

**Registration number 2110413**

**Malta Bargains Limited**

**Directors' report and financial statements**

**for the year ended 30 April 2007**

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COMPANIES HOUSE

**Malta Bargains Limited**

**Company information**

**Directors**

Albert Borg  
Carmen Borg  
Nathaniel Borg

**Secretary**

Albert Borg

**Company number**

2110413

**Registered office**

A P House  
The Pavilions  
35A Brighton Road  
Croydon  
CR2 6EB

**Auditors**

Surendra Shah & Co  
142 Stanford Road  
Norbury  
London  
SW16 4QB

**Business address**

3149B South Terminal  
London Gatwick Airport  
West Sussex  
RH6 0NN

**Bankers**

Natwest Bank plc  
161 Bow Road  
London  
E3 2ZZ

Bank of Valletta plc  
85 St Paul's Street  
St Paul's Bay  
Malta SPB 09

**Malta Bargains Limited**

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**Malta Bargains Limited**  
**Directors' report**  
**for the year ended 30 April 2007**

The directors present their report and the financial statements for the year ended 30 April 2007

**Principal activity and review of the business**

The principal activity of the company during the year continued to be that of tour operators. The sector continued to be competitive and was affected by prevailing economic climate in EU.

**Results and dividends**

The results for the year are set out on page 5

**Directors**

The directors who served during the year are as stated below

Albert Borg  
Carmen Borg  
Nathaniel Borg

**Directors' responsibilities**

The directors are responsible for preparing 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that year. In preparing these financial statements the directors are required to

- select suitable accounting policies and 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.

In so far as the directors are aware

- there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and

**Malta Bargains Limited**

**Directors' report**  
**for the year ended 30 April 2007**

continued

- the directors have taken all the steps that they ought to have taken to make aware of any relevant audit information and to establish that the company's auditors are aware of that information

**Auditors**

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Surendra Shah & Co be reappointed as auditors of the company will be put to the Annual General Meeting

This report was approved by the Board on 22 June 2007 and signed on its behalf by



**Albert Borg**  
Secretary

**Malta Bargains Limited**

**Independent auditors' report to the shareholders of**  
**Malta Bargains Limited**

We have audited the financial statements of Malta Bargains Limited for the year ended 30 April 2007 which comprise the profit and loss account, the balance sheet, the cash flow statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

**Respective responsibilities of directors and the auditors**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) 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).

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 whether, in our opinion, the information given in the directors' report is consistent with the financial statements.

In addition, we report to you if, in our opinion, 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 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.

**Malta Bargains Limited**

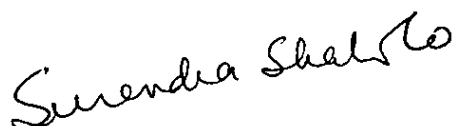
**Independent auditors' report to the shareholders of Malta Bargains Limited continued**

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 United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 April 2007 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements



**Surendra Shah & Co.**  
**Chartered Certified Accountants and**  
**Registered Auditors**  
**22 June 2007**

**142 Stanford Road**  
**Norbury**  
**London**  
**SW16 4QB**

**Malta Bargains Limited**

**Profit and loss account**  
**for the year ended 30 April 2007**

|   |                     | <b><u>Continuing operations</u></b> |                    |
|---|---------------------|-------------------------------------|--------------------|
|   |                     | <b><u>2007</u></b>                  | <b><u>2006</u></b> |
|   | <b><u>Notes</u></b> | <b><u>£</u></b>                     | <b><u>£</u></b>    |
| <b><u>Turnover</u></b>                                      | <b>2</b>            | 13,913,791                          | 15,788,303         |
| Cost of sales   |                     | (13,260,137)                        | (15,154,859)       |
| <b><u>Gross profit</u></b>                                  |                     | <u>653,654</u>                      | <u>633,444</u>     |
| Administrative expenses                                     |                     | (656,968)                           | (648,301)          |
| Other operating income                                      |                     | 10,000                              | 10,000             |
| <b><u>Operating profit/(loss)</u></b>                       | <b>3</b>            | <u>6,686</u>                        | <u>(4,857)</u>     |
| Other interest receivable and similar income                | <b>4</b>            | <u>5,085</u>                        | <u>24,053</u>      |
| <b><u>Profit on ordinary activities before taxation</u></b> |                     | <u>11,771</u>                       | <u>19,196</u>      |
| Tax on profit on ordinary activities                        | <b>6</b>            | <u>(2,588)</u>                      | <u>(2,962)</u>     |
| <b><u>Profit on ordinary activities after taxation</u></b>  |                     | <u>9,183</u>                        | <u>16,234</u>      |
| <b><u>Profit for the year</u></b>                           | <b>12</b>           | <u>9,183</u>                        | <u>16,234</u>      |
| Retained profit brought forward                             |                     | 566,329                             | 550,096            |
| <b><u>Retained profit carried forward</u></b>               |                     | <u>575,512</u>                      | <u>566,330</u>     |

