

Company Number: 3048191

HOLIDAY INTERIORS LIMITED

UNAUDITED REPORT AND FINANCIAL STATEMENTS

FOR

THE YEAR ENDED 31 DECEMBER 2004



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HOLIDAY INTERIORS LIMITED

COMPANY INFORMATION

Directors Bonnie R Colson (President)
 William E Colson (Vice-president)
 Patrick F Kennedy

Secretary Richard Bagley

Registered office Queensway House
 11 Queensway
 New Milton
 Hampshire
 BH25 5NR

Registered number 3048191

Bankers Coutts & Co
 St Martin's Office
 440 Strand
 London
 WC2R 0QS

REPORT OF THE DIRECTORS

The directors present their report and the unaudited financial statement for the year ended 31 December 2004.

Principal activities. The principal activities of the company are unchanged since last year and consist of the supply of interior furnishings.

Directors. The present directors of the company and their interests in the share capital of the company are:

	Ordinary shares of £1 each	
	2004 No.	2003 No.
Bonnie R Colson	3	3
William E Colson	1	1
Patrick F Kennedy (Appointed 10 November 2004)	-	-

Directors' responsibilities for the financial statements. Company law in the United Kingdom requires the directors to prepare financial statement 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 these financial statements, the directors have:

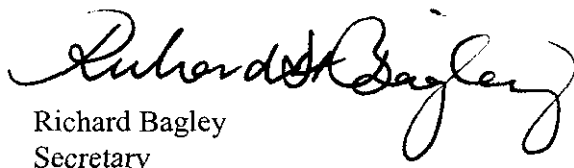
- Selected suitable accounting policies and applied them consistently;
- Made judgements and estimates that are reasonable and prudent;
- Followed applicable United Kingdom accounting standards; and
- Prepared the financial statement on the going concern basis.

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.

The directors are responsible for ensuring that the directors' report and other information included in the Annual Report is prepared in accordance with Company Law in the United Kingdom.

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

The report of the directors was approved by the Board on 15 March 2005 and signed on its behalf by


Richard Bagley
Secretary

UNAUDITED PROFIT AND LOSS ACCOUNT
For the year ended 31 December 2004

	Note	2004 £	2003 £
Administrative expenses		(1739)	(1923)
Operating loss – continuing operation		(1739)	(1923)
Interest receivable and other similar income		669	1102
Interest payable and similar charges	3	(16044)	(25274)
(Loss)/profit on ordinary activities before taxation		(17114)	(26095)
Tax (overprovision) on profit on ordinary activities	4	–	(217)
Loss charged to reserves/retained profit for the year	7	(17114)	(25878)

The company has no recognised gains or losses other than those included above.

UNAUDITED BALANCE SHEET
at 31 December 2004

	Note	2004 £	2003 £
Current assets			
Debtors			-
Cash at bank and in hand		<u>388079</u>	<u>405193</u>
		388079	405193
Creditors: Amounts falling due within one year	5	<u>(378532)</u>	<u>(378532)</u>
Net current assets		<u>9547</u>	<u>26661</u>
Capital and reserves			
Called up share capital	6	4	4
Profit and loss account	7	<u>9543</u>	<u>26657</u>
		<u>9547</u>	<u>26661</u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements have not been audited because the company is entitled to the exceptions provided by section 249A(1) of the Companies Act 1985 and no notice under section 249B(2) has been deposited at the company's registered office requiring the company to obtain an audit of the accounts.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records that comply with section 221 of the Companies Act 1985. The directors also acknowledge their responsibilities for 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 and loss for the financial year in accordance with section 226 of the Companies Act 1985 and which otherwise comply with the requirements of that Act relating to accounts so far as applicable to the company.

The financial statements were approved by the Board on 15 March 2005 and signed on its behalf by:



Patrick F Kennedy
 Director

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

Year ended 31 December 2004

1 ACCOUNTING POLICIES

Basis of accounting. The accounts are prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000) under the historical cost convention as modified by the revaluation of certain land and buildings.

Turnover. Turnover consists of the invoiced value (excluding VAT) for goods and services supplied in the year.

Foreign currencies. Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Assets and liabilities denominated in foreign currency are translated into sterling at the rates of exchange ruling at 31 December. Exchange differences are taken to profit and loss account.

Taxation. The charge for taxation takes into account taxation deferred or accelerated because of timing differences between the treatment of certain items for accounting and taxation purposes.

Provision for deferred taxation is made under the liability method only to the extent that it is probable that the liability will become payable in the foreseeable future.

2. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

None of the directors received any emoluments from the company during the year. The company had no direct employees in the year.

3. INTEREST PAYABLE AND SIMILAR CHARGES

	2004	2003
	£	£
Loss on foreign exchange	<u>16044</u>	<u>25274</u>

HOLIDAY INTERIORS LIMITED

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

Year ended 31 December 2004

4 TAX ON PROFIT ON ORDINARY ACTIVITIES

	2004 £	2003 £
Under/(over) provision in respect of prior years	-	(217)

5 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2004 £	2003 £
Amounts due to related companies	<u>378532</u>	<u>378532</u>

During the year the company did not enter into any related party transactions. At 31 December 2004 the company owed Holiday Interiors Inc. £378532 (2003 - £378532)

6 CALLED UP SHARE CAPITAL

	2004 £	2003 £
Authorised		
1000 ordinary shares of £1 each	<u>1000</u>	<u>1000</u>
Called up, allotted and fully paid		
4 ordinary shares of £1 each	<u>4</u>	<u>4</u>

7 MOVEMENT IN SHAREHOLDERS' FUNDS AND RESERVES

	Profit and Loss account £	Share capital £	Total £
At 1 January 2003	26657	4	26661
Loss for the year	<u>17114</u>	-	<u>17114</u>
At 31 December 2003	<u>9543</u>	<u>4</u>	<u>9547</u>