Villa Plus Limited
(Company No: 2039621)

Financial Statements
For the year ended 7 November 2005



Pearson & Co
Chartered Accountants
St Albans

Villa Plus Limited
Financial Statements
For the year ended 7 November 2005

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Villa Plus Limited
Officers and Professional Advisors
For the year ended 7 November 2005

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 2005

The directors have pleasure in presenting their report and the audited financial statements for the year ended 7 November 2005.

Results and Dividends

The profit for the year after taxation was £662,095 (2004 - £580,068). Interim dividends of £348,288 (2004 - £470,000) 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:-

	Ordinary shares of £1 each	
	7 November 2005	7 November 2004
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 2005 (continued)

Auditors

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

By Order of the Board.

N D Cooper
Secretary
St Albans, Herts
17 March 2006

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.

Independent Auditor's Report
Villa Plus Limited

To the members of Villa Plus Limited

We have audited the financial statements on pages 6 to 16 which have been prepared under the historical cost convention, and the accounting policies set out on page 11.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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 2005, 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. AL2 3UG
17 March 2006

Villa Plus Limited
Consolidated Profit and Loss Account
For the year ended 7 November 2005

	Note	2005 £	2004 £
Turnover	2	11,680,691	8,890,094
Cost of sales		(9,580,577)	(7,206,638)
Gross Profit		2,100,114	1,683,456
Administrative expenses		(1,375,633)	(1,029,156)
Operating Profit	3	724,481	654,300
Dividends		689	2,196
Rent receivable		159,250	142,150
Interest receivable		106,837	62,892
Interest payable	5	(68,570)	(59,664)
Profit on ordinary activities before taxation	2	922,687	801,874
Taxation on profit on ordinary activities	6	(260,592)	(221,806)
Profit on ordinary activities after taxation		662,095	580,068
Dividends		(348,288)	(470,000)
Profit for the financial period	14	£ 313,807	£ 110,068

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 11 to 16 form part of the financial statements.

Villa Plus Limited
Consolidated Balance Sheet as at 7 November 2005

	Note	2005		2004	
		£	£	£	£
Fixed Assets					
Tangible assets	7		2,318,076		2,318,126
Current Assets					
Debtors	10	177,334		111,828	
Investments	9	59,828		129,260	
Cash at bank and in hand		2,355,078		1,659,279	
		2,592,240		1,900,367	
Creditors: amounts falling due within one year	11	2,441,450		1,986,866	
Net Current Assets/(Liabilities)			150,790		(86,499)
Total Assets less current liabilities			2,468,866		2,231,627
Creditors: amounts falling due after more than one year	12		(867,466)		(944,034)
			£1,601,400		£ 1,287,593
Capital and Reserves					
Called up share capital	13		40,000		40,000
Profit and loss account	14		1,561,400		1,247,593
Shareholders' Funds	18		£1,601,400		£ 1,287,593

The financial statements were approved by the board of directors on 17 March 2006 and signed on its behalf by

N D Cooper - Director

R A Mavani - Director

The notes on pages 11 to 16 form part of the financial statements.

Villa Plus Limited
Company Balance Sheet as at 7 November 2005

	Note	2005		2004	
		£	£	£	£
Fixed Assets					
Tangible assets	7		2,318,076		2,318,126
Investments	8		2,000		2,000
			2,320,076		2,320,126
Current Assets					
Debtors	10	202,228		197,954	
Investments	9	59,828		129,260	
Cash at bank and in hand		2,360,791		1,658,779	
		2,622,847		1,985,993	
Creditors: amounts falling due within one year	11	2,474,057		2,074,492	
Net Current Assets/ (Liabilities)			148,790		(88,499)
Total Assets less current liabilities			2,468,866		2,231,627
Creditors: amounts falling due after more than one year	12		(867,466)		(944,034)
			£1,601,400		£1,287,593
Capital and Reserves					
Called up share capital	13		40,000		40,000
Profit and loss account	14		1,561,400		1,247,593
Shareholders' Funds	18		£1,601,400		£1,287,593

The financial statements were approved by the board of directors on 17 March 2006 and signed on its behalf by

N D Cooper - Director

R A Mavani - Director

The notes on pages 11 to 16 form part of the financial statements.

Villa Plus Limited
Consolidated Cash Flow Statement for the year ended 7 November 2005

	Note	2005		2004	
		£	£	£	£
Net cash inflow from operating activities					
Operating profit			724,481		654,300
Depreciation charges			50		6,195
(Increase)/Decrease in debtors			(65,506)		15,006
Increase in creditors			413,705		145,179
			1,072,730		820,680
Returns on investments and servicing of finance					
Rent received		159,250		142,150	
Interest received		106,837		62,892	
Interest paid		(68,570)		(59,664)	
Dividends received		689		2,196	
Payment of loans		(76,568)		(92,085)	
			121,638		55,489
Taxation			(221,817)		(132,770)
Capital expenditure					
Purchase of tangible fixed assets			-		(250)
Equity dividends paid			(348,288)		(470,000)
Increase in cash in the period			£ 624,263		£ 273,149
Reconciliation of net cash flow to movement in net funds	1				
Increase in cash in the period			693,695		273,149
Cash outflow from decrease in liquid resources			(69,432)		-
Change in net funds resulting from cash flows			624,263		273,149
Movement in net funds in the period					
Net funds as at 8 November 2004			1,634,196		1,361,047
Net funds as at 7 November 2005			£2,258,459		£1,634,196

The note on page 10 forms part of the cash flow statement.

