

Villa Plus Limited
(Company No: 2039621)

Financial Statements
For the year ended 7 November 2002



Pearson & Co
Chartered Accountants
St Albans

Villa Plus Limited
Financial Statements
For the year ended 7 November 2002

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Villa Plus Limited
Officers and Professional Advisors
For the year ended 7 November 2002

Directors

N D Cooper
R A Mavani

Secretary

N D Cooper

Registered Office

Drover House
16 Adelaide Street
St Albans
Herts. AL3 5BH

Company Registration Number

2039621 (Cardiff)

Auditors

Pearson & Co
113 Smug Oak Business Centre
Lye Lane
St Albans
Herts. AL2 3UG

Bankers

Barclays Bank Plc
28 Hampstead High Street
London. NW3 1QB

NatWest Plc
520 High Road
Wembley
Middlesex. HA9 7BZ

Villa Plus Limited
Directors' Report
For the year ended 7 November 2002

The directors have pleasure in presenting their report and the audited financial statements for the year ended 7 November 2002

Results and Dividends

The profit for the year after taxation was £357,912 (2001 - £416,088). Interim dividends of £316,500 (2001 - £110,000) were paid during the year. The directors recommend no payment of a final dividend in order to conserve the liquid funds of the company.

Principal Activity and Business Review

The principal activity of the company continues to be the supply of overseas holiday accommodation and related services. The directors consider the level of activity to date to be satisfactory and are confident of improvement in the future.

Directors and Directors' Interests

The directors during the year and their interests in the share capital of the company at the beginning and end of the year were as follows:-

	<u>Ordinary shares of £1 each</u>	
	<u>7 November 2002</u>	<u>7 November 2001</u>
N D Cooper	20,000	20,000
R A Mavani	20,000	20,000

Tangible Fixed Assets

Details of the movement in the tangible fixed assets of the group during the year are disclosed in note 7 of the financial statements.

Close Company Status

The close company provisions of the Income and Corporation Taxes Act 1988, as amended, apply to the company.

Going concern

The finances of the group are sound and the balance sheet remains strong. The directors expect that the group has adequate resources to continue its operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

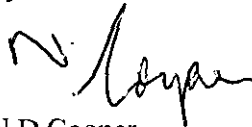
Villa Plus Limited
Directors' Report
For the year ended 7 November 2002 (continued)

Auditors

A resolution to re-appoint the Auditors, Pearson and Co, will be proposed at the annual general meeting.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

By Order of the Board.

A handwritten signature in dark ink, appearing to read 'N D Cooper', is written over the printed name.

N D Cooper
Secretary
St Albans, Herts
19 March 2003

Villa Plus Limited
Directors' and Auditors' Responsibilities for
The Financial Statements

Directors' responsibilities

The directors are required by UK company law to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company and the group as at the end of the financial period and of the profit or loss for that period. In preparing the financial statements, suitable accounting policies have been used and applied consistently, and reasonable and prudent judgements and estimates have been made. The directors are required to prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business. Applicable accounting standards have been followed. The directors are also responsible for maintaining adequate accounting records and sufficient internal controls to safeguard the assets of the group and to prevent and detect fraud or any other irregularities.

Auditors' responsibilities

The company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Standards.

The auditors' responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

The auditors are required to form an independent opinion, based on their audit, on whether the financial statements give a true and fair view and comply with the Companies Act 1985 and to report their opinion to the members. The Companies Act 1985 also requires the auditors to report to members if the following requirements are not met:

- the company has maintained proper accounting records;
- the financial statements are in agreement with the accounting records;
- the auditors have obtained all the information and explanations which to the best of their knowledge and belief are necessary for the purpose of their audit; and
- the contents of the directors' report are consistent with the financial statements.

The auditors are required to give, as far as they are reasonably able to do so, a statement giving the required particulars of the requirements of Schedule 6 of the Companies Act 1985 (which relate to disclosure of emoluments and other benefits of directors and others) and transactions with directors are not complied with in the financial statements.

**Auditor's Report
Villa Plus Limited**

To the members of Villa Plus Limited

We have audited the financial statements on pages 6 to 14 which have been prepared under the historical cost convention, and the accounting policies set out on page 9.

