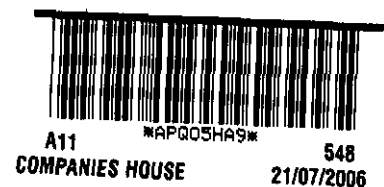


BAKERS DOLPHIN GROUP TOURS LIMITED

**DIRECTORS' REPORT AND FINANCIAL
STATEMENTS FOR THE YEAR ENDED**

31 October 2005



Registered Number : 1000477

BAKERS DOLPHIN GROUP TOURS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 OCTOBER 2005

The directors submit their report and accounts of Bakers Dolphin Group Tours Limited for the year ended 31 October 2005.

Principal activity

The Company's principal activity was the sale of organised tours. It operated only for the first 2 months of 2004 and the business has now been discontinued.

Results and dividends

The Company's loss before taxation for the year was £393,569 (2004 : Profit of £6,639).
The Directors do not propose a dividend for the year ended 31 October 2005 (2004: Nil).

Directors and their interests

The Directors of the Company at the date of this report are:

M R Prior
L J Vincent
First Choice Holidays and Flights Limited

None of the Directors had any beneficial interest in the shares of the Company or any subsidiary undertaking at any time during the year.

At 31 October 2005, the interests of the directors in the ordinary share capital and share options of the ultimate parent company, First Choice Holidays PLC, were as follows:

	Ordinary Shares		Options	
	31 October 2005	31 October 2004	Granted 2005	Exercised 2005
M R Prior	2,534*	1,619*	20,723	24,919
L J Vincent	-	-	-	-

Directors' insurance

The ultimate parent company maintains insurance policies on behalf of all the Directors of the Company against liability arising from negligence, breach of duty and breach of trust in relation to the Company.

Auditors

The Company has elected to dispense with the holding of annual general meetings, the laying of accounts before the members in general meetings and the appointment of auditors annually. Accordingly KPMG Audit Plc will continue in office as auditors.

By order of the Board



L J Vincent
Director

Dated: 14 June 2006

DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards.

The financial statements are required by law to 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Report of the independent auditors to the members of Bakers Dolphin Group Tours Limited

We have audited the financial statements on pages 5 to 9.

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 auditor's 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

The directors are responsible for preparing the directors' report and, as described on page 3, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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.

Basis of audit 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 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 2005 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc
KPMG Audit Plc
Chartered Accountants
Registered Auditor
8 Salisbury Square
London
EC4Y 8BB

24 June 2006

BAKERS DOLPHIN GROUP TOURS LIMITED

PROFIT AND LOSS ACCOUNT

For the year ended 31 October 2005

		Discontinued activities	Discontinued activities
	Note	Year ended 31 October 2005 £'000	Year ended 31 October 2004 £'000
Admininstration expenses		(393)	-
Other operating income		-	7
Operating (loss) / profit and (loss) / profit on ordinary activities before taxation	2	(393)	7
Tax on (loss) / profit on ordinary activities	3	-	56
(Loss) / profit retained for the financial year	9	(393)	63

There were no recognised gains or losses other than those included in the the profit and loss account.

BAKERS DOLPHIN GROUP TOURS LIMITED

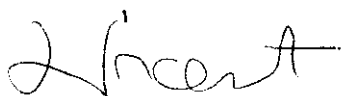
BALANCE SHEET

As at 31 October 2005

	Note	Year ended 31 October 2005 £'000	Year ended 31 October 2004 £'000
Fixed assets			
Investments	4	-	2
Current assets			
Debtors	5	-	641
		-	641
Creditors: amounts falling due within one year	6	-	(250)
Net current assets		-	391
Net assets		-	393
Capital and reserves			
Called up share capital	7	120	120
Profit and loss account	8	(120)	273
Equity shareholders' funds	9	-	393

The notes on pages 8 to 10 form an integral part of these financial statements.

The financial statements were approved by the Board of Directors on 14 June 2006



L J Vincent
Director

BAKERS DOLPHIN GROUP TOURS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 October 2005

1. ACCOUNTING POLICIES

Basis of Preparation

The following accounting policies have been consistently applied, in dealing with items considered material in relation to the Accounts.

Accounting convention

The accounts have been prepared in accordance with applicable accounting standards and under the historical cost convention.

Cashflow statement

The Company is exempt from the requirement of Financial Reporting Standard No. 1 (revised) to prepare a cashflow statement as it is a wholly owned subsidiary of First Choice Holidays PLC and its cashflows are included within the consolidated cash flow statement of the group.