There are no recognised gains or losses other than the profit or loss for the above two financial years

**The notes on pages 8 to 12 form an integral part of these financial statements.**



**Malta Bargains Limited**

**Balance sheet**  
**as at 30 April 2007**

|   | <u>Notes</u> | <u>2007</u> | <u>2006</u> |
|---|--------------|-------------|-------------|
|   |              | <u>£</u>    | <u>£</u>    |
| <b><u>Fixed assets</u></b>  |              |             |             |
| Tangible assets   | 7            | 70,213      | 73,930      |
| <b><u>Current assets</u></b>  |              |             |             |
| Debtors   | 8            | 4,897,023   | 3,828,223   |
| Cash at bank and in hand  |              | 75,453      | 405,768     |
|   |              | 4,972,476   | 4,233,991   |
| <b><u>Creditors: amounts falling due within one year</u></b>          | 9            | (3,728,729) | (3,003,143) |
| <b><u>Net current assets</u></b>                                      |              | 1,243,747   | 1,230,848   |
| <b><u>Total assets less current liabilities</u></b>                   |              | 1,313,960   | 1,304,778   |
| <b><u>Creditors: amounts falling due after more than one year</u></b> | 10           | (638,448)   | (638,448)   |
| <b><u>Net assets</u></b>  |              | 675,512     | 666,330     |
| <b><u>Capital and reserves</u></b>                                    |              |             |             |
| Called up share capital   | 11           | 100,000     | 100,000     |
| Profit and loss account   | 12           | 575,512     | 566,330     |
| <b><u>Equity shareholders' funds</u></b>                              | 13           | 675,512     | 666,330     |

The financial statements were approved by the Board on 22 June 2007 and signed on its behalf by



**Albert Borg**  
Director



**Carmen Borg**  
Director

**The notes on pages 8 to 12 form an integral part of these financial statements.**

**Malta Bargains Limited**

**Cash flow statement**  
**for the year ended 30 April 2007**

|   | <b><u>Notes</u></b> | <b><u>2007</u></b><br><b><u>£</u></b> | <b><u>2006</u></b><br><b><u>£</u></b> |
|---|---------------------|---------------------------------------|---------------------------------------|
| <b><u>Reconciliation of operating profit/(loss) to net cash outflow from operating activities</u></b> |                     |                                       |                                       |
| Operating profit/(loss)   |                     | 6,686                                 | (4,857)                               |
| Depreciation  |                     | 3,717                                 | 4,406                                 |
| (Increase) in debtors   |                     | (1,068,800)                           | (1,948,275)                           |
| (Decrease) in creditors   |                     | (530,847)                             | 550,697                               |
| <b><u>Net cash outflow from operating activities</u></b>  |                     | <b><u>(1,589,244)</u></b>             | <b><u>(1,398,029)</u></b>             |
| <b><u>Cash flow statement</u></b>   |                     |                                       |                                       |
| Net cash outflow from operating activities  |                     | (1,589,244)                           | (1,398,029)                           |
| Returns on investments and servicing of finance   | <b>15</b>           | 5,085                                 | 24,053                                |
| Taxation  | <b>15</b>           | (2,962)                               | (8,426)                               |
| Capital expenditure   | <b>15</b>           | -                                     | (1,503)                               |
|   |                     | <b><u>(1,587,121)</u></b>             | <b><u>(1,383,905)</u></b>             |
| Financing   | <b>15</b>           | -                                     | 283,000                               |
| <b><u>Decrease in cash in the year</u></b>  |                     | <b><u>(1,587,121)</u></b>             | <b><u>(1,100,905)</u></b>             |
| <b><u>Reconciliation of net cash flow to movement in net debt (Note 16)</u></b>                       |                     |                                       |                                       |
| <b><u>Decrease in cash in the year</u></b>  |                     | <b><u>(1,587,121)</u></b>             | <b><u>(1,100,905)</u></b>             |
| Cash outflow from decrease in debts and lease financing   |                     | -                                     | (283,000)                             |
| Change in net debt resulting from cash flows  |                     | <b><u>(1,587,121)</u></b>             | <b><u>(1,383,905)</u></b>             |
| <b><u>Net debt at 1 May 2006</u></b>  |                     | <b><u>(841,609)</u></b>               | <b><u>542,296</u></b>                 |
| <b><u>Net debt at 30 April 2007</u></b>   |                     | <b><u>(2,428,730)</u></b>             | <b><u>(841,609)</u></b>               |

