

Renaissance Securities Limited

Report and Accounts

7 month period to 31 December 2000



Renaissance Securities Limited

Registered No. 3404451

DIRECTORS

N G Bannister
M L Dalby
K C Rutherford

SECRETARY

M L Dalby

AUDITORS

Ernst & Young
Wessex House
19 Threefield Lane
Southampton
SO14 3QB

BANKERS

Barclays Bank PLC
PO Box 378
71 Grey Street
Newcastle-Upon-Tyne
Tyne & Wear
NE99 1JP

SOLICITORS

Nabarro Nathanson
84 Theobald's Road
London
WC1X 8RW

REGISTERED OFFICE

Queensway House
11 Queensway
New Milton
Hampshire
BH25 5NR

Renaissance Securities Limited

STATEMENT OF DIRECTORS RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

The directors present their report and accounts for the seven-month period ended 31 December 2000.

CHANGE OF ACCOUNTING REFERENCE DATE

The company changed its accounting reference date to 31 December, to coincide with the ultimate parent undertaking.

RESULTS AND DIVIDENDS

The profit for the period, after taxation, amounted to £2,926 (Five months ended 31 May 2000: £948). The directors recommend the payment of a final ordinary dividend amounting to £3,874 for the period. (Five months ended 31 May 2000: £Nil).

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The company's principal activity during the period continued to be that of an investment company. The directors look forward to the year ahead with confidence.

DIRECTORS AND THEIR INTERESTS

The directors who served during the period were as follows:

N G Bannister
M L Dalby
K C Rutherford

No director had an interest in the ordinary share capital of the company or the ultimate parent undertaking, Holiday Retirement Corporation. The interest of N G Bannister in the share capital of Holiday Retirement UK Limited is disclosed in that company's accounts.

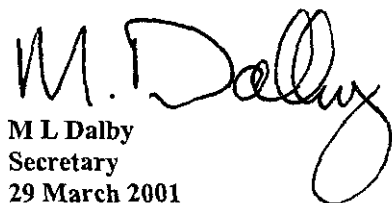
The directors are not liable to retire by rotation

AUDITORS

A resolution to re-appoint Ernst & Young as auditors will be put to the members at the Annual General Meeting.

Ernst & Young has stated that, during 2001, it is intending to transfer its business to a limited liability partnership, incorporated under the Limited Liability Partnership Act 2000, to be called Ernst & Young LLP. If this happens, it is the current intention of the Directors to use their statutory powers to treat the appointment of Ernst & Young as extending to Ernst & Young LLP.

By order of the Board


M L Dalby
Secretary
29 March 2001

Renaissance Securities Limited

STATEMENT OF DIRECTORS RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

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 year. 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.

REPORT OF THE AUDITORS
to the members of Renaissance Securities Limited

We have audited the accounts on pages 5 to 10, which have been prepared under the historical cost convention as modified by the revaluation of fixed asset investments and the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 3, the company's directors are responsible for the preparation of the accounts in accordance with applicable United Kingdom law and accounting standards. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board, and by our profession's ethical guidance.

Basis of opinion

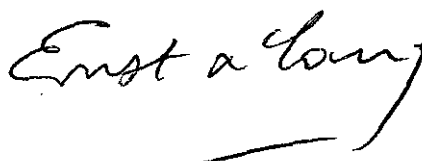
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by 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 which 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 affairs of the company as at 31 December 2000 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young
Registered Auditor
Southampton
29 March 2001



Renaissance Securities Limited

PROFIT AND LOSS ACCOUNT

for the period ended 31 December 2000

		<i>7 months ended 31 December 2000</i>	<i>5 months ended 31 May 2000</i>
	<i>Notes</i>	<i>£</i>	<i>£</i>
TURNOVER	3	5,659	1,355
Administrative Expenses		(1,479)	-
OPERATING PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	4,180	1,355
Tax on profit on ordinary activities	5	(1,254)	(407)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		2,926	948
Dividends	6	(3,874)	-
RETAINED PROFIT/(LOSS) FOR THE PERIOD	11	(948)	948

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

for the period ended 31 December 2000

	<i>7 months ended 31 December 2000</i>	<i>5 months ended 31 May 2000</i>
	<i>£</i>	<i>£</i>
Profit for the financial period	2,926	948
Unrealised surplus on revaluation of properties	-	225,720
Total recognised gains and losses for the period	2,926	226,668

There is no difference between the profit on ordinary activities before taxation and the retained profit for the financial period stated above, and their historical cost equivalents.

Renaissance Securities Limited

BALANCE SHEET at 31 December 2000

		31 December 2000	31 May 2000
	Notes	£	£
FIXED ASSETS			
Investments	7	286,979	286,979
CURRENT ASSETS			
Debtors	8	2,941	1,355
		2,941	1,355
CREDITORS: amounts falling due within one year	9	(64,198)	(61,664)
		(61,257)	(60,309)
NET CURRENT LIABILITIES		(61,257)	(60,309)
TOTAL ASSETS LESS CURRENT LIABILITIES		225,722	226,670
CAPITAL AND RESERVES			
Called up share capital	10	2	2
Revaluation reserve	11	225,720	225,720
Profit and loss account	11	-	948
SHAREHOLDERS' FUNDS - equity interests		225,722	226,670

These accounts were approved by the board of directors on 29 March 2001 and were signed on its behalf by:



N G Bannister
Chief Executive

Renaissance Securities Limited

NOTES TO THE ACCOUNTS

at 31 December 2000

1. FUNDAMENTAL ACCOUNTING CONCEPT

The accounts have been prepared under the going concern basis because the ultimate parent undertaking has provided assurance that adequate finance will be available.

