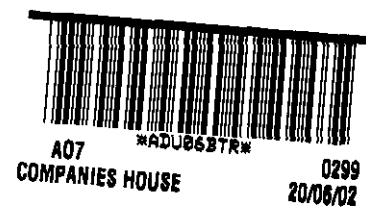




**Hyatt Holdings (UK) Limited**

Accounts for the year ended 31 December 2001  
together with Director's and auditors' reports

Registered number: 3564855



## **Director's report**

For the year ended 31 December 2001

The director presents his annual report on the affairs of the company, together with the accounts and auditors' report, for the year ended 31 December 2001.

### **Principal activity and business review**

It is the director's intention to make the company dormant in due course.

### **Going concern**

The accounts have been prepared on a going concern basis, despite the company reporting a loss during the year and net liabilities at 31 December 2001. The company is reliant on support from its parent company but no guarantee of continuing financial support has been provided and the ability of the company to continue as a going concern is therefore uncertain.

### **Results and dividends**

The audited accounts for the year ended 31 December 2001 are set out on pages 5 to 9. The loss for the financial year was £12,815 (2000 - loss of £8,615).

The directors do not recommend the payment of a dividend (2000 - £nil).

### **Director and his interests**

The director who served during the year was:

L. Stoga            - US citizen

During the year the director had no beneficial interests in the shares of the company.

## Director's report (continued)

### Director's responsibilities

Company law requires the director 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

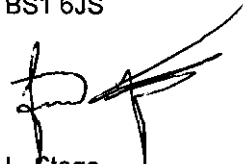
The director is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 1985. He is also responsible for safeguarding the assets of the company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

### Auditors

The directors will place a resolution before the annual general meeting to appoint a new auditor for the ensuing year.

21 St Thomas Street  
Bristol  
BS1 6JS

By order of the Board,



L. Stoga  
Director

26 April 2002

**To the Shareholder of Hyatt Holdings (UK) Limited:**

We have audited the accounts of Hyatt Holdings (UK) Limited for the year ended 31 December 2001 which comprise the profit and loss account, the balance sheet and the related notes numbered 1 to 8. These accounts have been prepared under the accounting policies set out therein.

**Respective responsibilities of director and auditors**

The director's responsibilities for preparing the Annual report and the accounts in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Director's Responsibilities. Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the accounts 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 Directors' report is not consistent with the accounts, 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 directors' remuneration and transactions with the company is not disclosed.

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

**Basis of 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 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 circumstances of the company, 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.

**Going concern basis**

In forming our opinion, we have considered the adequacy of the disclosures made in Note 1a of the financial statements concerning the uncertainty as to the contribution of financial and administration support from the parent company. In view of the significance of the uncertainty we consider that it should be drawn to your attention, but our opinion is not qualified in this respect.

**Opinion**

In our opinion the accounts give a true and fair view of the state of affairs of the company at 31 December 2001 and of the company's loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Independent auditors' report (continued)



*Arthur Andersen*

**Arthur Andersen**  
**Chartered Accountants and Registered Auditors**

180 Strand  
London  
WC2R 1BL

26 April 2002

## Profit and loss account

For the year ended 31 December 2001

	Notes	2001 £	2000 £
Operating expenses		(12,815)	(8,615)
<b>Operating loss</b>		<u>(12,815)</u>	<u>(8,615)</u>
<b>Loss for the financial year</b>	2	<u>(12,815)</u>	<u>(8,615)</u>
<b>Accumulated deficit, at beginning of the year</b>		<u>(2,691,093)</u>	<u>(2,682,478)</u>
<b>Accumulated deficit, at end of the year</b>		<u>(2,703,908)</u>	<u>(2,691,093)</u>

All results in the current and prior year have been derived from discontinued operations.

There are no recognised gains or losses in either year other than the losses for that year. Accordingly no statement of total recognised gains and losses has been prepared.

The accompanying notes are an integral part of this profit and loss account.

