

Registered No: 1648384

Secure Travel Limited
Annual Report
for the year ended 31 December 2005



**Directors' report
for the year ended 31 December 2005**

The directors present their report and the audited financial statements for the year ended 31 December 2005.

Principal activity

The principal activity of the company during the year was the provision of travel agency services for customers of Secure Trust Bank PLC, the immediate parent company.

Review of business

The profit and loss account of the year is set out on page 4.

The directors are satisfied with the performance of the company during the year and do not envisage any change in the principal activities in the ensuing year.

Dividends and transfers to reserves

The profit for the year of £11,561 has been transferred to reserves. The directors do not recommend the payment of a final dividend.

Directors

The directors who served during the year were as follows:

KNF Deakin
D Pearson
J Shipley

Mr Shipley is also a director of the immediate parent company, Secure Trust Bank PLC, and his interests in group companies are shown in the directors' report of that company.

Mr Deakin and Mr Pearson are also directors of the ultimate parent company, Arbutnot Banking Group PLC, and their interests in group companies are shown in the directors' report of that company.

Statement of directors' responsibilities

The directors are required by UK company law to prepare financial statements for each financial year that 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 period.

The directors confirm that suitable accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates have been used in the preparation of the financial statements. The directors also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

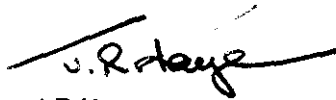
The directors are responsible for maintaining adequate accounting records and taking reasonable steps to safeguard the assets of the company and detect fraud or any other irregularities.

Directors' report (continued)

Auditors

A resolution to reappoint PricewaterhouseCoopers LLP as auditors to the company will be proposed at the Annual General Meeting.

By order of the board

A handwritten signature in black ink, appearing to read 'J R Kaye', with a long horizontal stroke extending to the right.

J R Kaye
Secretary
19 May 2006

**Independent auditors' report to the members of
Secure Travel Limited**

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We have audited the financial statements of Secure Travel Limited for the year ended 31 December 2005 which comprise the Income Statement, the Balance Sheet, the Cash Flow Statement, the Statement of Change in Shareholders' Equity and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and whether the financial statements have been 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 other transactions 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

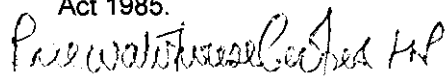
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation 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, in accordance with IFRSs as adopted by the European Union, of the state of the company's affairs as at 31 December 2005 and of its profit and cash flows for the year then ended; and
- the financial statements have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Birmingham
19 May 2006

**Income statement
for the year ended 31 December 2005**

	Notes	2005 £	2004 £
Turnover	2	13,037	12,000
Administrative expenses		(1,020)	(1,020)
		<hr/>	<hr/>
Profit on ordinary activities before taxation	4	12,017	10,980
Taxation	5	(456)	319
		<hr/>	<hr/>
Profit for the year	9	11,561	11,299
		<hr/>	<hr/>

The company has no recognised gains and losses other than those included in the results above, and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the profit on ordinary activities before taxation and the retained profit for the year stated above, and their historical cost equivalents.

The above results relate wholly to continuing operations.

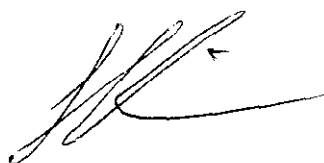
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**Balance sheet
at 31 December 2005**

	Notes	2005 £	2004 £
Current assets			
Debtors	6	<u>25,671</u>	<u>22,444</u>
Creditors: amounts falling due within one year	7	<u>(4,899)</u>	<u>(13,233)</u>
Net current assets		<u>20,772</u>	<u>9,211</u>
Capital and reserves			
Called up share capital	8	2	2
Profit and loss account	9	<u>20,770</u>	<u>9,209</u>
Equity shareholders' funds		<u>20,772</u>	<u>9,211</u>

The financial statements on pages 4 to 10 were approved by the board of directors on 19 May 2006 and were signed on its behalf by:



