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**SILVER SKI HOLIDAYS LIMITED**

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**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**30 APRIL 1999**



**SILVER SKI HOLIDAYS LIMITED**

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**Company Information**

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<b>Directors</b>	B Sill L Silver
<b>Secretary</b>	Mrs H Naylor
<b>Company Number</b>	1897706 (England & Wales)
<b>Registered Office</b>	17 Gun Wharf 124 Wapping High Street London E1 9NH
<b>Auditors</b>	N Tree FCA Registered Auditor 17 Gun Wharf 124 Wapping High Street London E1 9NH

## SILVER SKI HOLIDAYS LIMITED

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## SILVER SKI HOLIDAYS LIMITED

### DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 1999

The directors present their report and the financial statements for the year ended 30 April 1999.

#### 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 group and of the profit or loss of the company and group 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 group 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### Results and dividends

The profit for the year after taxation, amounted to £155,404 (1998 - £247,753) .

#### Principal activities and review of business

The company's principal activity continues to be that of tour operators specialising in package ski holidays in the French Alps. Subsidiary companies own property in France which is used for the purposes of the group's business.

The Company and group subsidiaries traded satisfactorily in the year and the company and group is well placed for the coming 1999/2000 season.

#### Directors

The directors who served during the year and their beneficial interests in the company's issued share capital were :

	Ordinary shares of £1 each	
	1999	1998
B Sill	10,000	10,000
L Silver	40,000	40,000

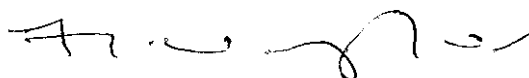
#### Year 2000

The Company has undertaken a review of the likely impact of the Year 2000 issue on the company's systems and business. Where necessary, appropriate work has been undertaken to upgrade systems and the directors accordingly believe the Company is now Year 2000 compliant in relation to its own systems.

#### Auditors

The auditors, N Tree FCA, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

This report was approved by the board on 9 September 1999 and signed on its behalf.



Mrs H Naylor  
Secretary

## SILVER SKI HOLIDAYS LIMITED

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### AUDITORS' REPORT TO THE SHAREHOLDERS OF SILVER SKI HOLIDAYS LIMITED

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We have audited the financial statements on pages 3 to 22 which have been prepared under the historical cost convention, as modified by the revaluation of freehold land and buildings, and the accounting policies set out on page 9.

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

As described on page 1 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.

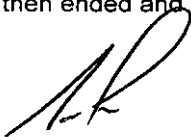
#### **Basis of opinion**

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 judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group'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 and of the group as at 30 April 1999 and of the profit, total recognised gains and cash flows of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



**N Tree FCA**

Registered Auditor  
17 Gun Wharf  
124 Wapping High Street  
London E1 9NH

9 September 1999

SILVER SKI HOLIDAYS LIMITED

**CONSOLIDATED PROFIT AND LOSS ACCOUNT**  
For the year ended 30 April 1999

	Note	1999 £	1998 £
<b>TURNOVER</b>	1,2	<b>3,440,437</b>	<b>3,581,665</b>
Cost of sales		(2,507,929)	(2,567,584)
<b>GROSS PROFIT</b>		<b>932,508</b>	<b>1,014,081</b>
Selling and distribution costs		(169,603)	(171,716)
Administrative expenses		(487,177)	(436,596)
Other operating income		(40)	-
Other operating charges		(13,683)	(17,348)
<b>OPERATING PROFIT</b>	3	<b>262,005</b>	<b>388,421</b>
Loss on disposal of tangible fixed assets		(49,112)	(202)
		<b>212,893</b>	<b>388,219</b>
Interest receivable	6	6,801	1,844
Interest payable	7	(14,688)	(21,313)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>205,006</b>	<b>368,750</b>
<b>TAXATION ON PROFIT ON ORDINARY ACTIVITIES</b>	8	<b>(49,602)</b>	<b>(120,997)</b>
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>	10	<b>155,404</b>	<b>247,753</b>
<b>DIVIDENDS</b>	9	<b>-</b>	<b>(20,000)</b>
<b>RETAINED PROFIT FOR THE YEAR</b>		<b>155,404</b>	<b>227,753</b>
<b>RETAINED PROFIT BROUGHT FORWARD</b>		<b>902,260</b>	<b>674,507</b>
<b>RETAINED PROFIT CARRIED FORWARD</b>		<b>£ 1,057,664</b>	<b>£ 902,260</b>

All amounts relate to continuing operations.

