

**Registrar
of
Companies**

Peer Holdings Limited

***Directors' Report and
Accounts***

Year ended 31 July 1999

**Company Registration No. 3300281
(England and Wales)**



Register
to
Consent

Peer Holdings Limited

Company Information

Directors

M B Birrane
R W Couchman
P J Smith
H Dawson

Secretary

P J Smith

Company number

3300281

Registered office

The Peer Suite, The Hop Exchange,
24 Southwark St
London
SE1 1TY

Business address

The Peer Suite, The Hop Exchange,
24 Southwark St
London
SE1 1TY

Auditors

BDO Stoy Hayward
8 Baker Street
London
W1M 1DA

Peer Holdings Limited

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Peer Holdings Limited

Directors' Report Year ended 31 July 1999

The directors present their report and accounts for the year ended 31 July 1999.

Directors

M B Birrane
R W Couchman
P J Smith
H Dawson

Directors' responsibilities

Company law requires the directors to prepare accounts 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 accounts, 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 accounts 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 accounts 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.

Principal activities and review of the business

The principal activity of the company during the period was that of property investment and dealing.

The company did not trade during the period under review.

Results and dividends

The results for the year are set out on page 4.

The directors do not recommend payment of an ordinary dividend.

Future developments

The directors will continue to seek good investment opportunities.

Directors' interests

The names of the present directors, who acted throughout the year, are given at the head of this report.

The directors did not have any beneficial interest in the shares of the company as defined by the Companies Act 1985.

The directors' interests in the shares of the ultimate parent undertaking are shown in the accounts of that company.

Peer Holdings Limited

Directors' Report Year ended 31 July 1999

Year 2000

The year 2000 potential problem relates to the inability of many computers and electronic devices to deal with the year 2000 date change.

We are pleased to report that the year 2000 date change has had little, if any, impact on the company.

Auditors

On 1st March 1999 the auditors, Moores Rowland, merged their practice with that of BDO Stoy Hayward and are now practising under that name. A resolution will be proposed at the Annual General Meeting that BDO Stoy Hayward be reappointed as auditors to the company for the ensuing year.

By order of the board

P. J. Smith

.....
Secretary P J Smith

Peer Holdings Limited

Auditors' Report To the Shareholders of Peer Holdings Limited

We have audited the accounts on pages 4 to 8 which have been prepared under the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described in the directors' report the company's directors are responsible for the preparation of accounts. It is our responsibility as auditors to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

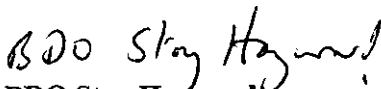
Basis of opinion

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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 that we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31 July 1999 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


BDO Stoy Hayward

Chartered Accountants
Registered Auditors

London

31 January 2000

Peer Holdings Limited

Profit and Loss Account Year ended 31 July 1999

	Notes	1999 £	1998 £
Turnover	2	-	140,881
Administrative expenses		(45)	(5,860)
Operating (loss)/profit	3	(45)	135,021
Interest payable and similar charges	4	-	(63,802)
(Loss)/profit on ordinary activities before taxation		(45)	71,219
Tax on (loss)/profit on ordinary activities	6	(6,300)	-
(Loss)/profit for the year	10	(6,345)	71,219

The profit and loss account has been prepared on the basis that all operations are continuing operations.

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

Note of Historical Cost Profits and Losses


	1999 £	1998 £
Reported (loss)/profit on ordinary activities before taxation	(45)	71,219
Realisation of property revaluation gains	-	24,970
Historical cost (loss)/profit on ordinary activities before taxation	(45)	96,189
Historical cost (loss)/profit for the year retained after taxation, extraordinary items and dividends	(6,345)	96,189

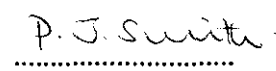
Peer Holdings Limited

Balance Sheet As at 31 July 1999

	Notes	£	1999 £	£	1998 £
Current assets					
Debtors	7	96,568		96,568	
Cash at bank and in hand		578		623	
		<u>97,146</u>		<u>97,191</u>	
Creditors: amounts falling due within one year	8	<u>(7,300)</u>		<u>(1,000)</u>	
Total assets less current liabilities			<u>89,846</u>		<u>96,191</u>
Capital and reserves					
Called up share capital	9		2		2
Profit and loss account	10		89,844		96,189
Shareholders' funds - equity interests	11		<u>89,846</u>		<u>96,191</u>

The accounts were approved by the Board on 28/1/2000


M B Birrane
Director


P J Smith
Director

Peer Holdings Limited

Notes to the Accounts Year ended 31 July 1999

1 Accounting policies

1.1 Accounting convention

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

1.2 Turnover

Turnover represents rent receivable.

1.3 Tangible fixed assets and depreciation

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 directors compliance with the standard is necessary for the accounts 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.

1.4 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

3 Operating (loss)/profit

	1999 £	1998 £
Operating (loss)/profit is stated after charging:		
Auditors' remuneration	-	1,000

4 Interest payable and similar charges

	1999 £	1998 £
On bank loans and overdrafts	-	63,802

5 Employees

Number of employees

There were no employees during the year apart from the directors

Peer Holdings Limited

Notes to the Accounts Year ended 31 July 1999

6	Taxation	1999	1998
		£	£
	Prior years		
	U.K. corporation tax	6,300	-
		<u> </u>	<u> </u>
No provision is made for corporation tax for the year, due to losses incurred by the company.			
7	Debtors	1999	1998
		£	£
	Amounts owed by parent and fellow subsidiary undertakings	84,568	84,568
	Other debtors	12,000	12,000
		<u> </u>	<u> </u>
		96,568	96,568
		<u> </u>	<u> </u>
8	Creditors: amounts falling due within one year	1999	1998
		£	£
	Corporation tax	6,300	-
	Accruals and deferred income	1,000	1,000
		<u> </u>	<u> </u>
		7,300	1,000
		<u> </u>	<u> </u>
9	Share capital	1999	1998
		£	£
	Authorised		
	1,000,000 Ordinary shares of £1 each	1,000,000	1,000,000
		<u> </u>	<u> </u>
	Allotted, called up and fully paid		
	2 Ordinary shares of £1 each	2	2
		<u> </u>	<u> </u>
10	Statement of movements on profit and loss account		
			£
	Balance at 1 August 1998		96,189
	Retained loss for the year		(6,345)
			<u> </u>
	Balance at 31 July 1999		89,844
			<u> </u>

Peer Holdings Limited

Notes to the Accounts Year ended 31 July 1999

11 Reconciliation of movements in shareholders' funds	1999 £	1998 £
(Loss)/Profit for the financial year	(6,345)	71,219
Other recognised gains and losses	-	24,970
Net (depletion in)/addition to shareholders' funds	(6,345)	96,189
Opening shareholders' funds	96,191	2
Closing shareholders' funds	89,846	96,191

12 Related party transactions

The company is under the control of Peer Group plc, registered in England, which the directors regard as the company's ultimate parent undertaking.

Peer Group plc prepares consolidated accounts for the group and transactions between group companies are not generally disclosed in the accounts of the subsidiary companies in accordance with the exemption given under Financial Reporting Standard No. 8 'Related Party Disclosure'.

The company owns 100% of the issued share capital of Sinonia Limited, a company registered in England, which has not traded since its incorporation and has net assets of £2.