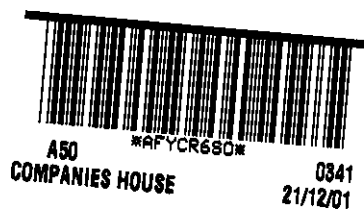


# VACATION CARE TRAVEL CLUB LIMITED

Report and Financial Statements

30th June 2001



VACATION CARE TRAVEL CLUB LIMITED

REPORT AND FINANCIAL STATEMENTS 2001

<b>CONTENTS</b>	<b>Page</b>
Officers and professional advisers	1
Directors' report	2
Statement of directors' responsibilities	3
Auditors' report	4
Profit and loss account	5
Balance sheet	6
Notes to the accounts	7

**REPORT AND FINANCIAL STATEMENTS 2001**

**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

P D Morley  
J F Greengrass

**SECRETARY**

P D Morley

**REGISTERED OFFICE**

1st Floor  
Bucklersbury House  
83 Cannon Street  
London  
EC4N 8PE

**AUDITORS**

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

## DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 30 June 2001.

### ACTIVITIES

The travel club was established to provide services to our existing customer base and to the general public. We are pleased to report that the company has produced an excellent result in its first period of trading, with the company showing a profit. This is especially pleasing as the company did not commence trading until the 5th April 2001.

Prior to the granting of an ABTA licence on the 5th April 2001, the travel operation was undertaken by the parent company, Vacation Care International Limited.

The company derives its profits from commissions on air flights and other related services.

We anticipate that despite the downturn in trading as a result of the September 11th disaster, the company will continue to be profitable in the coming year.

### CHANGE OF NAME

The company changed its name from Adviser (168) Limited to Vacation Care Travel Club Ltd on 25 October 2000.

### DIRECTORS

The present directors are shown on page 1 and both served throughout the year.

### DIRECTORS' INTERESTS IN SHARES OF GROUP COMPANIES

No director had any interest in the shares of the company.

The interest of P D Morley and J F Greengrass in group companies are disclosed in the directors report of the ultimate parent company, Levellight Limited.

### DIRECTORS' AND OFFICERS' LIABILITY

Directors' and officers' liability insurance has been purchased by the parent company during the year.

### AUDITORS

On 28 June 2001, Ernst & Young, the Company's auditor, transferred its entire business to Ernst & Young LLP, a limited liability partnership incorporated under the Limited Liability Partnerships Act 2000. The Directors consented to treating the appointment of Ernst & Young as extending to Ernst & Young LLP with effect from 28 June 2001.

A resolution to re-appoint Ernst & Young LLP as the Company's auditor will be put to the forthcoming Annual General Meeting.

Approved by the Board of Directors  
and signed on behalf of the Board



P D Morley

Director

18 December 2001

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed;
- prepare the financial statements 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, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **ERNST & YOUNG LLP**

## **VACATION CARE TRAVEL CLUB LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

We have audited the company's financial statements for the year ended 30th June 2001 which comprise the Profit and Loss Account, Balance Sheet and the related notes 1 to 11. These financial statements have been prepared on the basis of the accounting policies set out therein.

#### **Respective responsibilities of directors and auditors**

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards.

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

We report to you our opinion as to whether the financial statements 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 financial statements, 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 Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

#### **Basis of audit 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 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 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 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 as at 30 June 2001 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Ernst & Young LLP*

**Ernst & Young LLP**  
Registered Auditor  
Southampton

19/12/01

VACATION CARE TRAVEL CLUB LIMITED

**PROFIT AND LOSS ACCOUNT**

Year ended 30 June 2001

	Note	Year ended 30 June 2001 £	Year ended 30 June 2000 £
<b>TURNOVER</b>	2	207,068	-
Cost of sales		<u>(156,271)</u>	<u>-</u>
Gross profit		50,797	-
Administrative expenses		<u>(47,927)</u>	<u>-</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE INTEREST</b>		2,870	-
Interest receivable and similar income		<u>1,928</u>	<u>-</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	4	4,798	-
Tax on profit on ordinary activities	5	<u>(2,036)</u>	<u>-</u>
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		2,762	-
<b>Profit and loss account brought forward</b>		<u>-</u>	<u>-</u>
<b>Profit and loss account carried forward</b>		<u><u>2,762</u></u>	<u><u>-</u></u>

All amounts derive from continuing operations.

There were no recognised gains or losses for the current financial year and preceeding financial year other than as stated in the profit and loss account.

VACATION CARE TRAVEL CLUB LIMITED

**BALANCE SHEET**  
As at 30 June 2001

	Note	2001 £	2000 £
<b>CURRENT ASSETS</b>			
Debtors:			
Due within one year	6	1,754	-
Due after more than one year	6	-	1,000
Investments	7	157,263	-
Cash at bank and in hand		3,891	-
		<u>162,908</u>	<u>1,000</u>
<b>CREDITORS: amounts falling due within one year</b>	8	(55,513)	-
		<u>107,395</u>	<u>1,000</u>
<b>NET CURRENT ASSETS</b>			
<b>CREDITORS: amounts falling due after more than one year</b>	8	(54,633)	-
		<u>52,762</u>	<u>1,000</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	9	50,000	1,000
Profit and loss account		2,762	-
<b>EQUITY SHAREHOLDERS' FUNDS</b>	10	<u>52,762</u>	<u>1,000</u>

These financial statements were approved by the Board of Directors on 18 December 2001.