The notes on pages 9 to 22 form part of these financial statements.

**SILVER SKI HOLIDAYS LIMITED**

**STATEMENT OF RECOGNISED GAINS AND LOSSES**  
For the year ended 30 April 1999

	1999	1998
	£	£
Profit for the financial year after taxation	155,404	247,753
Realisation of property revaluation gains of previous periods	58,239	-
<b>Total gains and losses relating to the year</b>	<b>£ 213,643</b>	<b>£ 247,753</b>

**NOTE OF HISTORICAL COST PROFITS AND LOSSES**  
For the year ended 30 April 1999

	1999	1998
	£	£
Reported profit on ordinary activities before taxation	155,404	247,753
Realisation of property revaluation gains of previous periods	58,239	-
<b>Historical cost profit on ordinary activities before taxation</b>	<b>£ 213,643</b>	<b>£ 247,753</b>
<b>Historical cost profit for the year retained after taxation</b>	<b>£ 213,643</b>	<b>£ 227,753</b>

**SILVER SKI HOLIDAYS LIMITED**

**CONSOLIDATED BALANCE SHEET**  
As at 30 April 1999

	Note	£	1999 £	£	1998 £
<b>FIXED ASSETS</b>					
Tangible fixed assets	11		1,669,391		1,613,695
<b>CURRENT ASSETS</b>					
Debtors		21,316		12,976	
Cash at bank and in hand		54,603		43,371	
		<u>75,919</u>		<u>56,347</u>	
<b>CREDITORS: amounts falling due within one year</b>	14	(215,712)		(244,688)	
<b>NET CURRENT LIABILITIES</b>			<u>(139,793)</u>		<u>(188,341)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>1,529,598</u>		<u>1,425,354</u>
<b>CREDITORS: amounts falling due after more than one year</b>	15		(114,916)		(166,076)
<b>NET ASSETS</b>			<u>£ 1,414,682</u>		<u>£ 1,259,278</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	16		50,000		50,000
Revaluation reserve	17		248,782		307,021
Profit and loss account			<u>1,115,900</u>		<u>902,257</u>
<b>SHAREHOLDERS' FUNDS - All equity</b>	18		<u>£ 1,414,682</u>		<u>£ 1,259,278</u>

The financial statements were approved by the board on 9 September 1999 and signed on its behalf

L Silver

Director

The notes on pages 9 to 22 form part of these financial statements.



**SILVER SKI HOLIDAYS LIMITED**

**COMPANY BALANCE SHEET**  
As at 30 April 1999

	Note	£	1999 £	£	1998 £
<b>FIXED ASSETS</b>					
Tangible fixed assets	11		69,657		79,314
Investments	12		391,606		239,009
<b>CURRENT ASSETS</b>					
Debtors		394,373		472,651	
Cash at bank and in hand		52,716		40,088	
		447,089		512,739	
<b>CREDITORS: amounts falling due within one year</b>	14	(204,530)		(178,050)	
<b>NET CURRENT LIABILITIES</b>			242,559		334,689
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			703,822		653,012
<b>CREDITORS: amounts falling due after more than one year</b>	15		(2,950)		(23,016)
<b>NET ASSETS</b>			£ 700,872		£ 629,996
<b>CAPITAL AND RESERVES</b>					
Called up share capital	16		50,000		50,000
Profit and loss account			650,872		579,996
<b>SHAREHOLDERS' FUNDS - all equity</b>	18		£ 700,872		£ 629,996

The financial statements were approved by the board on 9 September 1999 and signed on its behalf

  
 L Silver Director

The notes on pages 9 to 22 form part of these financial statements.

