

3458812

**REPORT OF THE DIRECTOR AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2000
FOR
TEMPLE COIL HOLDINGS LIMITED**



TEMPLE COIL HOLDINGS LIMITED

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FOR THE YEAR ENDED 31 DECEMBER 2000**

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TEMPLE COIL HOLDINGS LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2000

DIRECTOR: Wilton Directors Limited

SECRETARY: Wilton Secretaries Limited

REGISTERED OFFICE: 26 Grosvenor Street
Mayfair
London
W1K4QW

REGISTERED NUMBER: 3458812 (England and Wales)

AUDITORS: Wilton Audit
26 Grosvenor Street
Mayfair
London
W1K 4QW

TEMPLE COIL HOLDINGS LIMITED
REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 31 DECEMBER 2000

The director presents its report with the financial statements of the company for the year ended 31 December 2000.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of an investment and holding company.

DIRECTORS

The directors during the year under review were:

Miss J F Redmayne	- resigned 30.03.01
Mr. L E Fox	- resigned 30.03.01
Wilton Directors Limited	- appointed 30.03.01

The directors holding office at 31 December 2000 did not hold any beneficial interest in the issued share capital of the company at 1 January 2000 or 31 December 2000.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

Company law requires the director 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 of the company for that period. In preparing those financial statements, the director is 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.

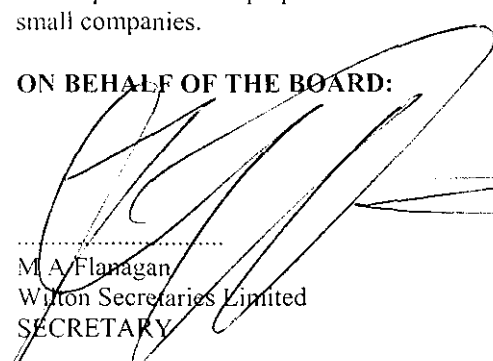
The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to ensure that the financial statements comply with the Companies Act 1985. It is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

The auditors, Wilton Audit, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:



M A Flanagan
Wilton Secretaries Limited
SECRETARY

Dated: 29. April 2002

TEMPLE COIL HOLDINGS LIMITED

**REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF
TEMPLE COIL HOLDINGS LIMITED**

We have audited the financial statements of Temple Coil Holdings Limited for the year ended 31 December 2000 on pages four to eight. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of director and auditors

As described on page two the company's director is responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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 Report of the Director 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 director's remuneration and transactions with the company is not disclosed.

We read the Report of the Director and consider the implications for our report if we become aware of any apparent misstatements within it.

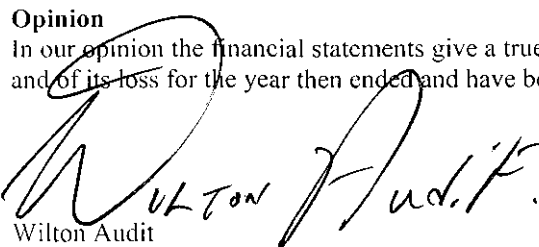
Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 director 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 loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Wilton Audit
Registered Auditors
26 Grosvenor Street
Mayfair
London
W1K 4QW

Dated: 29 April 2002

TEMPLE COIL HOLDINGS LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2000

		<u>2000</u>	<u>1999</u>
	Notes	ITL	ITL
TURNOVER		-	-
Administrative expenses		<u>8,779,862</u>	<u>910,625</u>
OPERATING LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	2	(8,779,862)	(910,625)
Tax on loss on ordinary activities	3	<u>-</u>	<u>-</u>
LOSS FOR THE FINANCIAL YEAR AFTER TAXATION		(8,779,862)	(910,625)
Deficit brought forward		<u>(6,242,188)</u>	<u>(5,331,563)</u>
DEFICIT CARRIED FORWARD		ITL <u>(15,022,050)</u>	ITL <u>(6,242,188)</u>

