

REGISTERED NUMBER: 2238316 (England and Wales)

Abbreviated Financial Statements for the Year Ended 31 December 2001

for

Newmarket Air Holidays Limited



Newmarket Air Holidays Limited

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for the Year Ended 31 December 2001**

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Newmarket Air Holidays Limited

**Company Information
for the Year Ended 31 December 2001**

DIRECTORS:

T P Frei Esq
J C Griffin Esq
S C Hibbs Esq

SECRETARY:

S C Hibbs Esq

REGISTERED OFFICE:

McMillan House
54/56 Cheam Common Road
WORCESTER PARK
Surrey
KT4 8RQ

REGISTERED NUMBER:

2238316 (England and Wales)

AUDITORS:

Gordon Berman
Registered Auditors
Chartered Accountants
85 Ballards Lane
LONDON
N3 1XU

Newmarket Air Holidays Limited

**Report of the Directors
for the Year Ended 31 December 2001**

The directors present their report with the financial statements of the company for the year ended 31 December 2001.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of holiday tour operators.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

DIVIDENDS

No interim dividend was paid during the year. The directors recommend a final dividend of £6 per share.

The total distribution of dividends for the year ended 31 December 2001 will be £300,000.

DIRECTORS

The directors during the year under review were:

T P Frei Esq
J C Griffin Esq
S C Hibbs Esq

The beneficial interests of the directors holding office on 31 December 2001 in the issued share capital of the company were as follows:

	31.12.01	1.1.01
Ordinary £1 shares		
T P Frei Esq	1	1
J C Griffin Esq	-	-
S C Hibbs Esq	-	-

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 and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to

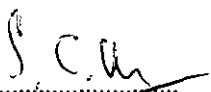
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

The auditors, Gordon Berman, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:


.....
S C Hibbs Esq - SECRETARY

Dated: 14 May 2002

Newmarket Air Holidays Limited

**Report of the Independent Auditors to
Newmarket Air Holidays Limited
Under Section 247B of the Companies Act 1985**

We have examined the abbreviated financial statements on pages four to nine, together with the full financial statements of the company for the year ended 31 December 2001 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the financial statements to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Basis of audit opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated financial statements on pages four to nine are properly prepared in accordance with that provision.

Gordon Berman

Gordon Berman
Registered Auditors
Chartered Accountants
85 Ballards Lane
LONDON
N3 1XU

Dated: *15 May 2002*

Newmarket Air Holidays Limited
Abbreviated Profit and Loss Account
for the Year Ended 31 December 2001

	Notes	2001		2000	
		£	£	£	£
GROSS PROFIT			772,001		574,227
Administrative expenses			630,156		513,051
OPERATING PROFIT	3		141,845		61,176
Income from investments		250,000		260,000	
Interest receivable and similar income	4	127,388		109,383	
			377,388		369,383
			519,233		430,559
Interest payable and similar charges	5		3		-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			519,230		430,559
Tax on profit on ordinary activities	6		75,209		40,271
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION			444,021		390,288
Dividends	7		300,000		290,000
			144,021		100,288
Retained profit brought forward			512,838		412,550
RETAINED PROFIT CARRIED FORWARD			£656,859		£512,838

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profits for the current and previous years.

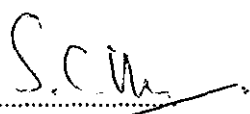
Newmarket Air Holidays Limited

**Abbreviated Balance Sheet
31 December 2001**

		2001		2000	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	8		7,894		9,345
Investments	9		2,000		2,000
			<u>9,894</u>		<u>11,345</u>
CURRENT ASSETS:					
Debtors	10	388,573		412,757	
Cash at bank		<u>2,079,830</u>		<u>2,440,647</u>	
		2,468,403		2,853,404	
CREDITORS: Amounts falling due within one year	11	<u>1,771,438</u>		<u>2,301,911</u>	
NET CURRENT ASSETS:			<u>696,965</u>		<u>551,493</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			<u><u>£706,859</u></u>		<u><u>£562,838</u></u>
CAPITAL AND RESERVES:					
Called up Share Capital	12		50,000		50,000
Profit & Loss Account			<u>656,859</u>		<u>512,838</u>
SHAREHOLDERS' FUNDS:	14		<u><u>£706,859</u></u>		<u><u>£562,838</u></u>

These abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

ON BEHALF OF THE BOARD:


S C Hibbs Esq - DIRECTOR

Approved by the Board on 14 May 2002

Newmarket Air Holidays Limited

Notes to the Abbreviated Financial Statements for the Year Ended 31 December 2001

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents net receipts during the year of sales of holidays and excursions. Full provision for receipts in respect of holidays and excursions departing after the Balance Sheet date is included in the Cost of Sales and the Balance Sheet.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and Equipment	- 15% on reducing balance
Motor Vehicles	- 25% on reducing balance

Foreign Currencies

Assets and liabilities in foreign currencies are translated into sterling at rates ruling at the Balance Sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling when the transaction takes place. Realised exchange differences are taken to the profit and loss account.