SILVER SKI HOLIDAYS LIMITED

**CONSOLIDATED CASH FLOW STATEMENT**  
For the year ended 30 April 1999

	Note	£	1999 £	£	1998 £
Net cash inflow from operating activities (Page 8)			294,043		398,262
Returns on investments and servicing of finance	19		(7,887)		(19,469)
Taxation			(88,914)		(102,236)
Capital expenditure and financial investment	19		(128,017)		(21,320)
Equity dividends paid			-		(20,000)
Cash inflow before use of liquid resources and financing			69,225		235,237
Financing:	19				
Issue of shares			-	20,000	
Decrease in debt			(55,719)	(54,243)	
			(55,719)		(34,243)
Increase in cash in the period		£	13,506	£	200,994

The notes on pages 9 to 22 form part of these financial statements.

SILVER SKI HOLIDAYS LIMITED

**CONSOLIDATED CASH FLOW STATEMENT INFORMATION**  
For the year ended 30 April 1999

	Note	£	1999	£	£	1998	£
<b>RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES</b>							
Operating profit			262,005			388,421	
Depreciation of tangible fixed assets			23,209			26,451	
Increase in debtors			(8,340)			(712)	
Increase/(decrease) in creditors			17,169			(15,898)	
<b>Net cash inflow from operating activities</b>			<b>£ 294,043</b>			<b>£ 398,262</b>	
<b>RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT</b>							
	20						
<b>Increase in cash in the period</b>			<b>13,506</b>			<b>200,994</b>	
Cash inflow from increase in debt and lease financing			<b>55,719</b>			<b>54,243</b>	
<b>Change in net debt resulting from cash flows</b>			<b>69,225</b>			<b>255,237</b>	
New finance leases			-			(19,700)	
<b>Movement in net debt in the period</b>			<b>69,225</b>			<b>235,537</b>	
<b>Net debt at 1 May 1998</b>			<b>(171,822)</b>			<b>(407,359)</b>	
<b>Net debt at 30 April 1999</b>			<b>£ (102,597)</b>			<b>£ (171,822)</b>	

**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 30 April 1999

**1. ACCOUNTING POLICIES**

The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom.

**1.1 Basis of accounting**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of freehold land and buildings and include the results of the company's operations which are described in the Directors' Report and all of which are continuing.

**1.2 Basis of consolidation**

The group financial statements consolidate the financial statements of Silver Ski Holidays Limited and all its subsidiary undertakings drawn up to the 30 April 1999. Intra-group transactions are eliminated on consolidation and all figures relate to external transactions only.

**1.3 Turnover**

Turnover comprises the invoiced value of goods and services supplied by the group, exclusive of Value Added Tax and trade discounts.

**1.4 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold buildings	-	NIL%	
Leasehold buildings	-	NIL%	
Motor vehicles	-	25%	reducing balance
Fixtures & fittings	-	25%	reducing balance

No depreciation is provided on the freehold land and buildings owned by the group, as it is the group's policy to maintain its properties in such condition that the value to the business of the property as a whole is not impaired by the passage of time. As a consequence, any element of depreciation would, in the opinion of the directors, be immaterial. The maintenance costs are charged to the profit and loss account in the year incurred. This accounting treatment, which is a departure from the statutory requirement is, in the opinion of the directors, necessary to provide a true and fair view.

**1.5 Goodwill**

Goodwill arising on consolidation is written off to reserves on acquisition.

**1.6 Leasing and hire purchase**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

**1.7 Operating leases**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account as incurred.

**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 30 April 1999

**1.8 Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

**1.9 Deferred taxation**

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, using the liability method, only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the near future.

**2. SEGMENTAL ANALYSIS**

The whole of the turnover is attributable to the one principal activity of the company being tour operators specialising in package ski holidays in the French Alps. Subsidiary companies own property in France which is used for the purposes of the group's business.

A geographical analysis of turnover is as follows:

	1999 £	1998 £
Europe	3,440,437	3,581,665
	<u>£ 3,440,437</u>	<u>£ 3,581,665</u>

The whole of the profit before tax is attributable to the one principal activity of the company being tour operators specialising in package ski holidays in the French Alps. Subsidiary companies own property in France which is used for the purposes of the group's business.