Respective responsibilities of directors and auditors

As described on page 4, the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

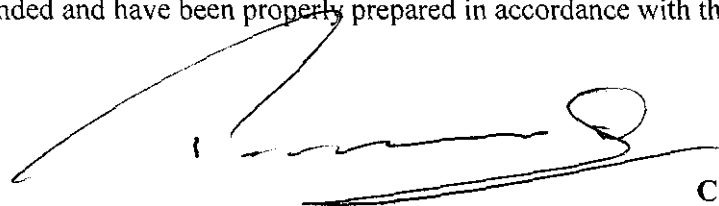
Basis of opinion

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 financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, 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 financial statements 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 financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company and the group as at 7 November 2002, and of the profit of the group for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



**Pearson & Co
Chartered Accountants
and Registered Auditor**

113 Smug Oak Business Centre
Lye Lane
St Albans
Herts. AL2 3UG
19 March 2003

Villa Plus Limited
Consolidated Profit and Loss Account
For the year ended 7 November 2002

	Note	2002 £	2001 £
Turnover	2	6,501,709	6,004,511
Cost of sales		<u>(5,422,888)</u>	<u>(4,922,185)</u>
Gross Profit		1,078,821	1,082,326
Administrative expenses		<u>(686,587)</u>	<u>(624,780)</u>
Operating Profit	3	392,234	457,546
Dividends		1,140	7,683
Rent receivable		109,782	47,224
Interest receivable		27,500	60,960
Interest payable	5	<u>(55,607)</u>	<u>(19,647)</u>
Profit on ordinary activities before taxation	2	475,049	553,766
Taxation on profit on ordinary activities	6	<u>(117,137)</u>	<u>(137,678)</u>
Profit on ordinary activities after taxation		357,912	416,088
Dividends		<u>(316,500)</u>	<u>(110,000)</u>
Profit for the financial period	14	<u>£ 41,412</u>	<u>£ 306,088</u>

Total recognised gains and losses

The company has no recognised gains or losses for the current and previous year other than those passing through the profit and loss account.

The notes on pages 9 to 14 form part of the financial statements.

Villa Plus Limited
Consolidated Balance Sheet as at 7 November 2002

	Note	2002	2001
		£	£
Fixed Assets			
Tangible assets	7	2,320,006	744,333
Current Assets			
Debtors	10	122,451	82,674
Investments	9	159,429	188,694
Cash at bank and in hand		<u>1,389,308</u>	<u>1,457,310</u>
		1,671,188	1,728,678
Creditors: amounts falling due within one year	11	<u>1,850,733</u>	<u>1,351,496</u>
Net Current Assets/(Liabilities)		<u>(179,545)</u>	<u>377,182</u>
Total Assets less current liabilities		2,140,461	1,121,515
Creditors: amounts falling due after more than one year	12	(1,126,681)	(149,147)
		<u>£1,013,780</u>	<u>£ 972,368</u>
Capital and Reserves			
Called up share capital	13	40,000	40,000
Profit and loss account	14	973,780	932,368
Shareholders' Funds	18	<u>£ 1,013,780</u>	<u>£ 972,368</u>

The financial statements were approved by the board of directors on 19 March 2003 and signed on its behalf by

N D Cooper - Director



R A Mavani - Director



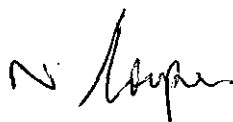
The notes on pages 9 to 14 form part of the financial statements.

Villa Plus Limited
Company Balance Sheet as at 7 November 2002

	Note	2002	2001
		£	£
Fixed Assets			
Tangible assets	7	2,320,006	744,333
Investments	8	<u>2,000</u>	<u>2,000</u>
		2,322,006	746,333
Current Assets			
Debtors	10	181,389	176,451
Investments	9	159,429	188,694
Cash at bank and in hand		<u>1,389,308</u>	<u>1,457,310</u>
		1,730,126	1,822,455
Creditors: amounts falling due within one year	11	<u>1,911,671</u>	<u>1,447,273</u>
Net Current Assets/ (Liabilities)		<u>(181,545)</u>	<u>375,182</u>
Total Assets less current liabilities		2,140,461	1,121,515
Creditors: amounts falling due after more than one year	12	(1,126,681)	(149,147)
		<u>£1,013,780</u>	<u>£ 972,368</u>
Capital and Reserves			
Called up share capital	13	40,000	40,000
Profit and loss account	14	973,780	932,368
Shareholders' Funds	18	<u>£1,013,780</u>	<u>£ 972,368</u>

The financial statements were approved by the board of directors on 19 March 2003 and signed on its behalf by

N D Cooper - Director



R A Mavani - Director



The notes on pages 9 to 14 form part of the financial statements.