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the information is contained in the consolidated group financial statements of Newmarket Promotions Limited.

2. STAFF COSTS

There were no staff costs for the year ended 31 December 2001 nor for the year ended 31 December 2000.

The average monthly number of employees during the year was as follows:

2001	2000
=	=

3. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2001	2000
	£	£
Depreciation - owned assets	1,452	2,423
Loss on disposal of fixed assets	-	984
Auditors' remuneration	5,860	5,790
Foreign exchange differences	15,743	(2,487)
	<u> </u>	<u> </u>
Directors' emoluments	-	-
	<u> </u>	<u> </u>

4. INTEREST RECEIVABLE AND SIMILAR INCOME

	2001	2000
	£	£
Bank deposit interest	127,388	109,383
	<u> </u>	<u> </u>

Newmarket Air Holidays Limited

**Notes to the Abbreviated Financial Statements
for the Year Ended 31 December 2001**

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2001	2000
	£	£
Bank Interest	<u>3</u>	<u>-</u>

6. TAXATION

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

	2001	2000
	£	£
UK corporation tax	74,794	40,274
Under/(over) provision in prior year	<u>415</u>	<u>(3)</u>
	<u>75,209</u>	<u>40,271</u>

UK corporation tax has been charged at 27.85% (2000 - 24.80%).

7. DIVIDENDS

	2001	2000
	£	£
Equity shares:		
Final	<u>300,000</u>	<u>290,000</u>

8. TANGIBLE FIXED ASSETS

	Fixtures and Equipment	Motor Vehicles	Totals
	£	£	£
COST:			
At 1 January 2001			
and 31 December 2001	<u>44,920</u>	<u>694</u>	<u>45,614</u>
DEPRECIATION:			
At 1 January 2001	36,073	195	36,268
Charge for year	<u>1,327</u>	<u>125</u>	<u>1,452</u>
At 31 December 2001	<u>37,400</u>	<u>320</u>	<u>37,720</u>
NET BOOK VALUE:			
At 31 December 2001	<u><u>7,520</u></u>	<u><u>374</u></u>	<u><u>7,894</u></u>
At 31 December 2000	<u><u>8,847</u></u>	<u><u>498</u></u>	<u><u>9,345</u></u>

Newmarket Air Holidays Limited

**Notes to the Abbreviated Financial Statements
for the Year Ended 31 December 2001**

9. FIXED ASSET INVESTMENTS

	£
COST:	
At 1 January 2001	
and 31 December 2001	<u>2,000</u>
NET BOOK VALUE:	
At 31 December 2001	<u><u>2,000</u></u>
At 31 December 2000	<u><u>2,000</u></u>
	2001 2000
	£ £
Unlisted investments	<u><u>2,000</u></u> <u><u>2,000</u></u>

The company's investments at the balance sheet date in the share capital of unlisted companies include the following:

Newmarket Transport Ltd

Nature of business: provision of transport to tour operators

Class of shares:	%
Ordinary	holding 100.00

	2001	2000
	£	£
Aggregate capital and reserves	46,453	40,388
Profit for the year	<u><u>256,065</u></u>	<u><u>267,262</u></u>

**10. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2001	2000
	£	£
V.A.T.	20,230	20,548
Trade Debtors	501	7,790
Amount due from subsidiary undertaking (Dividend Receivable)	250,000	260,000
Other Debtors & Prepayments	<u><u>117,842</u></u>	<u><u>124,419</u></u>
	<u><u>388,573</u></u>	<u><u>412,757</u></u>

Newmarket Air Holidays Limited

**Notes to the Abbreviated Financial Statements
for the Year Ended 31 December 2001**

**11. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2001	2000
	£	£
Trade Creditors	218,564	372,062
Other Creditors	10,443	8,511
Amount due to parent undertaking	138,245	-
Amount due to subsidiary undertaking	697,715	733,507
Provision for customer deposits	331,677	857,557
Dividend proposed	300,000	290,000
Taxation	74,794	40,274
	<u>1,771,438</u>	<u>2,301,911</u>

12. CALLED UP SHARE CAPITAL

Authorised, allotted, issued and fully paid:

Number:	Class:	Nominal value:	2001	2000
			£	£
50,000	Ordinary	£1	<u>50,000</u>	<u>50,000</u>

13. ULTIMATE PARENT COMPANY

Newmarket Air Holidays Limited is a wholly owned subsidiary of Newmarket Promotions Limited. Both companies are incorporated in the United Kingdom.

14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2001	2000
	£	£
Profit for the financial year	444,021	390,288
Dividends	(300,000)	(290,000)
Net addition to shareholders' funds	<u>144,021</u>	<u>100,288</u>
Opening shareholders' funds	<u>562,838</u>	<u>462,550</u>
Closing shareholders' funds	<u>706,859</u>	<u>562,838</u>
 Equity interests	 <u>706,859</u>	 <u>562,838</u>