Basis of consolidation

The Company is exempt from preparing consolidated financial statements on the grounds that it is a wholly owned subsidiary and is included in the consolidated accounts of its ultimate parent undertaking, First Choice Holidays PLC. The consolidated financial statements of First Choice Holidays PLC, which include the Company, are publicly available (address given in note 10).

These financial statements therefore present information about the Company as an individual undertaking and not as a group.

Investments

Investments in subsidiary undertakings are stated at cost less any diminution in value.

Deferred taxation

Except as otherwise required by accounting standards, full provision without discounting is made for all timing differences which have arisen but not reversed at the balance sheet date. Timing differences arise when items of income and expenditure are included in tax computations in periods different from their inclusion in the financial statements.

Related parties

The Company has taken advantage of the exemption contained in Financial Reporting Standard No. 8 "Related Party Disclosure" as it is a wholly owned subsidiary of First Choice Holidays PLC.

Therefore the Company has not disclosed transactions or balances with entities which form part of the group headed by First Choice Holidays PLC.

2. (LOSS) / PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Auditors' remuneration was borne by another group company in the current and prior year.

Directors' emoluments are borne by another group company.

BAKERS DOLPHIN GROUP TOURS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 October 2005

3. TAX ON (LOSS) / PROFIT ON ORDINARY ACTIVITIES

The tax in the 31 October 2005 accounts can be summarised as follows:

Tax on (loss) / profit on ordinary activities:

i) Analysis of credit in year

	2005 £'000	2004 £'000
Current tax:		
UK corporation tax on profits of the year	-	-
Adjustment in respect of previous periods:		
-permanent	-	(58)
Total current tax	-	(58)
Deferred tax:		
-current year UK	-	-
-adjustments in respect of previous period	-	2
Total deferred tax	-	2
Tax on (loss) / profit on ordinary activities	-	(56)

ii) Factors affecting tax credit for year

The tax credit is lower than (2004:higher than) the standard rate of corporation tax in the UK of 30% (2004:30%). The differences are explained below:

	2005 £'000	2004 £'000
(Loss) / profit on ordinary activities before tax	(393)	7
(Loss) / profit on ordinary activities at the standard rate of UK Corporation tax of 30% (2004: 30%)	(118)	2
Effects of:		
-Amounts not deductible for tax purposes	118	-
-Capital allowances for year in excess of depreciation	-	(2)
-Adjustment to tax charge in respect of previous periods	-	(58)
Current tax credit for year	-	(58)

4. INVESTMENTS IN SUBSIDIARY UNDERTAKING

	2005 £'000	2004 £'000
Investment in subsidiary undertaking at cost	2	2
Disposal	(2)	-
	-	2

The Company disposed of its entire share holding of TSI Transport Ltd during the year.

5. DEBTORS

	2005 £'000	2004 £'000
Amounts owed by subsidiary undertakings	-	641

BAKERS DOLPHIN GROUP TOURS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 October 2005

6. CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR

	2005 £'000	2004 £'000
Amounts owed to subsidiary undertakings	-	225
Group relief	-	25
	<u>-</u>	<u>250</u>

7. CALLED UP SHARE CAPITAL

	2005 £'000	2004 £'000
Authorised		
200,000 ordinary shares of £1 each	<u>200</u>	<u>200</u>
Allotted, called up and fully paid		
120,000 ordinary shares of £1 each	<u>120</u>	<u>120</u>

8. PROFIT AND LOSS ACCOUNT

	£'000
Retained profit at 1 November 2004	273
Loss for the year	(393)
Retained loss at 31 October 2005	<u>(120)</u>

9. RECONCILIATION OF MOVEMENT IN EQUITY SHAREHOLDERS' FUNDS

	2005 £'000	2004 £'000
(Loss) / profit for the year	(393)	63
Equity Shareholders' funds at 1 November	<u>393</u>	<u>330</u>
Equity Shareholders' funds at 31 October	<u>-</u>	<u>393</u>

10. ULTIMATE PARENT UNDERTAKING

First Choice Holidays PLC, a company registered in England and Wales, is the ultimate parent company. The immediate holding company is JNB (Bristol) Limited. First Choice Holidays PLC is the parent undertaking of the largest and smallest group of which Bakers Dolphin Group Tours Limited is a member and for which Group accounts are drawn up. Copies of these Group accounts are available from the Company Secretary, First Choice House, London Road, Crawley, West Sussex, RH10 9GX.