

COMO HOTELS AND RESORTS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2002



Company No. 3332677

COMO HOTELS AND RESORTS LIMITED

COMPANY INFORMATION

Directors	Mr BLK Heng Mr VK Sodhy Mr RPCO Medal
Secretary	Ms GCV Morris
Company Number	3332677
Registered Office	2nd Floor Pemberton House 15 Wrights Lane London W8 5SL
Auditors	Baker Tilly 2 Bloomsbury Street London WC1B 3ST
Solicitors	Denton Wilde Sapte 5 Chancery Lane Cliffords Inn London EC4A 1BU
Bankers	Oversea - Chinese Banking Corporation London Stonehouse 111 Cannon Street London EC4N 5AS

COMO HOTELS AND RESORTS LIMITED

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COMO HOTELS AND RESORTS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2002

The directors present their report together with the audited financial statements for the year ended 31st December 2002.

Principal Activities, Review of Business and Future Developments

The principal activity of the company continued to be that of the provision of investment advice and property management. The company traded at a profit during the year and the directors expect a similar result in the ensuing year.

Results and Dividends

The results for the year are set out in the profit and loss account on page 3. The directors do not recommend the payment of a dividend.

Directors

The directors who served during the year, neither of whom had an interest in the share capital of the company, were:

Mr BLK Heng
Mr VK Sodhy
Mr RPCO Medal

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 the company's affairs and of the profit or loss for that year. In preparing these financial statements the directors are required to:

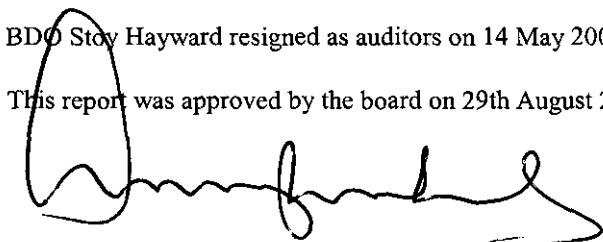
- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose, with reasonable accuracy at any time, the financial position of the company and 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.

Auditors

BDO Stoy Hayward resigned as auditors on 14 May 2003 and Baker Tilly were appointed by the Directors in their place.

This report was approved by the board on 29th August 2003, and signed on its behalf.



Mr BLK Heng, Director
29th August 2003

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COMO HOTELS AND RESORTS LIMITED

We have audited the financial statements of Como Hotels and Resorts Limited for the year ended 31st December 2002 on pages 3 to 9 which have been prepared under the accounting policies set out on page 5.

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 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 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 31st December 2002 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Baker Tilly

**Baker Tilly
Registered Auditor and Chartered Accountants
2 Bloomsbury Street
London WC1B 3ST**

Date: 27 October 2003

COMO HOTELS AND RESORTS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 2002

	Notes	2002 £	2001 £
Turnover	2	177,985	156,476
Administrative Expenses		31,925	60,291
Operating Profit	4	146,060	96,185
Interest Payable and Similar Charges	5	(29,419)	(37,173)
Profit on Ordinary Activities before Taxation		116,641	59,012
Tax on profit on ordinary activities	6	-	-
Profit for the Financial Year	10	116,641	59,012

All amounts relate to continuing activities.

All recognised gains and losses are included in the profit and loss account.

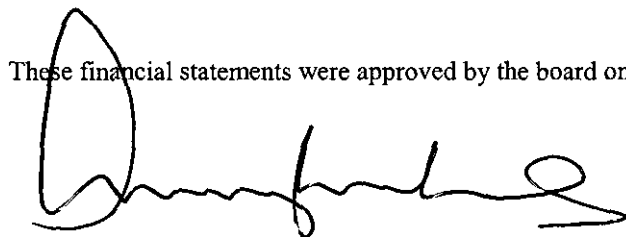
COMO HOTELS AND RESORTS LIMITED

BALANCE SHEET

AS AT 31ST DECEMBER 2002

	Notes	£	2002 £	£	2001 £
Current Assets					
Debtors	7		21,709		43,828
Cash at bank and in hand			12,553		-
			<u>34,262</u>		<u>43,828</u>
Creditors: Amounts Falling Due Within One Year	8		499,754		625,961
Total Assets Less Current Liabilities			<u>(465,492)</u>		<u>(582,133)</u>
Capital and Reserves - equity					
Share capital	9		100		100
Profit and loss account	10		<u>(465,592)</u>		<u>(582,233)</u>
Shareholders' Funds	11		<u>(465,492)</u>		<u>(582,133)</u>

These financial statements were approved by the board on 29th August 2003 and signed on its behalf by:



Mr BLK Heng
Director

COMO HOTELS AND RESORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2002

1 Accounting Policies

Basis of Accounting

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

All accounting policies are consistent with those applied in prior periods, with the exception of Deferred Tax, which has been amended following the introduction of Financial Reporting Standard 19 "Deferred Tax".