**3. OPERATING PROFIT**

The operating profit is stated after charging:

	1999 £	1998 £
Depreciation of tangible fixed assets		
- owned by the company	18,578	17,042
- held under finance leases and hire purchase contracts	4,631	9,409
Audit fees	19,000	19,000
Auditors' remuneration - non-audit services	4,048	-
Operating lease rentals		
- hire of plant & machinery	464	984
Operating lease rentals/land & buildings	788,541	791,151
Foreign exchange differences	13,723	17,348
	<u>13,723</u>	<u>17,348</u>

SILVER SKI HOLIDAYS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 30 April 1999

**4. STAFF COSTS**

Staff costs, including directors' remuneration, were as follows:

	1999 £	1998 £
Wages and salaries	283,350	250,794
Social security costs	10,686	10,288
	<u>£ 294,036</u>	<u>£ 261,082</u>

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

	1999	1998
Office and administration	15	13
Field Support	40	40
	<u>55</u>	<u>53</u>

**5. DIRECTORS' REMUNERATION**

	1999 £	1998 £
Aggregate emoluments	27,504	27,447
	<u>£ 27,504</u>	<u>£ 27,447</u>

**6. INTEREST RECEIVABLE**

	1999 £	1998 £
Other interest receivable	£ 6,801	£ 1,844

**7. INTEREST PAYABLE**

	1999 £	1998 £
On bank loans and overdrafts	14,688	21,313
	<u>£ 14,688</u>	<u>£ 21,313</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 30 April 1999

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**8. TAXATION**

	1999 £	1998 £
<b>Current year taxation</b>		
UK Corporation Tax at 25% (1998 - 21%)	49,602	121,642
<b>Prior years</b>		
UK corporation tax	-	(645)
	<u>£ 49,602</u>	<u>£ 120,997</u>

No deferred tax is provided on the difference between the revalued book value of freehold properties and original book cost, because there is a reasonable probability that no liability will crystallise in the near future. A contingent liability in respect of deferred tax not provided, assuming no rollover reliefs or other tax deferrals would exist in the amounts as follows £62,196 (1998 - £76,755):

Other timing differences	62,196	73,685
	<u>£ 62,196</u>	<u>£ 73,685</u>

**9. DIVIDENDS**

	1999 £	1998 £
Ordinary - interim paid	-	20,000
	<u>-</u>	<u>20,000</u>

**10. PROFIT FOR THE FINANCIAL YEAR**

As permitted by Section 230 of the Companies Act 1985, the profit and loss of the parent company is not presented as part of these financial statements.

The consolidated profit for the financial year of £155,404 (1998 - £247,753) includes £70,876 (1998 - £174,453) which is dealt with in the financial statements of the parent company.

SILVER SKI HOLIDAYS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 30 April 1999

**11. TANGIBLE FIXED ASSETS**

<u>Group</u>	<u>Land &amp; Buildings</u> £	<u>Fixtures &amp; Equipment</u> £	<u>Motor Vehicles</u> £	<u>Total</u> £
<b>Cost or valuation</b>				
At 1 May 1998	1,541,722	49,276	182,655	1,773,653
Additions	305,194	7,103	10,400	322,697
Disposals	(239,841)	-	(15,908)	(255,749)
At 30 April 1999	1,607,075	56,379	177,147	1,840,601
<b>Depreciation</b>				
At 1 May 1998	7,341	34,063	118,554	159,958
Charge for year	-	5,579	17,630	23,209
On disposals	-	-	(11,957)	(11,957)
At 30 April 1999	7,341	39,642	124,227	171,210
<b>Net Book Value</b>				
At 30 April 1999	£ 1,599,734	£ 16,737	£ 52,920	£ 1,669,391
At 30 April 1998	£ 1,534,381	£ 15,213	£ 64,101	£ 1,613,695

Included in land and buildings is freehold land valued at £1,599,734 (1998 - £1,534,381) which is not depreciated.

Included above are assets held under finance leases or hire purchase contracts as follows:

	1999 £	1998 £
Motor vehicles	£ 18,533	£ 28,226

All the freehold properties owned by the group are holiday chalet properties situated in the French Alps, used in the tour operator business. Chalet Bon Coin was independently valued by C Mairouri, Atelier D'Architecture in June 1994. Chalets Jacques and Champagne were valued on acquisition in the year ended 30 April 1995. Chalet Bon Neige was independently valued on acquisition in 1995. Chalet Topaz was independently valued on acquisition in 1998. All valuations are on an open market existing use basis and the directors consider that the valuations reflect the current values. Freehold properties are let on annual operating leases to Silver Ski Holidays Limited.

