

ADVISER (168) LIMITED

Report and Financial Statements

31st October 1997



REPORT AND FINANCIAL STATEMENTS 1997

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REPORT AND FINANCIAL STATEMENTS 1997

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

P D Morley
J F Greengrass

SECRETARY

PD Morley

REGISTERED OFFICE

64 Queen Street
London
EC4R 1AD

AUDITORS

Ernst & Young
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 31 October 1997.

ACTIVITIES

The company is a property holding company letting property to a leisure resort.

BUSINESS REVIEW AND RESULTS

The company made a profit for the year of £3,177 (1996: £4,528).

DIVIDENDS AND TRANSFERS TO RESERVES

The directors do not recommend the payment of a dividend (1996: Nil). Retained profits of £3,177 (1996: £4,528) have been transferred to reserves.

POST BALANCE SHEET EVENT

On 23 October 1998 the company disposed of its sole asset for consideration close to its book value and has subsequently ceased to trade.

FIXED ASSETS

Details of fixed assets owned during the year are stated in note 5.

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

A resolution to reappoint Ernst & Young as auditors will be proposed at the forthcoming Annual General Meeting.

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



P D Morley

Director

25 November 1998

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 for 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 for the prevention and detection of fraud and other irregularities.

ERNST & YOUNG

ADVISER (168) LIMITED

AUDITORS' REPORT TO THE MEMBERS

We have audited the financial statements on pages 5 to 9 which have been prepared under the accounting policies set out on page 7.

Respective responsibilities of Directors and Auditors

As described on page 3 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 judgments made by the directors in the preparation 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 the company's affairs as at 31 October 1997 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young

Chartered Accountants
Registered Auditor
Wessex House
19 Threefield Lane
Southampton
SO14 3QB

25 November 1998

PROFIT AND LOSS ACCOUNT

Year ended 31 October 1997

	Note	Year ended 31 October 1997 £	Year ended 31 October 1996 £
Turnover	2	6,156	6,156
Cost of Sales		(1,629)	(1,628)
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	4,527	4,528
Tax on profit on ordinary activities	4	(1,350)	-
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		3,177	4,528
Profit and loss account brought forward		<hr/> 7,837	<hr/> 3,309
Profit and loss account carried forward	8	<hr/> <hr/> 11,014	<hr/> <hr/> 7,837

All results derive from continuing operations.

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

BALANCE SHEET

As at 31 October 1997

	Note	1997 £	1996 £
FIXED ASSETS			
Tangible assets	5	<u>71,057</u>	<u>72,686</u>
CREDITORS: amounts falling due within one year:			
Corporation tax	6	<u>(1,350)</u>	<u>-</u>
NET CURRENT LIABILITIES		(1,350)	-
CREDITORS: amounts falling due after more than one year			
Amounts owed to parent company	6	<u>(58,691)</u>	<u>(64,847)</u>
		<u>11,016</u>	<u>7,839</u>
CAPITAL AND RESERVES			
Called up share capital	7	2	2
Profit and loss account		<u>11,014</u>	<u>7,837</u>
EQUITY SHAREHOLDERS FUNDS	8	<u>11,016</u>	<u>7,839</u>

These financial statements were approved by the Board of Directors on 25 November 1998.

Signed on behalf of the Board of Directors



P D Morley

Director

NOTES TO THE ACCOUNTS
Year ended 31 October 1997

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.

The company is dependent on the continuing support of its parent company Vacation Care International Ltd which has undertaken to provide this support and accordingly, the financial statements have been prepared on a going concern basis.

Tangible fixed assets

Depreciation is provided in equal instalments over the estimated useful life of the assets and is calculated on the cost of the assets.

The following rate is used:

Freehold buildings	2% per annum
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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.

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

Turnover is derived solely from the company's principal activity and arises in European countries other than the UK.

3. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	1997	1996
	£	£
Profit on ordinary activities before taxation is after charging:		
Depreciation	<u>1,629</u>	<u>1,628</u>

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

During the year no directors received emoluments from the company (1996 : £Nil).
 There are no employees of the company.

NOTES TO THE ACCOUNTS
Year ended 31 October 1997

4. TAX ON PROFIT ON ORDINARY ACTIVITIES

	1997 £	1996 £
UK Corporation tax based on profit for the year	1,350	-
	<u>1,350</u>	<u>-</u>

5. TANGIBLE FIXED ASSETS

	Freehold land and buildings £
Cost	
At 1 November 1996 and 31 October 1997	<u>81,421</u>
Depreciation	
At 1 November 1996	8,735
Charge for the year	1,629
At 31 October 1997	<u>10,364</u>
Net book value	
At 31 October 1997	<u>71,057</u>
At 31 October 1996	<u>72,686</u>

No value is separately ascribed to the land.

6. CREDITORS

	1997 £	1996 £
Amounts falling due within one year:		
Taxation	<u>1,350</u>	<u>-</u>

Amounts falling due after more than one year:

The parent company loan is unsecured and has no fixed repayment terms.

7. CALLED UP SHARE CAPITAL

	1997 £	1996 £
Authorised, allotted and fully paid: 2 ordinary shares of £1 each	<u>2</u>	<u>2</u>

NOTES TO THE ACCOUNTS

Year ended 31 October 1997

8. COMBINED RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS AND STATEMENT OF MOVEMENTS ON RESERVES

	Issued share capital £	Profit and loss account £	Total 1997 £	Total 1996 £
Balance at 1 November	2	7,837	7,839	3,311
Profit for year	-	3,177	3,177	4,528
Balance at 31 October	<u>2</u>	<u>11,014</u>	<u>11,016</u>	<u>7,839</u>

9. 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 from 48-50 Sheen Lane, London, SW14 8LP.