Villa Plus Limited
Notes to the Cash Flow statement
For the year ended 7 November 2005

1. **Analysis of changes in net funds**

	At 8 November 2004	Cash Flow	At 7 November 2005
	£	£	£
Net cash:			
Cash at bank and in hand	1,659,279	695,799	2,355,078
Bank overdraft	(154,343)	(2,104)	(156,447)
At 7 November 2005	1,504,936	693,695	2,198,631
Liquid Resources:			
Current asset			
Investments	129,260	(69,432)	59,828
Total	1,634,196	624,263	2,258,459
Analysed in the Balance Sheet			
Cash at bank and in hand	1,659,279		2,355,078
Current asset investment	129,260		59,828
Bank overdraft	(154,343)		(156,447)
	1,634,196		2,258,459

Villa Plus Limited
Notes to the Financial Statements
For the year ended 7 November 2005

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 2005

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 2005 and year ended 7 November 2004.

3. Operating Profit

This is stated after charging:

	2005	2004
	£	£
Auditors' remuneration	4,250	3,500
Depreciation of owned tangible fixed assets	50	6,195

4. Directors and Employees

Staff costs, including directors:

	2005	2004
	£	£
Wages and salaries	339,704	248,724
Pension scheme contributions	910	770
Social Security costs	32,703	23,862
	373,317	273,356

The average weekly number of employees, including the directors, during the year was 12 (2004 - 10) and comprised entirely of office and management personnel.

Directors' emoluments:

Other emoluments	12,198	12,507
Pension scheme contributions	910	770
	13,108	13,277
Emoluments, excluding pension scheme contributions:		
Chairman	12,198	12,507
Highest paid director	12,198	12,507

5. Interest Payable

Bank overdraft	-	-
Bank loans, not wholly repayable within five years	68,570	59,664
	68,570	59,664

Villa Plus Limited
Notes to the Financial Statements
For the year ended 7 November 2005

6. Tax on Profit on Ordinary Activities

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

	2005 £	2004 £
Corporation tax at 28.24% (2004: 27.66%)	260,592	221,806

7. Tangible Fixed Assets

Group and Company

	Freehold Property £	Fixtures Fittings & Equipment etc £	Total £
Cost:			
At 8 November 2004	2,317,926	61,857	2,379,783
Additions	-	-	-
At 7 November 2005	2,317,926	61,857	2,379,783
Depreciation:			
At 8 November 2004	-	61,657	55,462
Charge for the year	-	50	50
At 7 November 2005	-	61,707	61,707
Net book value:			
At 7 November 2005	2,317,926	150	2,318,076
At 7 November 2004	2,317,926	200	2,318,126

8. Investments

Company

	2005 £	2004 £
Cost and Net book value	2,000	2,000

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

	2005 £	2004 £
Listed investments	17,998	87,430
Unlisted investments	41,830	41,830
	59,828	129,260

Villa Plus Limited
Notes to the Financial Statements
For the year ended 7 November 2005

10. Debtors

	Group		Company	
	2005	2004	2005	2004
	£	£	£	£
Other debtors	2,204	2,204	190,063	185,004
Prepayments and accrued income	175,130	109,624	12,165	12,950
	177,334	111,828	202,228	197,954

11. Creditors: Amounts falling due within one year

	Group		Company	
	2005	2004	2005	2004
	£	£	£	£
Bank loan and overdraft (note 17)	156,447	154,343	156,447	154,343
Trade creditors	763,260	833,798	763,260	833,798
Corporation tax	260,616	221,841	199,824	164,453
Amount owing to group undertaking	-	-	93,399	146,014
Other creditors including taxation and social security	450,984	324,957	450,984	324,957
Accruals and deferred income	810,143	451,927	810,143	451,927
	2,441,450	1,986,866	2,474,057	2,074,492

12. Creditors: Amounts falling due after more than one year

Group and Company

	2005	2004
	£	£
Bank loan (note 17)	867,466	944,034

13. Share Capital

	2005	2004
	£	£
Authorised:		
20,000 Ordinary shares of £1 each	20,000	20,000
20,000 Ordinary A shares of £1 each	20,000	20,000
	40,000	40,000
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	20,000	20,000
	40,000	40,000

Villa Plus Limited
Notes to the Financial Statements
For the year ended 7 November 2005

14. Profit and Loss Account
Group and Company

	2005	2004
	£	£
At 8 November 2004	1,247,593	1,137,525
Retained profit for the period	313,807	110,068
At 7 November 2005	1,561,400	1,247,593

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 2005, 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 2005, for which no provision has been made in these accounts, were as follows:

	2005	2004
	£	£
Contracted	-	-
Authorised but not contracted	-	-
	-	-

17. Bank Loans and overdrafts
Group and Company

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

	2005	2004
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	-	-
Bank loans	156,447	154,343
	156,447	154,343

Villa Plus Limited
Notes to the Financial Statements
For the year ended 7 November 2005

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

	2005 £	2004 £
Amounts falling due between one and two years:		
Bank loans	156,447	154,343
Amounts falling due between two and five years:		
Bank loans	782,235	617,373
Amounts falling due after more than five years:		
Bank loans	85,231	172,318

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

18. Reconciliation of Shareholders' Funds

	2005 £	2004 £
At 8 November 2004	1,287,593	1,177,525
Profit for the year	662,095	580,068
Dividends	(348,288)	(470,000)
At 7 November 2005	1,601,400	1,287,593

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 £662,095 (2004 - £580,068).

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.