On the historical cost basis, land and buildings would have been included as follows:

	1999 £	1998 £
Cost	1,350,952	1,227,360
Cumulative depreciation	-	-
Net book amount	£ 1,350,952	£ 1,227,360



SILVER SKI HOLIDAYS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 30 April 1999

<u>Company</u>	<u>Leasehold Land &amp; Buildings</u> £	<u>Fixtures &amp; Equipment</u> £	<u>Motor Vehicles</u> £	<u>Total</u> £
<b>Cost or valuation</b>				
At 1 May 1998	7,341	49,276	182,655	239,272
Additions	-	7,103	10,400	17,503
Disposals	-	-	(15,908)	(15,908)
At 30 April 1999	7,341	56,379	177,147	240,867
<b>Depreciation</b>				
At 1 May 1998	7,341	34,063	118,554	159,958
Charge for year	-	5,579	17,630	23,209
On disposals	-	-	(11,957)	(11,957)
At 30 April 1999	7,341	39,642	124,227	171,210
<b>Net Book Value</b>				
At 30 April 1999	£ -	£ 16,737	£ 52,920	£ 69,657
At 30 April 1998	£ -	£ 15,213	£ 64,101	£ 79,314

Included above are assets held under finance leases or hire purchase contracts as follows:

	1999 £	1998 £
Motor vehicles	£ 18,533	£ 28,226

SILVER SKI HOLIDAYS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 30 April 1999

**12. FIXED ASSET INVESTMENTS**

<u>Company</u>	Shares in group undertakings £	Loans to group undertakings £	Total £
<b>Cost</b>			
At 1 May 1998	134,455	104,554	239,009
Additions	152,597	-	152,597
At 30 April 1999	287,052	104,554	391,606
<b>Net Book Value</b>			
At 30 April 1999	£ 287,052	£ 104,554	£ 391,606
At 30 April 1998	£ 134,455	£ 104,554	£ 239,009

Details of the investments, all of which are held by Silver Ski Holidays Limited, where the company holds more than 20% of the nominal value of any class of share capital are as follows:

Name of company	Country of incorporation	Holding	Proportion Held	Nature Of Investment
Valsarock Limited	England	100 ord. shares	100%	subsidiary
SCI Bon Neige	France	209107 ord. shares	100%	50% held direct, 50% via Valsarock Limited
SCI Topaz	France	15000 shares	100%	

Investments include an investment in a subsidiary, Valsarock Limited, comprising a holding of 100% of its issued ordinary capital.

During its latest financial year Valsarock Limited made a profit after tax of £93,464 (1998 £92,984) and at the end of that year the aggregate of its capital and reserves was £686,731 (1998 £651,506).

Investments include an investment in a subsidiary, SCI Bon Neige a company registered in France, comprising a holding of 100% of its issued ordinary capital

During its latest financial year ended 31 December 1998, SCI Bon Neige made a profit/(loss) after tax of £17,505 (1997 £-45,713) and at the end of that year the aggregate of its capital and reserves was £234,393 (1997 £216,888).

Investments include an investment in a subsidiary, SCI Topaz a company registered in France, comprising a holding of 100% of its issued ordinary capital. SCI Topaz was acquired in November 1998, by subscription for new share capital, to enable a property purchase from a third party at open market value

During its latest financial year ended 31 December 1998, SCI Topaz made a profit/(loss) after tax of £31,800 (1997 £nil) and at the end of that year the aggregate of its capital and reserves was £336,994 (1997 £).

SILVER SKI HOLIDAYS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 30 April 1999

**13. DEBTORS**

<u>Group</u>	1999 £	1998 £
<b>Due within one year</b>		
Other debtors	-	5,000
Prepayments and accrued income	21,316	7,976
	<u>£ 21,316</u>	<u>£ 12,976</u>

<u>Company</u>	1999 £	1998 £
<b>Due within one year</b>		
Amounts owed by group undertakings	373,057	459,675
Other debtors	-	5,000
Prepayments and accrued income	21,316	7,976
	<u>£ 394,373</u>	<u>£ 472,651</u>