**Malta Bargains Limited**

**Notes to the financial statements**  
**for the year ended 30 April 2007**

**1. Accounting policies**

**1.1. Accounting convention**

The financial statements are prepared under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board

**1.2. Tangible fixed assets and depreciation**

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows

|                                  |   |                                |
|----------------------------------|---|--------------------------------|
| Land and buildings               | - | Straight line over Fifty years |
| Fixtures, fittings and equipment | - | 25% on reducing balance        |

**1.3. Deferred taxation**

In opinion of the director's no provision is necessary

**1.4. Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Profit and Loss account

**2. Turnover**

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK

**3. Operating profit/(loss)**

|  | <b>2007</b> | <b>2006</b> |
|--|-------------|-------------|
|  | <b>£</b>    | <b>£</b>    |
| Operating profit/(loss) is stated after charging           |             |             |
| Depreciation and other amounts written off tangible assets | 3,717       | 4,406       |
| and after crediting  |             |             |
| Net foreign exchange gain                                  | (12,365)    | (3,705)     |

**4. Interest receivable and similar income**

|               | <b>2007</b> | <b>2006</b> |
|---------------|-------------|-------------|
|               | <b>£</b>    | <b>£</b>    |
| Bank interest | 5,085       | 24,053      |

**5. Employees**

There were no employees during the year apart from the directors

**Malta Bargains Limited**

**Notes to the financial statements**  
**for the year ended 30 April 2007**

continued

**6. Tax on profit on ordinary activities**

| <b>Analysis of charge in period</b>          | <b>2007</b>  | <b>2006</b>  |
|--|--------------|--------------|
|  | <b>£</b>     | <b>£</b>     |
| <b>Current tax</b>                           |              |              |
| UK corporation tax at 19.00% (2006 - 19.00%) | 2,588        | 2,962        |
|  | <u>2,588</u> | <u>2,962</u> |

**7. Tangible fixed assets**

|                        | <b>Land and<br/>buildings<br/>freehold</b> | <b>Fixtures,<br/>fittings and<br/>equipment</b> | <b>Total</b>   |
|------------------------|--|---|----------------|
|                        | <b>£</b>                                   | <b>£</b>  | <b>£</b>       |
| <b>Cost</b>            |  |   |                |
| At 1 May 2006          | 81,930                                     | 44,043  | 125,973        |
| At 30 April 2007       | <u>81,930</u>                              | <u>44,043</u>                                   | <u>125,973</u> |
| <b>Depreciation</b>    |  |   |                |
| At 1 May 2006          | 16,388                                     | 35,655  | 52,043         |
| Charge for the year    | 1,638                                      | 2,079   | 3,717          |
| At 30 April 2007       | <u>18,026</u>                              | <u>37,734</u>                                   | <u>55,760</u>  |
| <b>Net book values</b> |  |   |                |
| At 30 April 2007       | <u>63,904</u>                              | <u>6,309</u>                                    | <u>70,213</u>  |
| At 30 April 2006       | <u>65,542</u>                              | <u>8,388</u>                                    | <u>73,930</u>  |

**8. Debtors**

|                                | <b>2007</b>      | <b>2006</b>      |
|--------------------------------|------------------|------------------|
|                                | <b>£</b>         | <b>£</b>         |
| Trade debtors                  | 405,110          | 554,041          |
| Other debtors                  | 30,705           | 8,692            |
| Prepayments and accrued income | 4,461,208        | 3,265,490        |
|                                | <u>4,897,023</u> | <u>3,828,223</u> |