Villa Plus Limited
Notes to the Financial Statements
For the year ended 7 November 2002

1. Accounting Policies

- a) **Accounting Convention**
 The financial statements have been prepared under the historical cost convention.
- b) **Consolidation**
 The consolidated financial statements of the group include the audited financial statements of the company and its subsidiary.
- c) **Pensions**
 The company operates a non-contributory pension scheme for the benefit of the directors and certain staff. The assets of the scheme are held in an independently administered fund. The pension costs charged in the financial statements represent the contributions payable by the company during the year.
- d) **Depreciation**
 Depreciation is provided on all tangible fixed assets, other than freehold buildings, at rates calculated to write-off the cost of each asset over its useful life as follows:

Freehold buildings	-	Nil
Fixtures, fittings and equipment etc	-	20%/25% per annum on cost

No depreciation is provided on freehold buildings as it is the company's policy to maintain these to a high standard through a continual programme of refurbishment and maintenance. In accordance with this practice depreciation is not provided on freehold properties where, in the opinion of the directors, the residual values (in terms of original cost) are such that any depreciation charge would be immaterial.
- e) **Promotion costs**
 Promotion costs are written off in the year to which the holidays relate.
- f) **Turnover**
 Turnover represents amounts invoiced to customers for services provided during the year excluding value added tax. Sales are recognised in the accounting year in which departure dates occur.
- g) **Foreign Currencies**
 Transactions denominated in foreign currencies are translated into sterling at the average rate. Assets and liabilities in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Translation differences are dealt with in the profit and loss account.

Villa Plus Limited
Notes to the Financial Statements
For the year ended 7 November 2002

2. Turnover and Profit on Ordinary Activities

Turnover and profit on ordinary activities are attributable to the one continuing activity, the supply of overseas holiday accommodation and related services. All sales arose in the United Kingdom. None of the group's activities were acquired nor discontinued during the year ended 7 November 2002 and year ended 7 November 2001.

3. Operating Profit

This is stated after charging:

	2002	2001
	£	£
Auditors' remuneration	2,500	2,000
Depreciation of owned tangible fixed assets	8,684	5,611
	<u>=====</u>	<u>=====</u>

4. Directors and Employees

Staff costs, including directors:

	2002	2001
	£	£
Wages and salaries	192,619	171,907
Pension scheme contributions	3,900	13,220
Social Security costs	15,007	14,852
	<u>211,526</u>	<u>199,979</u>
	<u>=====</u>	<u>=====</u>

The average weekly number of employees, including the directors, during the year was 10 (2001 - 9) and comprised entirely of office and management personnel.

Directors' emoluments:

Other emoluments	12,913	13,064
Pension scheme contributions	840	840
	<u>13,753</u>	<u>13,904</u>
	<u>=====</u>	<u>=====</u>
Emoluments, excluding pension scheme contributions:		
Chairman	12,913	13,064
	<u>=====</u>	<u>=====</u>
Highest paid director	12,913	13,064
	<u>=====</u>	<u>=====</u>

5. Interest Payable

Bank overdraft	539	6
Bank loans, not wholly repayable within five years	55,068	19,641
	<u>55,607</u>	<u>19,647</u>
	<u>=====</u>	<u>=====</u>

Villa Plus Limited
Notes to the Financial Statements
For the year ended 7 November 2002

6. Tax on Profit on Ordinary Activities

The tax charge on the profit on ordinary activities for the period was as follows:

	2002 £	2001 £
Corporation tax at 24.66% (2001: 24.9%)	117,137	137,678
	<u>=====</u>	<u>=====</u>

**7. Tangible Fixed Assets
Group and Company**

	Freehold Property £	Fixtures Fittings & Equipment etc £	Total £
Cost:			
At 8 November 2001	736,168	51,326	787,494
Additions	<u>1,581,758</u>	<u>2,599</u>	<u>1,584,357</u>
At 7 November 2002	<u>2,317,926</u>	<u>53,925</u>	<u>2,371,851</u>
Depreciation:			
At 8 November 2001	-	43,161	43,161
Charge for the year	<u>-</u>	<u>8,684</u>	<u>8,684</u>
At 7 November 2002	<u>-</u>	<u>51,845</u>	<u>51,845</u>
Net book value:			
At 7 November 2002	<u>2,317,926</u>	<u>2,080</u>	<u>2,320,006</u>
	<u>=====</u>	<u>=====</u>	<u>=====</u>
At 7 November 2001	<u>736,168</u>	<u>8,165</u>	<u>744,333</u>
	<u>=====</u>	<u>=====</u>	<u>=====</u>

**8. Investments
Company**

	2002 £	2001 £
Cost and Net book value	2,000	2,000
	<u>=====</u>	<u>=====</u>

The investment represents 100% of the entire equity capital of Villa Plus Aviation Limited, a company operating and incorporated in the United Kingdom.

