

COMO HOTELS AND RESORTS LIMITED
DIRECTORS' REPORT AND FINANCIAL
STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2003



Company No. 3332677

COMO HOTELS AND RESORTS LIMITED

FINANCIAL STATEMENTS

Year Ended 31 December 2003

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COMO HOTELS AND RESORTS LIMITED

DIRECTORS' REPORT

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 Activities, Business Review and Future Developments

The principal activity of the company was the provision of investment advice and property management.

Results and Dividends

The trading results for the year, and the company's financial position at the end of the year are shown in the attached financial statements.

The directors have not recommended a dividend.

Directors

The directors who served the company during the year were as follows:

Mr BLK Heng
Mr V Sodhy
Mr R Medal

The directors had no beneficial interest in the issued share capital of the company.

Mr R Medal resigned as a director on 11 April 2004.

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 at the end of the year and of the profit or loss for the year then ended. In preparing those financial statements, the directors are required to:

- select suitable accounting policies, as described on page 7, and then apply them consistently;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

- 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. The directors 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.

COMO HOTELS AND RESORTS LIMITED

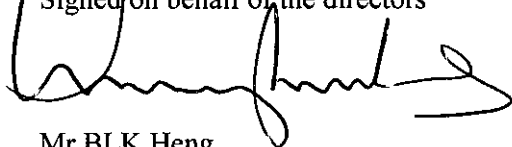
DIRECTORS' REPORT *(continued)*

Year Ended 31 December 2003

Auditors

The company has elected to dispense with the holding of annual general meetings and the annual reappointment of auditors. Accordingly, Baker Tilly continue as auditors.

Signed on behalf of the directors

A handwritten signature in black ink, appearing to be 'Mr BLK Heng', written over a horizontal line.

Mr BLK Heng

Director

Approved by the directors on 30 July 2004

COMO HOTELS AND RESORTS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS

Year Ended 31 December 2003

We have audited the financial statements on pages 5 to 10.

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 auditors' 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 the Directors and Auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom 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.

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 other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

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.

COMO HOTELS AND RESORTS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS *(continued)*

Year Ended 31 December 2003

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.

Baker Tilly

BAKER TILLY

Registered Auditors &
Chartered Accountants
2 Bloomsbury Street
London
WC1B 3ST

15 September 2004
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COMO HOTELS AND RESORTS LIMITED

PROFIT AND LOSS ACCOUNT

Year Ended 31 December 2003

	Note	2003 £	2002 £
Turnover	2	10,000	177,985
Administrative expenses		8,873	31,925
Operating Profit	3	1,127	146,060
Interest payable and similar charges	5	23,172	29,419
(Loss)/Profit on Ordinary Activities Before Taxation		(22,045)	116,641
Tax on (loss)/profit on ordinary activities	6	—	—
(Loss)/Retained Profit for the Financial Year		(22,045)	116,641

All amounts relate to continuing activities.

The company has no recognised gains or losses other than the results for the year as set out above.

The notes on pages 7 to 10 form part of these financial statements.

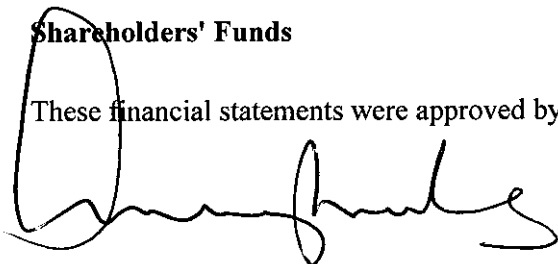
COMO HOTELS AND RESORTS LIMITED

BALANCE SHEET

As at 31 December 2003

	Note	2003 £	£	2002 £	£
Current Assets					
Debtors	7	18,838		21,709	
Cash at bank and in hand		4,511		12,553	
		<u>23,349</u>		<u>34,262</u>	
Creditors: Amounts falling due within one year	8	<u>510,886</u>		<u>499,754</u>	
Net Current Liabilities			(487,537)		(465,492)
Total Assets Less Current Liabilities			<u>(487,537)</u>		<u>(465,492)</u>
Capital and Reserves					
Called-up equity share capital	11		100		100
Profit and loss account	12		(487,637)		(465,592)
Shareholders' Funds	13		<u>(487,537)</u>		<u>(465,492)</u>

These financial statements were approved by the board on the 30 July 2004 and are signed on their behalf by:



Mr BLK Heng
Director

The notes on pages 7 to 10 form part of these financial statements.