Signed on behalf of the Board of Directors



P D Morley

Director



**NOTES TO THE ACCOUNTS**

**Year ended 30 June 2001**

**1. ACCOUNTING POLICIES**

The financial statements are prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below.

**Accounting convention**

The financial statements are prepared under the historical cost convention.

**Deferred taxation**

Deferred taxation is provided on timing differences arising from the different treatment of items for statutory accounts and taxation purposes, which are expected to reverse in the future, calculated at rates at which it is estimated that the tax will arise.

**Turnover**

Turnover represents sales by the company to outside customers, excluding value added tax.

**Cash flow statements**

The ultimate parent company, Levellight Limited, has prepared a cash flow statement in accordance with Financial Reporting Standard No. 1 and accordingly the company has applied the exemptions contained within the standard and has not produced a separate cash flow statement.

**2. TURNOVER**

	Year ended 30 June 2001 £	Year ended 30 June 2000 £
Geographical analysis of turnover:		
United Kingdom	207,068	-
	<u>207,068</u>	<u>-</u>

Turnover derives from the provision of travel services.

**VACATION CARE TRAVEL CLUB LIMITED**

**NOTES TO THE ACCOUNTS**

Year ended 30 June 2001

**3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES**

	<b>Year ended 30 June 2001 £</b>	<b>Year ended 30 June 2000 £</b>
<b>Employee costs during the period:</b>		
Wages and salaries	20,807	-
Social security costs	1,665	-
	No.	No.
<b>Average number of persons employed:</b>		
Service	5	-
Administration	1	-

**4. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION**

	<b>Year ended 30 June 2001 £</b>	<b>Year ended 30 June 2000 £</b>
<b>Profit on ordinary activities before taxation is after charging:</b>		
Management fee payable to Vacation Care International Ltd	10,276	-

Auditors remuneration was paid by the immediate parent company, Vacation Care International Limited.

During the year no directors received emoluments from the company (2000 : £Nil).

**5. TAX ON PROFIT ON ORDINARY ACTIVITIES**

	<b>Year ended 30 June 2001</b>	<b>Year ended 30 June 2000</b>
UK Corporation tax based on profit for year	2,036	-
	2,036	-

**VACATION CARE TRAVEL CLUB LIMITED**

**NOTES TO THE ACCOUNTS**

Year ended 30 June 2001

**6. DEBTORS**

**Amounts falling due within one year:**

	2001 £	2000 £
Accrued income	1,754	-
	<u>1,754</u>	<u>-</u>
	<u>1,754</u>	<u>-</u>

**Amounts falling due after more than one year:**

	2001 £	2000 £
Amounts owed by parent company	-	1,000
	<u>-</u>	<u>1,000</u>
	<u>-</u>	<u>1,000</u>

**7. INVESTMENTS HELD AS CURRENT ASSETS**

	2001 £	2000 £
<b>Cost and net book value</b>		
Bank deposits	157,263	-
	<u>157,263</u>	<u>-</u>
	<u>157,263</u>	<u>-</u>

**8. CREDITORS**

**Amounts falling due within one year:**

	2001 £	2000 £
Trade creditors	52,786	-
Other creditors including taxation and social security	2,727	-
	<u>55,513</u>	<u>-</u>
	<u>55,513</u>	<u>-</u>

**Amounts falling due after more than one year:**

	2001 £	2000 £
Amounts owed to parent company	54,633	-
	<u>54,633</u>	<u>-</u>
	<u>54,633</u>	<u>-</u>

VACATION CARE TRAVEL CLUB LIMITED

NOTES TO THE ACCOUNTS

Year ended 30 June 2001

9. CALLED UP SHARE CAPITAL

	2001	2000
	£	£
Authorised, allotted and fully paid: 50,000 ordinary shares of £1 each	<u>50,000</u>	<u>1,000</u>

49,000 shares were issued, fully paid, to the parent company, Vacation Care International Limited, on 7 December 2000.

10 COMBINED RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS / STATEMENT OF MOVEMENTS ON RESERVES

	Issued share capital £	Profit and loss account £	Total 2001 £	Total 2000 £
Balance at 1 July 2000	1,000	-	1,000	1,000
Profit for period	-	2,762	2,762	-
Issue of shares	49,000	-	49,000	-
Balance at 30 June 2001	<u>50,000</u>	<u>2,762</u>	<u>52,762</u>	<u>1,000</u>

11 ULTIMATE PARENT COMPANY

The company is a wholly owned subsidiary of Vacation Care International Limited which is registered in England and Wales. The ultimate parent company is Levellight Limited, registered in England and Wales. Copies of the group financial statements can be obtained 50 Sheen Lane, London, SW14 8LP.