

Registered Number 2751214

EFS US Holdings Limited
Annual report
for the year ended 31 December 2003



EFS US Holdings Limited

Annual report for the year ended 31 December 2003

Contents

Directors and advisers for the year ended 31 December 2003	1
Directors' report for the year ended 31 December 2003	2
Independent auditors' report to the members of EFS US Holdings Limited	4
Profit and loss account for the year ended 31 December 2003	5
Balance sheet as at 31 December 2003	6
Accounting policies	7
Notes to the financial statements for the year ended 31 December 2003	8

EFS US Holdings Limited

Directors and advisers for the year ended 31 December 2003

Directors

R J Pollard

E Sebag

J-C Pillois

J Simmonds

J G Murray

Secretary

R J Pollard

Auditors

PricewaterhouseCoopers LLP

Benson House

33 Wellington Street

LEEDS

LS1 4JP

Solicitors

Irwin Mitchell

21 Queen Street

LEEDS

LS1 2TW

Registered Office

Wistons Lane

ELLAND

West Yorkshire

HX5 9DS

EFS US Holdings Limited

Directors' report for the year ended 31 December 2003

The directors present their report and the audited financial statements of the company for the year ended 31 December 2003.

Principal activity

The company acts as an intermediate holding company whose subsidiary undertakings comprise an investment property group in the United States of America.

Review of business and future developments

The profit and loss account for the year is set out on page 5. The directors do not recommend payment of a dividend (2002:£nil). Both the level of business and the year end financial position were satisfactory and the directors expect that the present level of activity will be sustained for the foreseeable future.

Directors

The directors of the company during the year together with the dates of their appointment and resignation, were:

R J Pollard

E Sebag

J-C Pillois

J Simmonds

J G Murray (appointed 28 April 2003)

Directors' interests in the shares of the company

None of the directors at 31 December 2003 have any beneficial interest in the shares of the company or in the shares of any other group undertakings. At 31 December 2003 the company was a wholly owned subsidiary of EOI European and Overseas Investments SARL, a company controlled by Mr J G Murray. Except for this shareholding, no director was interested in any shares of the company or any of its subsidiaries.

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. The directors are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors confirm that the most appropriate accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 December 2003 and that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements 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.

EFS US Holdings Limited

Directors' report for the year ended 31 December 2003 (continued)

Auditors

The company has passed an elective resolution under Section 386 of the Companies Act 1985 (as amended by Section 119 of the Companies Act 1989) to dispense with the formal requirement to reappoint auditors annually.

In the absence of a notice proposing that the appointment be terminated, PricewaterhouseCoopers LLP will remain in office for the next financial year.

By order of the Board



R J Pollard

Director

10 August 2004

EFS US Holdings Limited

Independent auditors' report to the members of EFS US Holdings Limited

We have audited the financial statements which comprise the profit and loss account, the balance sheet, the related notes and the accounting policies set out in the statement of accounting policies.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or in to whose hands it may come save where expressly agreed by our prior consent in writing.

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 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 at 31 December 2003 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


PricewaterhouseCoopers LLP

Chartered Accountants and Registered Auditors

Leeds

12 August 2004

EFS US Holdings Limited

Profit and loss account for the year ended 31 December 2003

	Note	2003 £	2002 £
Administrative expenses		(345,428)	(337,461)
Operating loss and loss on ordinary activities before taxation	2	(345,428)	(337,461)
Tax on profit on ordinary activities	3	200	(131,000)
Loss sustained for the financial year	9	(345,228)	(468,461)

All of the company's activities during the two years shown above relate to continuing operations.

There is no difference between the loss on ordinary activities before taxation and the loss retained for the year stated above and their historical cost equivalents.

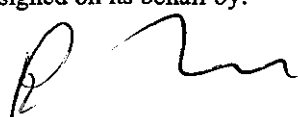
The company has no recognised gains and losses other than those included in the results above and therefore no separate statement of total recognised gains and losses has been presented.

