

Company Registration No. 2982014

GOODLAND PROPERTIES LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2001

11342-B-2001

Registered Office
23 Bullescroft Road
Edgeware
Middlesex
HA8 8RN



GOODLAND PROPERTIES LIMITED

**DIRECTOR'S REPORT
FOR THE YEAR ENDED 30 JUNE 2001**

The director presents his report and financial statements for the year ended 30 June 2001.

Principal activities and review of the business

The principal activity of the company that of an Investment Property Company.

Results and dividends

The results for the year are set out on page 3.

Directors'

The following directors' have held office since 1 July 2000:

S Masi	(Resigned 22 October 2001)
G Proietti	(Appointed 22 October 2001)

The directors' have no interest in the issued share capital of the company.

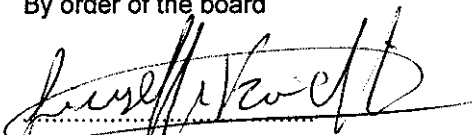
Director's responsibilities

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 enable him to ensure that the financial statements comply with the Companies Act 1985. He 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.

By order of the board


G Proietti (Director)

Date : - 7 DEC 2001

MATTHEW EDWARDS & CO
CHARTERED ACCOUNTANTS

Clinch's House, Lord Street, Douglas, Isle of Man IM99 1RZ
Telephone: +44 (0) 1624 663166 Facsimile: +44 (0) 1624 677108
E-mail audit@matthew-edwards.com

**ACCOUNTANTS' REPORT TO THE DIRECTOR ON THE
ACCOUNTS OF GOODLAND PROPERTIES LIMITED**

We report on the accounts for the year ended 30 June 2001.

As described on the balance sheet you are responsible for the preparation of the accounts for the year ended 30 June 2001, set out on pages 3 to 8 and you consider that the company is exempt from an audit. In accordance with your instructions, we have compiled these unaudited accounts in order to assist you to fulfil your statutory responsibilities from the accounting records and information and explanations supplied to us.

Our procedures consisted of comparing the accounts with the accounting records kept by the company and making such enquiries of the officers and other officials of the company as we considered necessary for the purposes of this report.

In our opinion the accounts are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985.

Matthew Edwards & Co

Matthew Edwards & Co.

Chartered Accountants

7-12-01.....

Clinch's House, Lord Street
Douglas
Isle Of Man
IM99 1RZ

GOODLAND PROPERTIES LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2001**

	Notes	2001 ITL'000	2000 ITL'000
Turnover	2	24,000	25,291
Cost of sales		(1,517)	(600)
Gross profit		22,483	24,691
Administrative expenses		(16,594)	(32,055)
Operating profit/(loss)	3	5,889	(7,364)
Other interest receivable and similar income	4	65	-
Interest payable and similar charges	5	-	(1,781)
Profit/(loss) on ordinary activities before taxation		5,954	(9,145)
Tax on profit/(loss) on ordinary activities	6	(4,852)	-
Profit/(loss) on ordinary activities after taxation	11	1,102	(9,145)
Loss brought forward at 1 July 2000		(91,907)	(82,762)
Loss carried forward at 30 June 2001		(90,805)	(91,907)

All of the company's activities are derived from continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

GOODLAND PROPERTIES LIMITED

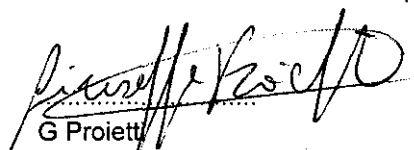
**BALANCE SHEET
AS AT 30 JUNE 2001**

	Notes	2001 ITL'000	2000 ITL'000
Fixed assets			
Tangible assets	7	990,467	990,467
Current assets			
Debtors	8	39,036	6,179
Cash at bank and in hand		37,259	23,579
		<u>76,295</u>	<u>29,758</u>
Creditors: amounts falling due within one year	9	<u>(205,034)</u>	<u>(159,599)</u>
Net current liabilities		(128,739)	(129,841)
Total assets less current liabilities		<u>861,728</u>	<u>860,626</u>
Capital and reserves			
Called up share capital	10	952,533	952,533
Profit and loss account	11	(90,805)	(91,907)
Shareholders' funds - equity interests	12	<u>861,728</u>	<u>860,626</u>

In preparing these financial statements:

- (a) The director is of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The director acknowledges his 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 this Act relating to accounts, so far as applicable to the company.