9. Current asset investments

	2002 £	2001 £
Listed investments	117,750	147,015
Unlisted investments	<u>41,679</u>	<u>41,679</u>
	<u>159,429</u>	<u>188,694</u>
	<u>=====</u>	<u>=====</u>

Villa Plus Limited
Notes to the Financial Statements
For the year ended 7 November 2002

10.	Debtors	Group		Company	
		2002	2001	2002	2001
		£	£	£	£
	Other debtors	1,950	1,950	170,550	165,762
	Prepayments and accrued income	<u>120,501</u>	<u>80,724</u>	<u>10,839</u>	<u>10,689</u>
		<u>122,451</u>	<u>82,674</u>	<u>181,389</u>	<u>176,451</u>
		=====	=====	=====	=====
11.	Creditors: Amounts falling due within one year	Group		Company	
		2002	2001	2002	2001
		£	£	£	£
	Bank loan and overdraft (note 17)	374,012	90,403	373,807	90,275
	Trade creditors	744,484	671,523	744,484	671,523
	Corporation tax	108,986	137,678	64,924	86,584
	Amount owing to group undertaking	-	-	105,205	146,999
	Other creditors including taxation and social security	211,702	161,039	211,702	161,039
	Accruals and deferred income	<u>411,549</u>	<u>290,853</u>	<u>411,549</u>	<u>290,853</u>
		<u>1,850,733</u>	<u>1,351,496</u>	<u>1,911,671</u>	<u>1,447,273</u>
		=====	=====	=====	=====
12.	Creditors: Amounts falling due after more than one year	Group and Company		2002	
				2001	
				£	
	Bank loan (note 17)	1,126,681		149,147	
		=====		=====	
13.	Share Capital	2002		2001	
		£		£	
	Authorised:				
	20,000 Ordinary shares of £1 each	20,000		20,000	
	20,000 Ordinary A shares of £1 each	<u>20,000</u>		<u>20,000</u>	
		=====		=====	
	Allotted, called up and fully paid:				
	20,000 Ordinary shares of £1 each	20,000		20,000	
	20,000 Ordinary A shares of £1 each	<u>20,000</u>		<u>20,000</u>	
		<u>40,000</u>		<u>40,000</u>	
		=====		=====	

Villa Plus Limited
Notes to the Financial Statements
For the year ended 7 November 2002

14. Profit and Loss Account
Group and Company

	2002	2001
	£	£
At 8 November 2001	932,368	626,280
Retained profit for the period	<u>41,412</u>	<u>306,088</u>
At 7 November 2002	<u>973,780</u>	<u>932,368</u>

The entire retained profit for the period is dealt with in the company's financial statements.

15. Contingent Liabilities
Group and Company

At 7 November 2002, there were no contingent liabilities or guarantees other than those arising in the ordinary course of the group and company's business and on these no material losses are anticipated.

16. Commitments
Group and Company

Capital commitments at 7 November 2002, for which no provision has been made in these accounts, were as follows:

	2002	2001
	£	£
Contracted	-	-
Authorised but not contracted	-	-
	<u>-</u>	<u>-</u>

17. Bank Loans and overdrafts
Group and Company

An analysis of the maturity of loans and overdrafts is given below:

	2002	2001
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	219,669	61,509
Bank loans	154,343	28,894
	<u>374,012</u>	<u>90,403</u>

Villa Plus Limited
Notes to the Financial Statements
For the year ended 7 November 2002

17. Bank Loans and overdrafts
Group and Company (continued)

	2002	2001
	£	£
Amounts falling due between one and two years:		
Bank loans	154,343	28,894
	<u>=====</u>	<u>=====</u>
Amounts falling due between two and five years:		
Bank loans	617,373	115,576
	<u>=====</u>	<u>=====</u>
Amounts falling due after more than five years:		
Bank loans	354,965	4,677
	<u>=====</u>	<u>=====</u>

The bank loan is secured by a fixed charge over the freehold properties.

18. Reconciliation of Shareholders' Funds

	2002	2001
	£	£
At 8 November 2001	972,368	666,280
Profit for the year	357,912	416,088
Dividends	(316,500)	(110,000)
At 7 November 2002	<u>1,013,780</u>	<u>972,368</u>
	<u>=====</u>	<u>=====</u>

19. Profit for the financial period

As permitted by Section 230 of the Companies Act 1985, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's profit after taxation for the financial period amounted to £357,912 (2001 - £ 416,088).

20. Control

The company is under the control of the directors Mr N D Cooper and Mr R A Mavani who are major shareholders in the company.