

DESNOES & GEDDES LIMITED 2003

To the Members of

DESNOES & GEDDES LIMITED

Auditors' Report

We have audited the accompanying balance sheets of Desnoes & Geddes Limited ("the company") as at June 30, 2003, and the group profit and loss account, group statement of changes in stockholders' equity and cash flows for the year then ended, and have obtained all the information and explanations which we required. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on the financial statements based on our audit.

We conducted our audit in accordance with International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, proper accounting records have been kept and the financial statements, which are in agreement therewith, give a true and fair view of the state of the company's and the group's affairs as at June 30, 2003, and of the group's results of operations and cash flows for the year

then ended and have been prepared in accordance with International Financial Reporting Standards and comply with the provisions of the Companies Act, so far as concerns members of the company.

KPMG Peat Marwick

September 24, 2003