**14. CREDITORS:**

<b>Amounts falling due within one year</b>	<b>1999</b>	<b>1998</b>
<u>Group</u>	£	£
Bank loans and overdrafts	35,459	37,733
Net obligations under finance lease and hire purchase contracts	6,825	11,384
Trade creditors	41,064	75,352
Corporation tax	49,632	88,944
Social security and other taxes	6,606	6,375
Other creditors	50,849	-
Accruals and deferred income	25,277	24,900
	<u>£ 215,712</u>	<u>£ 244,688</u>

SILVER SKI HOLIDAYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
For the year ended 30 April 1999

14. CREDITORS: (continued)

<i>Amounts falling due within one year</i>	1999	1998
<u>Company</u>	£	£
Bank loans and overdrafts	-	2,362
Net obligations under finance lease and hire purchase contracts	6,825	11,384
Trade creditors	41,064	75,352
Amounts owed to group undertakings	56,134	7,582
Corporation tax	23,118	55,995
Social security and other taxes	6,606	6,375
Other creditors	50,849	-
Accruals and deferred income	19,934	19,000
	<u>£ 204,530</u>	<u>£ 178,050</u>

The bank overdraft is secured by way of debenture over the assets of the parent company. Mortgages are secured on the freehold properties owned by group companies and on the fixtures situated therein. All loans are denominated in Swiss Francs, are not hedged and interest rates are variable, based on the Swiss base rates.

SILVER SKI HOLIDAYS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 30 April 1999

**15. CREDITORS:**

Amounts falling due after more than one year	1999	1998
<u>Group</u>	£	£
Bank loans and overdrafts	111,966	156,560
Net obligations under finance lease and hire purchase contracts	2,950	9,516
	<u>£ 114,916</u>	<u>£ 166,076</u>
	1999	1998
<u>Group</u>	£	£
Included within the above are amounts falling due as follows:		
<b>In 1 - 2 years:</b>		
Finance lease and hire purchase obligations	2,950	9,516
<b>In 2 - 5 years:</b>		
Loan instalments	96,287	143,060
<b>In more than 5 years:</b>		
Loan instalments	15,679	-

The bank overdraft is secured by way of debenture over the assets of the parent company. Mortgages are secured on the freehold properties owned by group companies and on the fixtures situated therein. All loans are denominated in Swiss Francs, are not hedged and interest rates are variable, based on the Swiss base rates.

SILVER SKI HOLIDAYS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 30 April 1999

**15. CREDITORS: (continued)**

Amounts falling due after more than one year	1999	1998
<u>Company</u>	£	£
Net obligations under finance lease and hire purchase contracts	2,950	9,516
Other creditors	-	13,500
	<u>£ 2,950</u>	<u>£ 23,016</u>
<u>Company</u>	£	£

Included within the above are amounts falling due as follows:

**In 1 - 2 years:**

Loan instalments	-	13,500
Finance lease and hire purchase obligations	2,950	9,516

The bank overdraft is secured by way of debenture over the assets of the parent company. Mortgages are secured on the freehold properties owned by group companies and on the fixtures situated therein. All loans are denominated in Swiss Francs, are not hedged and interest rates are variable, based on the Swiss base rates.

**16. CALLED UP SHARE CAPITAL**

	1999	1998
	£	£
<b>Authorised</b>		
50,000 ordinary shares of £1 each	£ 50,000	£ 50,000
<b>Authorised, allotted, called up and fully paid</b>		
50,000 ordinary shares of £1 each	£ 50,000	£ 50,000

**17. RESERVES**

	<u>Group</u>	<u>Company</u>
	£	£
<b>Revaluation Reserve</b>		
At 1 May 1998	307,021	-
Transfer to Profit and Loss account	(58,239)	-
At 30 April 1999	<u>£ 248,782</u>	<u>£ -</u>

SILVER SKI HOLIDAYS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 30 April 1999

**18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	1999	1998
<u>Group</u>	£	£
Profit for the year	155,404	247,753
Dividends	-	(20,000)
	<u>155,404</u>	<u>227,753</u>
Shares issued during year	-	20,000
Net addition to Shareholder funds	155,404	247,753
Opening shareholders' funds	1,259,278	1,011,525
Closing shareholders' funds	<u>£ 1,414,682</u>	<u>£ 1,259,278</u>
	1999	1998
<u>Company</u>	£	£
Profit for the year	70,876	174,453
Dividends	-	(20,000)
	<u>70,876</u>	<u>154,453</u>
Shares issued during year	-	20,000
Net addition to Shareholder funds	70,876	174,453
Opening shareholders' funds	629,996	455,543
Closing shareholders' funds	<u>£ 700,872</u>	<u>£ 629,996</u>