**Malta Bargains Limited**

**Notes to the financial statements**  
**for the year ended 30 April 2007**

continued

|   |                  |                  |
|---|------------------|------------------|
| <b>9. <u>Creditors: amounts falling due within one year</u></b> | <b>2007</b>      | <b>2006</b>      |
|   | <b>£</b>         | <b>£</b>         |
| Bank overdraft  | 1,865,736        | 608,929          |
| Payments received on account                                    | 1,144,010        | 1,409,465        |
| Trade creditors   | 458,706          | 722,882          |
| Corporation tax   | 2,588            | 2,962            |
| Accruals  | 257,689          | 258,905          |
|   | <u>3,728,729</u> | <u>3,003,143</u> |

|   |                |                |
|---|----------------|----------------|
| <b>10. <u>Creditors: amounts falling due after more than one year</u></b> | <b>2007</b>    | <b>2006</b>    |
|   | <b>£</b>       | <b>£</b>       |
| Director's Loan   | <u>638,448</u> | <u>638,448</u> |

These loans are sub-ordinated loans only payable with CAA Permission only

|   |                |                |
|---|----------------|----------------|
| <b>11. <u>Share capital</u></b>                         | <b>2007</b>    | <b>2006</b>    |
|   | <b>£</b>       | <b>£</b>       |
| <b><u>Authorised equity</u></b>                         |                |                |
| 100,000 Ordinary shares of 1 each                       | <u>100,000</u> | <u>100,000</u> |
| <b><u>Allotted, called up and fully paid equity</u></b> |                |                |
| 100,000 Ordinary shares of 1 each                       | <u>100,000</u> | <u>100,000</u> |

|                                   |                                |                |
|-----------------------------------|--------------------------------|----------------|
| <b>12. <u>Equity Reserves</u></b> | <b>Profit and loss account</b> | <b>Total</b>   |
|                                   | <b>£</b>                       | <b>£</b>       |
| <b>At 1 May 2006</b>              | 566,329                        | 566,329        |
| Profit for the year               | 9,183                          | 9,183          |
| <b>At 30 April 2007</b>           | <u>575,512</u>                 | <u>575,512</u> |

**Malta Bargains Limited**

**Notes to the financial statements**  
**for the year ended 30 April 2007**

continued

|  |                |                |
|--|----------------|----------------|
| <b>13. <u>Reconciliation of movements in shareholders' funds</u></b> | <b>2007</b>    | <b>2006</b>    |
|  | <b>£</b>       | <b>£</b>       |
| Profit for the year  | 9,183          | 16,234         |
| Opening shareholders' funds  | 666,329        | 650,096        |
| Closing shareholders' funds  | <u>675,512</u> | <u>666,330</u> |

**14. Transactions with directors**

The Ultimate controlling party of this company is Mr Albert Borg  
The company is licensed by the CAA under ATOL 2077 and is a member of ABTA number V1680 As at 30th April 2007 the company has given various guarantees totalling £2,065,805 which are guaranteed by third parties and does not encumber any of the company assets The company has bond of £1,927,500 guaranteed by insurance company

**15. Gross cash flows**

|  |                |                |
|--|----------------|----------------|
|  | <b>2007</b>    | <b>2006</b>    |
|  | <b>£</b>       | <b>£</b>       |
| <b>Returns on investments and servicing of finance</b> |                |                |
| Interest received                                      | <u>5,085</u>   | <u>24,053</u>  |
| <b>Taxation</b>  |                |                |
| Corporation tax paid                                   | <u>(2,962)</u> | <u>(8,426)</u> |
| <b>Capital expenditure</b>                             |                |                |
| Payments to acquire tangible assets                    | <u>-</u>       | <u>(1,503)</u> |
| <b>Financing</b>                                       |                |                |
| Other new long term loans                              | <u>-</u>       | <u>283,000</u> |

**Malta Bargains Limited**

**Notes to the financial statements**  
**for the year ended 30 April 2007**

.. ... continued

**16. Analysis of changes in net funds**

|                          | <b>Opening<br/>balance</b> | <b>Cash<br/>flows</b> | <b>Closing<br/>balance</b> |
|--------------------------|----------------------------|-----------------------|----------------------------|
|                          | <b>£</b>                   | <b>£</b>              | <b>£</b>                   |
| Cash at bank and in hand | 405,768                    | (330,315)             | 75,453                     |
| Overdrafts               | (608,929)                  | (1,256,807)           | (1,865,736)                |
|                          | (203,161)                  | (1,587,122)           | (1,790,283)                |
| Debt due after one year  | (638,448)                  | -                     | (638,448)                  |
| <b>Net funds</b>         | <b>(841,609)</b>           | <b>(1,587,122)</b>    | <b>(2,428,731)</b>         |