## Balance sheet

31 December 2001

	Notes	2001 £	2000 £
<b>Creditors: Amounts falling due within one year</b>	4	<u>(589,708)</u>	<u>(576,893)</u>
<b>Net current liabilities</b>		<u>(589,708)</u>	<u>(576,893)</u>
<b>Net liabilities</b>		<u>(589,708)</u>	<u>(576,893)</u>
<b>Equity capital and reserves</b>			
Called-up share capital	5	2,114,200	2,114,200
Profit and loss account		<u>(2,703,908)</u>	<u>(2,691,093)</u>
<b>Equity shareholder's deficit</b>	6	<u>(589,708)</u>	<u>(576,893)</u>

The accounts on pages 5 to 9 were approved by the board of directors and signed on its behalf by:



L. Stoga  
Director

26 April 2002

The accompanying notes are an integral part of this balance sheet.

## Notes to the accounts

31 December 2001

### 1 Statement of Accounting policies

A summary of the principal accounting policies, all of which have been applied consistently throughout the current and preceding year, is set out below.

#### *a) Going concern*

The company's liabilities, which include amounts payable to other group companies of £588,584 (2000 - £576,443), exceeded its assets by £589,708. The company is therefore reliant on financial and administration support from its parent company, however no guarantee of continuing financial support has been provided.

Having considered these factors, the director considers the going concern basis is appropriate. No adjustment would be necessary if the financial and administration support from the parent company were not to continue.

#### *b) Basis of accounting*

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

The company has not prepared consolidated accounts in accordance with the exemptions allowed under the Companies Act 1985 for small companies.

#### *c) Investments*

Investments in the subsidiary undertakings are stated at cost. Provisions are made for permanent impairments in value.

#### *d) Foreign Currency*

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

#### *e) Cash flow*

The company has not presented a cash flow statement in accordance with the exemptions provided to small companies in Financial Reporting Standard No. 1 (Revised).

#### *f) Related party transactions*

The nature of related party transactions and any balances outstanding at year end are disclosed in the relevant note to the accounts.



## Notes to the accounts (continued)

### 2 Loss for the financial year

	2001 £	2000 £
Auditors' remuneration		
- audit fees	3,953	2,500
- non-audit fees	7,882	-
Administrative expenses	980	6,115
	<u>12,815</u>	<u>8,615</u>

The company employs no staff and the director receives no remuneration for his services to the company. The director has no interest in the share capital of the company.

### 3 Fixed asset investments

	RC Spain Limited £
<b>Cost</b>	
1 January 2001	2,619,900
31 December 2001	-
<b>Amounts written off</b>	
1 January 2001	2,619,900
31 December 2001	-
<b>Net book value</b>	
At 1 January 2001 and at 31 December 2001	<u>-</u>

RC (Spain) was voluntarily liquidated in the year and was dissolved on 25 December 2001.

### 4 Creditors: Amounts falling due within one year

	2001 £	2000 £
Bank loans and overdrafts	1,124	-
Amounts owed to group undertakings	588,584	576,443
Accruals	-	450
	<u>589,708</u>	<u>576,893</u>

## Notes to the accounts (continued)

### 5 Called-up share capital

	2001 £	2000 £
<i>Authorised</i>		
1,000,000 ordinary shares of £100 each	<u>100,000,000</u>	<u>100,000,000</u>
<i>Allotted, called-up and fully-paid</i>		
21,142 ordinary shares of £100 each (2000 - 21,142 ordinary shares)	<u>2,114,200</u>	<u>2,114,200</u>

### 6 Reconciliation of movement in equity shareholder's deficit

	2001 £	2000 £
Loss for the financial period	<u>(12,815)</u>	<u>(8,615)</u>
Opening shareholder's deficit	<u>(576,893)</u>	<u>(568,278)</u>
Closing shareholder's deficit	<u>(589,708)</u>	<u>(576,893)</u>

### 7 Related party transactions

Amounts owed to group undertakings are disclosed in note 4. These amounts all relate to short-term loans.

### 8 Ultimate parent company and controlling party

The company's ultimate parent company and controlling party is AIC Holding Co., incorporated in the United States of America.

The largest group in which the results of Hyatt Holdings (UK) Ltd are consolidated is that headed by AIC Holding Co., and the smallest group in which they are consolidated is that headed by its immediate parent company, Hyatt International Corporation, incorporated in the United States of America. The consolidated accounts of these groups are not available to the public.