout the year was:-

FNTC (Secretaries) Limited

Auditors

The company is exempt from audit under the provisions of the Companies Act 1985 (Audit Exemption) Regulations 1994.

By order of the Board, 17th June 2002.



For and on behalf of FNTC (Secretaries) Limited
Secretary



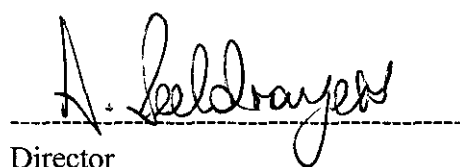
FUNGIFT LIMITED**Balance Sheet as at 31st March, 2002**

| | Note | 2002 £ | 2001 £ |
|-----------------------------|------|-----------|-----------|
| ASSETS | | | |
| Land and Buildings | 2 | - | - |
| Debtors | | 2 | 2 |
| | | ----- | ----- |
| | | £ 2 | £ 2 |
| | | ===== | ===== |
| CAPITAL AND RESERVES | | | |
| Share Capital | 4 | 2 | 2 |
| | | ----- | ----- |
| | | £ 2 | £ 2 |
| | | ===== | ===== |

Notes to the financial statement:

1. Accounting Policies
The financial statement has been prepared under the historical cost convention with the exception of property which is shown at valuation.
2. Fungift Limited holds legal title to property situated at Mijas Costa, Spain. The property was transferred to the company in accordance with the terms of the Trust Deed of Club Playa Vista and the company holds no occupational rights or residual beneficial interest in the property. The property is therefore shown at nil value.
3. The company has not derived income from any activity during the year and any expenses attributable to the company have been met by third parties. No Profit and Loss Account has therefore been prepared. There are no recognized gains or losses.
4. The authorized share capital is £1,000, divided into 1,000 ordinary shares of £1 each, two of which have been issued and fully paid. The issued shares in the company are held by the Trustee, First National Trustee Company UK, on behalf of the members from time to time of Club Playa Vista.
5. There has been no movement in shareholders' funds during the year.
6. **Statements by the directors required under the Companies Act 1985 (Audit Exemption) Regulations 1994**
The company was entitled to the exemption conferred by subsection (1) of section 249A for the year ended 31st March, 2002.
No notice has been deposited under subsection (2) of section 249B in relation to the accounts for the year ended 31st March, 2002.
The directors acknowledge their responsibilities for
(i) ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and
(ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226 and which otherwise comply with the requirements of the Act relating to accounts, so far as applicable to the company.
7. The accounts are prepared in accordance with the special provisions of part VII of the Companies Act 1985 relating to small companies.

Approved on behalf of the Board on 17th June 2002.


Director