COMO HOTELS AND RESORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2003

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its parent publishes a consolidated cash flow statement.

Turnover

Turnover is the total amount receivable by the company for services provided, excluding VAT.

Going concern

The financial statements have been prepared on a going concern basis which assumes the continuing support of the company's fellow group companies and certain other creditors.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

2. Turnover

The turnover was derived from the company's principal activity which was carried out wholly in the UK.

3. Operating profit

Operating profit is stated after charging:

	2003 £	2002 £
Auditors' remuneration		
- as auditors	225	1,379

COMO HOTELS AND RESORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2003

4. Directors and employees

The average number of staff employed by the company during the financial year amounted to:

	2003 No	2002 No
Administration	<u>3</u>	<u>2</u>

The aggregate payroll costs of the above were:

	2003 £	2002 £
Wages and salaries	—	—
Social security costs	<u>210</u>	<u>112</u>
	<u>210</u>	<u>112</u>

The directors received no remuneration during the year.

5. Interest payable and similar charges

	2003 £	2002 £
Interest payable on bank borrowing	<u>1</u>	<u>1</u>
Interest payable on loan from group undertaking	<u>23,171</u>	<u>29,418</u>
	<u>23,172</u>	<u>29,419</u>

6. Tax on (loss)/profit on ordinary activities

Factors affecting current tax charge

	2003 £	2002 £
(Loss)/profit on ordinary activities before taxation	<u>(22,045)</u>	<u>116,641</u>
(Loss)/profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2002: 30%)	<u>(6,614)</u>	<u>34,992</u>
Effects of:		
Claim for group relief on which no payment is made	—	(34,992)
Surrender of group relief for which no payment is received	<u>6,614</u>	<u>—</u>
Total current tax	<u>—</u>	<u>—</u>

COMO HOTELS AND RESORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2003

7. Debtors

	2003	2002
	£	£
Trade debtors	–	2,937
Other debtors	18,803	18,737
Prepayments and accrued income	35	35
	<u>18,838</u>	<u>21,709</u>

All amounts shown under debtors fall due for payment within one year.

8. Creditors: Amounts falling due within one year

	2003	2002
	£	£
Amounts owed to group undertakings	509,811	495,998
Other taxation	–	73
Accruals and deferred income	1,075	3,683
	<u>510,886</u>	<u>499,754</u>

Group undertakings have confirmed that they will not seek repayment of amounts due to them until all indebtedness, other than to group undertakings, has been discharged.

9. Transactions with the directors

During the year the company paid consultancy fees of £8,333 (2002: £29,167) to the Pajares Partnership, a business in which Mr RPCO Medal, a director, has a material interest. The amounts owing at the year end were £Nil (2002: £Nil).

10. Related party transactions

The company has taken advantage of the exemption available in FRS 8 relating to the disclosure of transactions with group companies.

11. Share capital

Authorised share capital:

	2003	2002
	£	£
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	2003		2002	
	No	£	No	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

COMO HOTELS AND RESORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 31 December 2003

12. Profit and loss account

	2003 £	2002 £
Balance brought forward	(465,592)	(582,233)
(Accumulated loss)/retained profit for the financial year	(22,045)	116,641
Balance carried forward	<u>(487,637)</u>	<u>(465,592)</u>

13. Reconciliation of movements in shareholders' funds

	2003 £	2002 £
(Loss)/Profit for the financial year	(22,045)	116,641
Opening shareholders' equity funds	(465,492)	(582,133)
Closing shareholders' equity funds	<u>(487,537)</u>	<u>(465,492)</u>

14. Ultimate parent company

Adobe Holdings Limited, a company incorporated in Gibraltar, is regarded by the directors as the company's ultimate parent company.

The company's intermediate parent company is Como Holdings (UK) Limited, a company registered in England and Wales.