The financial statements were approved by the Board on - 7 DEC 2001


G Proietti
Director

GOODLAND PROPERTIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

1 Accounting policies

1.1 Accounting convention

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

The financial statements have been prepared on the going concern basis. This is considered appropriate as the ultimate beneficial shareholders will continue to provide financial support to the company for the foreseeable future.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cashflow statement on the grounds that it is a small company.

1.2 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Investment properties are included in the balance sheet at their open market value. Depreciation is provided only on those investment properties which are leasehold and where the unexpired lease term is less than 20 years.

Although this accounting policy is in accordance with the applicable accounting standard, SSAP 19, Accounting for investment properties, it is a departure from the general requirement of the Companies Act 1985 for all tangible assets to be depreciated. In the opinion of the director compliance with the standard is necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount of this which might otherwise have been charged cannot be separately identified or quantified.

1.3 Foreign currency translation

The company's accounting records are maintained in Italian Lira.

Transactions in other currencies are converted at the rate ruling at the date of the transaction. Current assets and liabilities are converted at the rate of exchange ruling at the balance sheet date. Any material gains or losses resulting from the conversion are taken to the profit and loss account.

2 Turnover

Turnover represents amounts receivable in respect of the company's principal activity.

3 Operating profit/(loss)

	2001 ITL'000	2000 ITL'000
Operating profit/(loss) is stated after charging:		
Audit and accountancy fees	3,173	1,429

4 Other interest receivable and similar income

	2001 ITL'000	2000 ITL'000
Profit on foreign exchange	65	-
	65	-

GOODLAND PROPERTIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2001**

5 Interest payable and similar expenses	2001 ITL'000	2000 ITL'000
On other loans wholly repayable within 5 years	-	1,485
Loss on foreign exchange	-	296
	<u>-</u>	<u>1,781</u>

6 Taxation	2001 ITL'000	2000 ITL'000
Current year taxation		
Italian Taxation	4,852	-
	<u>4,852</u>	<u>-</u>

No provision has been made for UK corporation tax as the profits arise in Italy. The tax charge represents Italian taxes payable by the company's Italian branch.

7 Tangible fixed assets	Investment properties ITL'000
Cost	
At 1 July 2000 & at 30 June 2001	990,467
At 30 June 2000	<u>990,467</u>

The investment represents a property situated in Rome, Italy, and is stated at its open market value of ITL 943,000,000. The valuation was performed by Dennetta Marcello, at 30th June 1996, a non-graduate master builder, registered in the Technical Consultants list by the civil court of Rome and registered in the Non-Graduate Engineers list by the Province of Rome.

8 Debtors	2001 ITL'000	2000 ITL'000
Trade debtors	35,000	-
Italian taxes recoverable	4,036	4,036
Prepayments and accrued income	-	2,143
	<u>39,036</u>	<u>6,179</u>

GOODLAND PROPERTIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2001**

9 Creditors: amounts falling due within one year	2001 ITL'000	2000 ITL'000
Trade creditors	35,000	-
Corporation tax	5,036	-
Other creditors	154,794	145,792
Accruals and deferred income	10,204	13,807
	<u>205,034</u>	<u>159,599</u>

10 Share Capital		
Authorised, issued and fully paid share capital	ITL'000	ITL'000
1,000 ordinary £1 shares	2,533	2,533
950,000 ordinary Lit 1,000 shares	950,000	950,000
	<u>952,533</u>	<u>952,533</u>

The ordinary £1 shares rank pari passu in all respects with the ordinary ITL1,000 shares.

11 Statement of movements on profit and loss account

	Profit and loss account ITL'000
Balance at 1 July 2000	(91,907)
Retained profit for the year	1,102
Balance at 30 June 2001	<u>(90,805)</u>

12 Reconciliation of movements in shareholders' funds	2001 ITL'000	2000 ITL'000
Profit/(Loss) for the financial year	1,102	(9,145)
Opening shareholders' funds	860,626	869,771
Closing shareholders' funds	<u>861,728</u>	<u>860,626</u>

13 Contingent liabilities

There were no known contingent liabilities at the balance sheet date.

14 Capital commitments

There were no major capital commitments at the balance sheet date.

GOODLAND PROPERTIES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2001**

15 Employees

Number of employees

There were no employees during the year apart from the director. The director received no remuneration during the year.

16 Control

The immediate parent company of Goodland Properties Limited is Camelford Properties Limited a company incorporated in the Isle of Man.