J. Shipley
Director

Statement of changes in equity

For the year ended 31 December 2005

	Share capital	Retained earnings	Total
	£	£	£
Balance at 1 January 2004	2	37,910	37,912
Profit for 2004	-	11,299	11,299
Dividend paid	-	(40,000)	(40,000)
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2004/ 1 January 2005	2	9,209	9,211
Profit for 2005	-	11,561	11,561
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2005	2	20,770	20,772
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Cash Flow Statement

For the year ended 31 December 2005

	2005	2004
	£	£
Cash inflows from operating activities		
Commissions receivable	13,037	12,000
Cash payments to suppliers	(1,020)	(1,020)
Taxation paid	(8,539)	-
	<hr/>	<hr/>
Cash flows from operating activities before changes in operating assets and liabilities	3,478	10,980
	<hr/>	<hr/>
Changes in operating assets and liabilities		
- Net increase in group company balances	(3,227)	116,351
- Net decrease in trade creditors	-	(88,000)
- Decrease in accruals and deferred income	(251)	669
	<hr/>	<hr/>
Net cash from operating activities	(3,478)	29,020
	<hr/>	<hr/>
Cash flows from financing activities		
Dividend paid	-	(40,000)
	<hr/>	<hr/>
Net cash used in financing activities	-	(40,000)
	<hr/>	<hr/>
Net increase in cash and cash equivalents	-	-
	<hr/>	<hr/>
Cash and cash equivalents at beginning of year	-	-
	<hr/>	<hr/>
Cash and cash equivalents at end of year	-	-
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**Notes to the financial statements
for the year ended 31 December 2005**

1 Principal accounting policies

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). These financial statements are the first full financial statements prepared by the Company in accordance with IFRS. The impact of the change from UK Generally Accepted Accounting Policies (UK GAAP) has had no effect on the results for the year or for previous years. Accordingly comparative information for 2004 has not been restated.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. There are no areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements.

A summary of the more important accounting policies, which have been applied consistently, is set out below.

Basis of accounting

The financial statements are prepared under the historical cost convention.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future at the balance sheet date.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing difference can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

2. Turnover

Turnover represents the value of goods and services sold to third parties in the United Kingdom.

3. Directors' emoluments and employee information

The emoluments of the Directors are paid by the immediate parent company which makes no recharge to the company. Their total emoluments are included in the aggregate of directors' emoluments disclosed in the financial statements of the parent company. The company does not have any employees.

4 Profit on ordinary activities before taxation

	2005 £	2004 £
Profit on ordinary activities before taxation is stated after charging:		
Auditors' remuneration	1,020	1,020

5 Taxation

	2005 £	2004 £
United Kingdom corporation tax at 30% (2004 30%)	3,605	3,294
Overprovision in respect of prior year:	(3,149)	(3,613)
	456	(319)

The tax assessed for the period is lower than the standard rate in the UK 30%. The differences are explained below:

	2005 £	2004 £
Profit on ordinary activities before tax	12,017	10,980
Profit on ordinary activities multiplied by standard rate in the UK 30% (2004:30%)	3,605	3,294
Effects of:		
Prior year adjustment	(3,149)	(3,613)
	456	(319)

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6 Debtors

	2005 £	2004 £
Amounts falling due within one year:		
Amounts due from parent undertaking	25,671	22,444
	<hr/>	<hr/>

7 Creditors: amounts falling due within one year

	2005 £	2004 £
Corporation tax	3,605	11,688
Accruals and deferred income	1,294	1,545
	<hr/>	<hr/>
	4,899	13,233
	<hr/>	<hr/>

8 Called up share capital

	2005 £	2004 £
Authorised		
100 ordinary shares of £1 each	100	100
	<hr/>	<hr/>
Allotted, called up and fully paid		
2 ordinary shares of £1 each	2	2
	<hr/>	<hr/>

9 Profit and loss account

	£
At 1 January 2005	9,209
Profit for the year	11,561
	<hr/>
At 31 December 2005	20,770
	<hr/>

10 Ultimate parent undertaking

The directors regard Arbuthnot Banking Group PLC, a company registered in England and Wales, as the ultimate parent undertaking and ultimate controlling party.

A copy of the consolidated financial statements of Arbuthnot Banking Group PLC may be obtained from The Secretary, Arbuthnot Banking Group PLC, One Arleston Way, Solihull, B90 4LH