



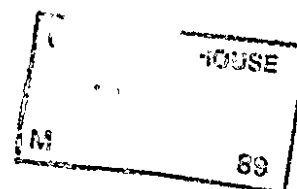
BDO Binder Hamlyn
Chartered Accountants

1961830

OWNERS AEROAD TOUR OPERATIONS LIMITED
(formerly Arrowsmith Limited)

DIRECTORS' REPORT AND
FINANCIAL STATEMENTS

for the year ended
31 October 1990



Company Number 1961830



Ayr Bury Belfast Birmingham Bristol Bury St Edmunds
Cardiff Croydon Edinburgh Enniskillen Glasgow Leeds
London Manchester Newbury Newcastle Newmarket
Norwich Nottingham Poole Rochdale St Albans Salt Lake
Stoke-on-Trent Swansea Wolverhampton

DIRECTORS' REPORT
for the year ended 31 October 1990

FINANCIAL STATEMENTS

The directors present their report and financial statements for the year ended 31 October 1990.

PRINCIPAL ACTIVITY

The principal activity of the company is to act as a holding company.

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

The company has been dormant during the year except for the purchase of investments in group undertakings (see note 2). The company changed its name from Arrowsmith Limited to Owners Abroad Tour Operations Limited on 21 November 1990.

RESULTS AND DIVIDENDS

The company did not trade during the year.

The directors do not recommend the payment of a dividend.

DIRECTORS AND THEIR INTERESTS

The members of the Board during the year were:

D Blastland	(Appointed 21 November 1990)
P Davies	(Appointed 21 November 1990)
D Johnston	(Appointed 21 November 1990)
H M Klein	(Resigned 21 November 1990)
R G Lewis	(Appointed 21 November 1990)
N Morris	(Appointed 21 November 1990)
A Rayner	(Appointed 21 November 1990)
M Roberts	(Appointed 21 November 1990)
N Smith	(Appointed 21 November 1990, resigned 31 October 1991)
G G Stone	(Resigned 21 November 1990)
D Wilson	(Appointed 21 November 1990, resigned 31 October 1991)
K Waller	(Appointed 21 November 1990)

None of the directors had any beneficial interest in the shares of the company at any time during the year.

DIRECTORS' REPORT

for the year ended 31 October 1990 (continued)

DIRECTORS AND THEIR INTERESTS (continued)

The directors at 31 October 1990 and their interests in the ordinary share capital of Owners Abroad Group Plc, the ultimate parent company, were as follows:

	At 31 October 1990				At 1 November 1989		
	Ordinary shares Held	Preference Under Option	Shares		Ordinary shares Held	Preference Under Option	Shares
D Blastland	7,500	200,000	-	-	200,000	-	-
P Davies	-	60,000	-	-	60,000	-	-
D Johnston	-	30,000	-	-	30,000	-	-
H M Klein	1,140,000	700,000	-	1,140,000	700,000	-	-
R G Lewis	-	-	-	-	-	-	-
N Morris	-	20,000	-	7,500	20,000	-	-
A Rayner	1,750	30,000	-	-	30,000	-	-
M Roberts	-	45,000	-	-	45,000	-	-
N Smith	-	80,000	378	-	80,000	-	-
G G Stone	-	150,000	-	-	300,000	-	-
K Waller	20,000	-	-	-	-	-	-
D Wilson	-	65,000	-	-	65,000	-	-

The company is not a close company within the provision of the Income and Corporation Taxes Act 1988.

AUDITORS

In accordance with Section 384 of the Companies Act 1985, a resolution proposing that BDO Binder Hamlyn be re-appointed as auditors of the company will be put to the Annual General Meeting.

This report was approved by the Board on 12 January 1991

Ala Sweeney
Secretary

AUDITORS' REPORT

to the members of Owners Abroad Tour Operations Limited

We have audited the financial statements on pages 4 to 6 in accordance with Auditing Standards.

In our opinion the financial statements give a true and fair view of the state of the company's affairs at 31 October 1990 and have been properly prepared in accordance with the Companies Act 1985.

BDO Binder Hamlyn

Chartered Accountants
Registered Auditor

18 January 1991

OWNERS AEROD TOUR OPERATIONS LIMITED

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BALANCE SHEET

as at 31 October 1990

	Notes	1990	1989
		£	£
FIXED ASSETS			
Investments	2	2,277,748	-
CURRENT ASSETS			
CREDITORS: amounts falling due within one year	3	(2,450,101)	(172,353)
Net Current Liabilities		(2,450,101)	(172,353)
Net Liabilities		£(172,353)	£(172,353)
CAPITAL AND RESERVES			
Called up share capital		250,000	250,000
Profit and loss account		(422,353)	(422,353)
		£(172,353)	£(172,353)

The financial statements on pages 4 to 6 were approved by the Board on 18th January 1991



Director



Director

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 October 1990

1. ACCOUNTING POLICIES

Basis of accounting

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

Consolidated accounts

The company has not produced consolidated financial statements because it is a wholly owned subsidiary undertaking of Owners Abroad Leisure Limited, a company registered in Great Britain.

Compliance with accounting standards

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

2. INVESTMENTS

Shares in
subsidiaries
undertakings
£

1 November 1989

Additions

2,277,748

31 October 1990

£2,277,748

During the year, the company acquired the entire share capital of the following subsidiary undertakings which are incorporated in Great Britain and carry on the trade of Tour Operators.

Owners Abroad Holidays Limited

Owners Abroad Travel Limited

3. CREDITORS

1990

1989

Amounts owed to group undertakings

£2,450,101

£172,353

4. CALLED UP SHARE CAPITAL

Authorised, allotted and fully paid
250,000 ordinary shares of £1 each

£250,000

£250,000

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 October 1990 (continued)

5. PROFIT AND LOSS ACCOUNT

1 November 1989	(422,353)
Retained profit for the year	<u> </u>
At 31 October 1990	<u>£(422,353)</u>

6. ULTIMATE PARENT COMPANY

The ultimate parent company is Owners Abroad Group PLC, a company incorporated in Great Britain.

7. CONTINGENT LIABILITY

There were no contingent liabilities at the year end.