No provision for deferred taxation is required as there are no timing differences to be accounted for.

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.

Cashflow statement

The company's intermediate parent company Como Holdings (UK) Limited, a company registered in England and Wales, has prepared a consolidated cashflow statement incorporating the company's cashflow and accordingly the company has not prepared a cashflow statement.

2 Turnover

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

COMO HOTELS AND RESORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2002

3 Directors and Employees

There were no employees during the year apart from the directors.

	2002	2001
	£	£
Social security costs	112	121
	<u>112</u>	<u>121</u>

The average monthly number of employees during the year was as follows:

	2002	2001
	Number	Number
Management	3	2

The directors received no remuneration from the company during the year.

4 Operating Profit

The operating profit is arrived at after charging:

	2002	2001
	£	£
Loss on sale of fixed assets	-	7,305
Auditors' remuneration	1,379	1,963
	<u>1,379</u>	<u>1,963</u>

5 Interest Payable and Similar Charges

	2002	2001
	£	£
Bank overdraft interest charges	1	25
Interest payable on loan from group undertaking	29,418	37,148
	<u>29,419</u>	<u>37,173</u>

COMO HOTELS AND RESORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2002

6	Taxation	2002	2001
		£	£
	Analysis of charge in the period		
	<i>Current tax:</i>		
	UK corporation tax on profit for the period	-	-
	<i>Deferred tax:</i>		
	Origination and reversal of timing differences	-	-
		<u>-</u>	<u>-</u>
		<u>-</u>	<u>-</u>
	Factors affecting tax charge for the period	2002	2001
		£	£
	Profit on ordinary activities before tax	116,641	59,012
	Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2001: 30%)	34,992	17,704
	Effects of:		
	Expenses not deductible for tax purposes	-	2,191
	Income not taxable	-	(2,579)
	Capital allowances in excess of depreciation	-	(2,008)
	Claim for group relief on which no payment is made	(34,992)	(15,308)
	Tax charge for the period	<u>-</u>	<u>-</u>
	Future tax charges may be affected by the incidence of, and any payment for, group relief.		
7	Debtors	2002	2001
		£	£
	Trade debtors	2,937	16,311
	Other debtors	18,772	27,517
		<u>21,709</u>	<u>43,828</u>
	All amounts shown under debtors fall due for payment within one year.		
8	Creditors: Amounts Falling Due Within One Year	2002	2001
		£	£
	Bank loans and overdrafts	-	235
	Trade creditors	-	2,365
	Amounts owed to group undertakings	495,998	618,369
	Other taxes and social security	73	-
	Accruals and deferred income	3,683	4,992
		<u>499,754</u>	<u>625,961</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.

COMO HOTELS AND RESORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2002

9	Share Capital	2002	2001
		£	£
	Authorised		
	Equity Shares		
	100 Ordinary shares of £1.00 each	<u>100</u>	<u>100</u>
	Allotted		
	Equity Shares		
	100 Allotted, called up and fully paid ordinary shares of £1 each	<u>100</u>	<u>100</u>
10	Reserves		
			Profit and Loss Account
			£
	At 1st January 2001		(641,245)
	Profit for the year		<u>59,012</u>
	At 1st January 2002		(582,233)
	Profit for the year		<u>116,641</u>
	At 31st December 2002		<u>(465,592)</u>
11	Reconciliation of Shareholders' Funds	2002	2001
		£	£
	Profit for the financial year	<u>116,641</u>	<u>59,012</u>
	Increase in shareholders' funds	<u>116,641</u>	<u>59,012</u>
	Opening shareholders' funds	<u>(582,133)</u>	<u>(641,145)</u>
	Closing shareholders' funds	<u><u>(465,492)</u></u>	<u><u>(582,133)</u></u>
12	Ultimate parent company		
	Adobe Holdings Limited, a company incorporated in Gibraltar, is regarded by the directors as the company's ultimate parent company.		
	The intermediate parent company is Como Holdings (UK) Limited, a company registered in England and Wales.		
13	Related Parties		
	The company has taken advantage of the exemption available in FRS 8 relating to the disclosure of transactions with group companies.		

COMO HOTELS AND RESORTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2002

14 Transactions with Directors

During the year the company paid consultancy fees of £29,167 (2001: £58,601) 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 (2001: £Nil).