EFS US Holdings Limited

Balance sheet as at 31 December 2003

	Note	2003 £	2002 £
Fixed assets			
Investments	4	21,676,713	22,021,411
Current assets			
Debtors	5	852	852
Creditors: amounts falling due within one year	6	(131,679)	(132,002)
Net current liabilities		(130,827)	(131,150)
Total assets less current liabilities		21,545,886	21,890,261
Creditors: amounts falling due after more than one year	7	(3,497,074)	(3,496,221)
Net assets		18,048,812	18,394,040
Capital and reserves			
Called up share capital	8	220	220
Share premium	9	18,754,279	18,754,279
Profit and loss account	9	(705,687)	(360,459)
Total equity shareholders' funds	10	18,048,812	18,394,040

The financial statements on pages 5 to 12 were approved by the board of directors on 10 August 2004 and were signed on its behalf by:



R J Pollard
Director

EFS US Holdings Limited

Accounting policies

The financial statements have been prepared on a going concern basis, under the historical cost convention, in accordance with the Companies Act 1985 and applicable accounting standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

Investments

Investments in subsidiary undertakings are accounted for at cost. A provision to reduce the carrying value of a subsidiary is made if impairment in the value of the subsidiary occurs. In the opinion of the directors the value of the investment in Nu-Swift US Holdings, Inc. is not less than the amount at which it is stated in the company's balance sheet.

Cash flow statement

The cash flows of the company are included in the consolidated group cash flow statement of EFS Group Limited. Consequently the company is exempt under the terms of Financial Reporting Standard Number 1 (revised) from publishing a cash flow statement.

Currency translation

Amounts denominated in foreign currencies in the balance sheet are translated into sterling at the rates of exchange ruling at the balance sheet date. Gains or losses on foreign exchange arising in the ordinary course of business are dealt with in arriving at operating profit. Profits or losses which arise on currency deposits held as part of treasury activities are recognised within that section of the profit and loss account.

Deferred taxation

Provision is made for deferred taxation on all timing differences at rates at which it is expected that the tax will arise. No deferred tax provision or asset is recognised in respect of tax on capital gains or losses which would arise on a disposal of an investment property owned by the company to the extent that the property is unlikely to be sold and the liability or asset is unlikely to be crystallised in the foreseeable future.

EFS US Holdings Limited

Notes to the financial statements for the year ended 31 December 2003

1 Directors' emoluments and employee information

The directors did not receive emoluments during the year (2002: £Nil).

The company had no employees during the year other than the directors (2002: £Nil).

2 Operating loss

Operating loss is stated after charging:

	2003	2002
	£	£
Exchange losses	344,698	335,505
Auditors' remuneration for audit	879	812

3 Taxation

The (credit)/charge for corporation tax comprises:

	2003	2002
	£	£
United Kingdom corporation tax at 30% (2002: 30%)		
Current	(200)	40,000
Adjustments in respect of previous years	-	91,000
	(200)	131,000

There is no tax charge payable or relief receivable in respect of the company's foreign exchange profits or losses.

The tax for the period is higher (2002: higher) than the standard rate of corporation tax in the UK (30%). The differences are explained below:

	2003	2002
	£	£
Loss on ordinary activities before tax	(345,428)	(337,461)
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2001: 30%)	(103,628)	(101,238)
Permanent differences	103,428	141,238
Adjustments in respect of previous periods	-	91,000
	(200)	131,000

EFS US Holdings Limited

Notes to the financial statements for the year ended 31 December 2003 (continued)

4 Fixed asset investments

	Shares in Nu-Swift US Holdings, Inc. £	Loans £	Total £
Cost			
At 1 January 2003	18,755,841	3,265,570	22,021,411
Exchange loss	-	(344,698)	(344,698)
At 1 January 2003 and 31 December	18,755,841	2,920,872	21,676,713

The company owns the whole of the issued common stock of Nu-Swift US Holdings, Inc., being 100 shares of \$0.01 each. Nu-Swift US Holdings, Inc. is a holding company which is incorporated in the United States of America.