2. ACCOUNTING POLICIES

Accounting convention

The accounts are prepared under the historical cost convention as modified to include the revaluation of freehold and leasehold reversions and in accordance with applicable accounting standards and with the requirements of the Companies Act 1985, except as explained below.

Cash flow statement

Under Financial Reporting Standard 1 (revised 1996) which the company has adopted in these accounts, the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated accounts.

Related parties

Advantage has been taken of the exemption available under Financial Reporting Standard 8 not to disclose details of transactions with Holiday Retirement UK Limited or other group undertakings as the consolidated accounts of the Holiday Retirement UK Limited group in which the company is included are publicly available.

Freehold and leasehold investment properties

In accordance with Statement of Standard Accounting Practice No.19 (as amended):

- Investment properties are revalued annually. Surpluses and deficits arising are taken to the revaluation reserve. Any permanent diminution is taken to the profit and loss account for the year; and
- No depreciation or amortisation is provided in respect of leasehold investment properties with over 20 years to run.

This treatment, as regards the company's investment properties, may be a departure from the requirements of the Companies Act concerning depreciation of fixed assets. However, these properties are not held for consumption but for investment and the directors consider that systematic annual depreciation would be inappropriate. The accounting policy adopted is, therefore, necessary for the accounts to give a true and fair view. Depreciation or amortisation is only one of the many factors reflected in the annual valuation and the amount that might otherwise have been shown cannot be separately identified or quantified.

Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred tax only to the extent that it is probable that an actual liability will crystallise.

Renaissance Securities Limited

NOTES TO THE ACCOUNTS

at 31 December 2000

3. TURNOVER

Turnover represents the amounts derived from ground rents and transfer fees from freehold and leasehold reversionary interests, stated net of value added tax, all of which is attributable to continuing operations generated in the UK.

4. OPERATING PROFIT AND DIRECTORS' EMOLUMENTS

The auditors were remunerated by a fellow subsidiary undertaking, Peverel Limited.

The directors were remunerated by a fellow subsidiary undertakings, Peverel Limited, of which they are also directors.

There were no staff employed during this or the previous period.

5. TAXATION ON PROFIT ON ORDINARY ACTIVITIES

	<i>7 months ended 31 December 2000 £</i>	<i>5 months ended 31 May 2000 £</i>
Based on the profit for the period:		
UK corporation tax	1,254	407
	<u> </u>	<u> </u>

Payment is made for group relief at the standard rate of corporation tax.

6. DIVIDENDS

	<i>7 months ended 31 December 2000 £</i>	<i>5 months ended 31 May 2000 £</i>
Ordinary – final proposed	3,874	-
	<u> </u>	<u> </u>

Renaissance Securities Limited

NOTES TO THE ACCOUNTS at 31 December 2000

FIXED ASSET INVESTMENTS

	<i>Freehold and leasehold reversionary interests £</i>
Cost:	
At 1 June 2000 and 31 December 2000	286,979

The company's freehold and leasehold developments have been revalued by the directors at open market value (based upon a multiple of relevant income streams) in accordance with external professional advice.

The historical cost of investment properties included at valuation is as follows:

	<i>£</i>
At 31 May 2000 and 31 December 2000	61,259

DEBTORS

	<i>31 December 2000 £</i>	<i>31 May 2000 £</i>
Trade debtors	2,941	1,355

CREDITORS: amounts falling due within one year

	<i>31 December 2000 £</i>	<i>31 May 2000 £</i>
Amounts due to fellow subsidiary undertakings	59,917	61,257
Corporation tax	407	407
Dividend payable	3,874	-
	64,198	61,664

SHARE CAPITAL

	<i>Authorised</i>	<i>Allotted, called up and fully paid</i>
	<i>31 December 2000 No.</i>	<i>31 May 31 December 2000 2000 £ £</i>
Ordinary shares of £1 each	1,000	2 2

Renaissance Securities Limited

NOTES TO THE ACCOUNTS at 31 December 2000

11. RECONCILIATION OF SHAREHOLDERS FUNDS AND MOVEMENTS ON RESERVES

	<i>Share capital</i>	<i>Revaluation reserve</i>	<i>Profit and loss account</i>	<i>Total share- holders' funds</i>
	£	£	£	£
At 1 January 1999 and 1 January 2000	2	-	-	2
Profit for the period	-	-	948	948
Surplus on revaluation	-	225,720	-	225,720
At 31 May 2000	2	225,720	948	226,670
Profit for the period	-	-	2,926	2,926
Dividends	-	-	(3,874)	(3,874)
At 31 December 2000	2	225,720	-	225,722

12. ULTIMATE PARENT UNDERTAKING

The company's ultimate parent undertaking and controlling party is Holiday Retirement Corporation, a company registered in Oregon USA. Holiday Retirement UK Limited is the smallest and largest group for which group accounts are prepared and are available to the public and may be obtained from Companies House, Cardiff.