**19. ANALYSIS OF CASH FLOWS FOR HEADINGS  
NETTED IN THE CASH FLOW STATEMENT**

	1999	1998
	£	£
<b>Returns on investments and servicing of finance</b>		
Interest received	6,801	1,844
Interest paid	(14,688)	(21,313)
	<u>£ (7,887)</u>	<u>£ (19,469)</u>
<b>Net cash outflow for returns on investments and servicing of finance</b>		
	<u>£ (7,887)</u>	<u>£ (19,469)</u>
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(322,697)	(24,716)
Sale of tangible fixed assets	194,680	3,396
	<u>£ (128,017)</u>	<u>£ (21,320)</u>
<b>Net cash outflow for capital expenditure</b>		
	<u>£ (128,017)</u>	<u>£ (21,320)</u>

SILVER SKI HOLIDAYS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 30 April 1999

<b>Financing</b>		
Issue of ordinary shares	-	20,000
<b>Issue of shares</b>	<u>-</u>	<u>20,000</u>
Repayment of loans	(44,594)	(42,654)
Capital element of finance lease rentals	(11,125)	(11,589)
<b>Decrease in debt</b>	<u>(55,719)</u>	<u>(54,243)</u>
<b>Net cash outflow from financing</b>	<u>£ (55,719)</u>	<u>£ (34,243)</u>

**20. ANALYSIS OF NET DEBT**

	At 1 May 1998 £	Cash flow £	Other changes £	At 30 Apr 1999 £
<b>Net cash:</b>				
Cash at bank and in hand	43,371	11,232		54,603
Bank overdrafts	(37,733)	2,274		(35,459)
	<u>5,638</u>	<u>13,506</u>		<u>19,144</u>
<b>Debt:</b>				
Finance leases	(20,900)	11,125	-	(9,775)
Debt due after 1 year	(156,560)	44,594	-	(111,966)
	<u>(177,460)</u>	<u>55,719</u>	<u>-</u>	<u>(121,741)</u>
<b>Net debt</b>	<u>£ (171,822)</u>	<u>£ 69,225</u>	<u>£ -</u>	<u>£ (102,597)</u>

**21. OTHER COMMITMENTS**

At 30 April 1999 there were annual commitments under non-cancellable operating leases as follows:

	Land and buildings 1999 £	1998 £	Plant and machinery 1999 £	1998 £
<b>Group</b>				
<b>Expiry date:</b>				
Within 1 year	755,675	792,000	984	984
<b>Company</b>				
<b>Expiry date:</b>				
Within 1 year	755,675	792,000	984	984

**22. TRANSACTIONS WITH DIRECTORS**

Within creditors due over one year is £13,500 (1998-13,500) due to Mr L Silver. This loan account has no specified terms of repayment, and is non interest bearing.



## SILVER SKI HOLIDAYS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 April 1999

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#### 23. RELATED PARTIES

The Company rents properties from Valsarock Limited and in the year ended 30 April 1999 the rent charged was £119,274 (1998-£127,117). At 30 April 1999 the amount owed to Silver Ski Holidays Limited by Valsarock Limited was £477,611 (1998-£ 564,229). Property is also rented from SCI Bon Neige and in the year ended 30 April 1999 the rent charged was £12,722 (1998-£13,074). At 30 April 1999 the amount owed by Silver Ski Holidays Limited to SCI Bon Neige was £24,334 (1998- £7,582). Property is also rented from SCI Topaz and in the year ended 30 April 1999 the rent charged was £31,800 (1998-£nil). At 30 April 1999 the amount owed by Silver Ski Holidays Limited to SCI Topaz was £31,800 (1998- £nil). No interest is charged on intercompany debt.

#### 24. ULTIMATE CONTROLLING PARTY

Mr Silver, the chairman, beneficially owns 40,000 of the fifty thousand issued shares and accordingly controls the company.