Non-consolidation of subsidiary undertakings

The company is exempt, under Section 230 of the Companies Act 1985, from preparing consolidated financial statements. The company, and its subsidiaries, are included within the consolidated financial statements of EFS Group Limited, the largest and smallest company to prepare consolidated financial statements.

5 Debtors

	2003 £	2002 £
Amounts due from group undertakings	499	499
Amounts receivable for group relief	353	353
	852	852

6 Creditors: amounts falling due within one year

	2003 £	2002 £
Corporation tax payable	130,800	131,000
Other creditors	879	1,002
	131,679	132,002

EFS US Holdings Limited

Notes to the financial statements for the year ended 31 December 2003 (continued)

7 Creditors: amounts falling due after more than one year

	2003	2002
	£	£
Amount owed to parent undertaking	3,497,074	3,496,221

8 Called up share capital

	2003	2002
	£	£
Authorised		
1,000 (2002: 1,000) ordinary shares of £1 each	1,000	1,000
Issued, called up and fully paid		
220 (2002: 220) ordinary shares of £1 each	220	220

9 Share premium and reserves

	Share Premium account	Profit and loss account
	£	£
At 1 January 2003	18,754,279	(360,459)
Loss for the financial year	-	(345,228)
At 31 December 2003	18,754,279	(705,687)

10 Reconciliation of movements in equity shareholders' funds

	2003	2002
	£	£
Loss for the financial year	(345,228)	(468,461)
Opening equity shareholders' funds	18,394,040	18,862,501
Closing equity shareholders' funds	18,048,812	18,394,040

EFS US Holdings Limited

Notes to the financial statements for the year ended 31 December 2003 (continued)

11 Parent undertakings and ultimate controlling party

The immediate parent undertaking is EFS Property Holdings Limited.

EFS Group Limited is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of that company's consolidated financial statements may be obtained from the Secretary, EFS Property Holdings Limited, Wistons Lane, Elland, HX5 9DS.

The directors regard EOI European and Overseas Investments SARL, a company registered in Luxembourg, as the company's ultimate parent undertaking.

The company is ultimately controlled by Mr J G Murray through his controlling interest in EOI European and Overseas Investments SARL.

12 Related party transactions

The company has taken advantage of the exemption available under Financial Reporting Standard 8 "Related Party Disclosures" from disclosing transactions with related parties within the EFS Group Limited group.

EFS US Holdings Limited

Notes to the financial statements for the year ended 31 December 2003 (continued)

13 Group undertakings

EFS US Holdings Limited is the beneficial owner of all the equity share capital in Nu-Swift US Holdings, Inc. The equity share capital of the other companies set out below are held by subsidiary undertakings of EFS US Holdings Limited. In order to avoid particulars of excessive length this statement relates only to the company's principal subsidiary undertakings, all of which are wholly owned unless otherwise stated.

Subsidiary	Activity	Country of registration or incorporation
Nu-Swift US Holdings, Inc.	Sub-holding company	USA+
Princess Holding, Inc.	Property investment	USA+
New York Holding Special Co.	Sub-holding company	USA+
Olympic Galleria Co Inc.	Property investment	USA+
Lombardy 20th Corp	Property investment	USA+
OBR Holdings, Inc.	Sub-holding company	USA+
OBR Limited LP	Property investment	USA+
Arbor Holdings Corp.	Property investment	USA+
South East Equities, Inc.	Property investment	USA+
Florida Boat Slip Corporation	Property investment	USA+
Nevada Holding Special Co.	Sub-holding company	USA+
Gate Properties, Inc.	Property investment	USA+
California Holding Special Co.	Property investment	USA+

+ Audited financial statements not prepared