The notes form part of these financial statements

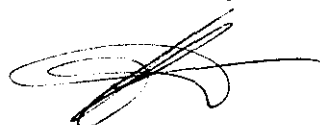
TEMPLE COIL HOLDINGS LIMITED

**BALANCE SHEET
31 DECEMBER 2000**

		<u>2000</u>		<u>1999</u>	
	Notes	ITL	ITL	ITL	ITL
FIXED ASSETS:					
Investments	4		205,590,000		205,590,000
CURRENT ASSETS:					
Cash in hand		302,500		302,500	
CREDITORS: Amounts falling due within one year	5	<u>15,022,050</u>		<u>211,832,188</u>	
NET CURRENT LIABILITIES:			<u>(14,719,550)</u>		<u>(211,529,688)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			190,870,450		(5,939,688)
CREDITORS: Amounts falling due after more than one year	6		<u>205,590,000</u>		<u>-</u>
			<u>ITL(14,719,550)</u>		<u>ITL(5,939,688)</u>
CAPITAL AND RESERVES:					
Called up share capital	7		302,500		302,500
Profit and loss account			<u>(15,022,050)</u>		<u>(6,242,188)</u>
SHAREHOLDERS' FUNDS:			<u>ITL(14,719,550)</u>		<u>ITL(5,939,688)</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

ON BEHALF OF THE BOARD:



.....
Wilton Directors Limited
DIRECTOR

Approved by the Board on 29 April 2002

The notes form part of these financial statements

TEMPLE COIL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2000

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the director, there is reasonable probability that the liability will not arise in the foreseeable future.

Foreign exchange

All foreign exchange gains and losses in the year have been taken to the profit and loss account. Balance sheet items have been translated at the rate prevailing at the balance sheet date. Profit and loss items have been translated at the rate prevailing at the date of the transaction.

Group Accounts

The company has taken advantage of the exemptions made available to it, by Section 248 Companies Act 1989, not to prepare group accounts.

2. OPERATING LOSS

The operating loss is stated after charging:

	2000	1999
	ITL	ITL
Auditors' remuneration	<u>2,434,343</u>	<u>910,625</u>
Directors' emoluments and other benefits etc	<u>-</u>	<u>-</u>

3. TAXATION

No liability to UK corporation tax arose on ordinary activities for the year ended 31 December 2000 nor for the year ended 31 December 1999.

4. FIXED ASSET INVESTMENTS

	ITL
COST:	
At 1 January 2000	
and 31 December 2000	<u>205,590,000</u>
NET BOOK VALUE:	
At 31 December 2000	<u>205,590,000</u>
At 31 December 1999	<u>205,590,000</u>

TEMPLE COIL HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2000

4. FIXED ASSET INVESTMENTS - continued

	2000	1999
	ITL	ITL
Unlisted investments	<u>205,590,000</u>	<u>205,590,000</u>

The company's investments at the balance sheet date in the share capital of unlisted companies include the following:

Costruzioni Generali Adriatiche SRL

Country of incorporation: Italy

Nature of business: Property company

	%
Class of shares:	holding
Ordinary	95.00

Edil.I.T. SRL

Country of incorporation: Italy

Nature of business: Property company

	%
Class of shares:	holding
Ordinary	85.00

Immobilierie Durantini SRL

Country of incorporation: Italy

Nature of business: Property Company

	%
Class of shares:	holding
Ordinary	57.50

Mini House SRL

Country of incorporation: Italy

Nature of business: Property company

	%
Class of shares:	holding
Ordinary	95.00

Olivo SRL

Country of incorporation: Italy

Nature of business: Property Company

	%
Class of shares:	holding
Ordinary	95.09

TEMPLE COIL HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2000**

**5. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2000	1999
	ITL	ITL
Other creditors	-	5,331,563
Related party creditors	-	205,590,000
Shareholder loan	15,022,050	-
Accrued expenses	-	910,625
	<u>15,022,050</u>	<u>211,832,188</u>

**6. CREDITORS: AMOUNTS FALLING
DUE AFTER MORE THAN ONE YEAR**

	2000	1999
	ITL	ITL
Shareholders Loan	<u>205,590,000</u>	<u>-</u>

The long term loan from shareholders is interest free.

7. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal value:	2000	1999
			£	£
100,000	Ordinary	£1	<u>100</u>	<u>100</u>
Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2000	1999
			ITL	ITL
100	Ordinary	£1	<u>302,500</u>	<u>302,500</u>

8. ULTIMATE PARENT COMPANY

In the opinion of the Directors the ultimate parent undertaking is Comeflex SA a company incorporated in Costa Rica.