

Superbreak Mini Holidays Group Limited

Accounts 30 September 1999
together with directors' and auditors' reports

Registered number: 2501443



Directors' report

For the year ended 30 September 1999

The directors present their annual report on the affairs of the company, together with the accounts and auditors' report, for the year ended 30 September 1999.

Principal activity and business review

The company acts as the holding company for Superbreak Mini-Holidays Limited.

Results and dividends

Results and recommended transfers to reserves are as follows:

	£'000
Loss for the financial year	(3)
Retained loss 1 October 1998	124
Retained profit at 30 September 1999	121

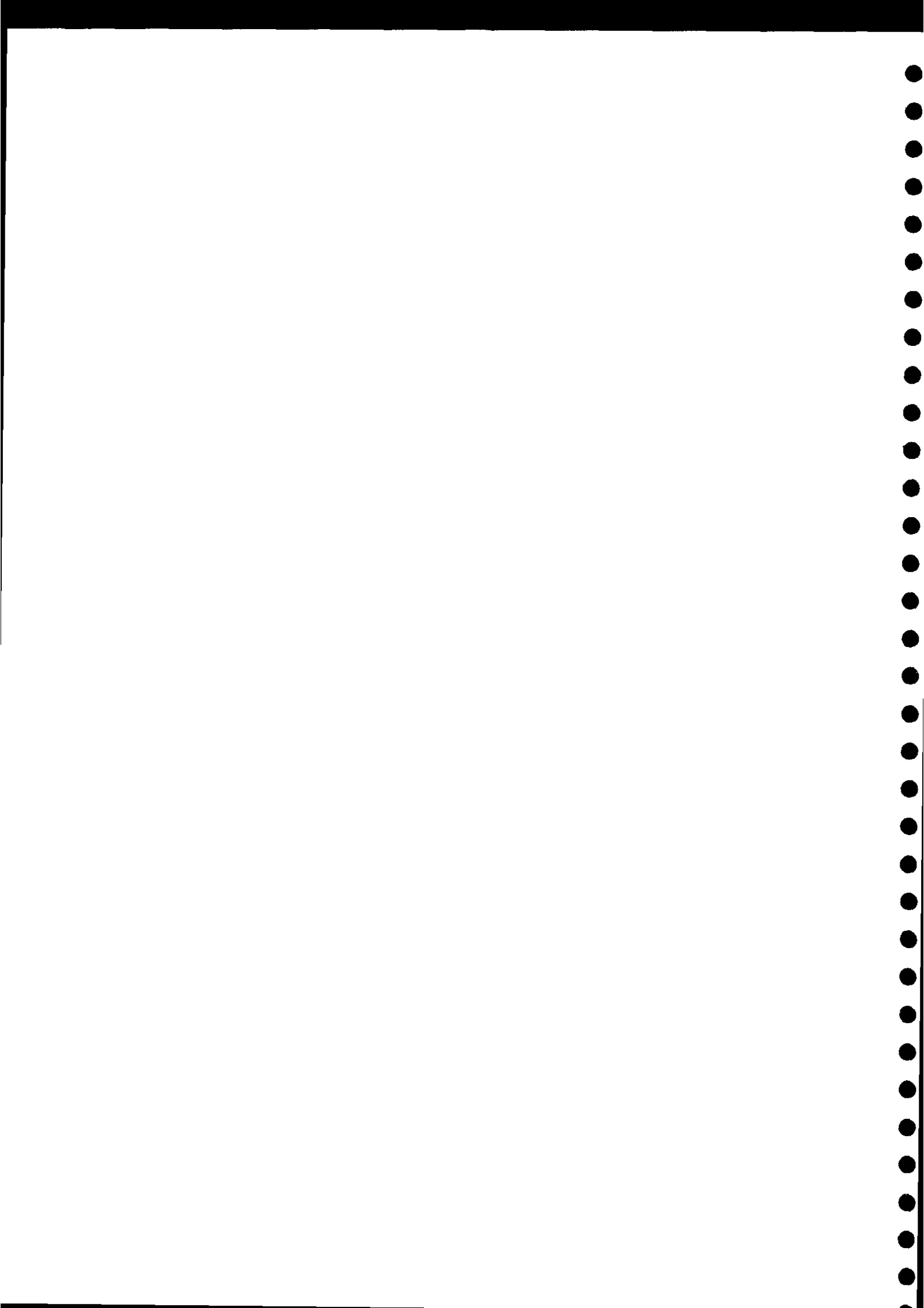
The directors do not recommend the payment of a dividend.

Directors and their interests

The directors who served during the year were as follows:

M.C. Wray
N.P. Cust
R.W. Atkinson
R.G. Baddeley
J.R. Crew
F. Regan
I.P. Mounser
R.A.P. Jones

Messrs Wray, Cust, Atkinson, Baddeley, and Crew also served as directors of the holding company, Holidaybreak plc. Their beneficial interests in group companies are disclosed in the accounts of Holidaybreak plc.



Directors' report (continued)

Directors and their interests (continued)

The interests of those directors who are not also directors of the ultimate parent company in share options of Holidaybreak plc at 30 September 1999 were as follows:

	At 1 October 1998	Granted	At 30 September 1999
1991 Executive Scheme			
F. Regan	14,759	-	14,759
I.P. Mounser	14,759	-	14,759
R.A.P. Jones	11,472	-	14,759

	At 1 October 1998	Granted	At 30 September 1999
1991 Savings Related Scheme			
I.P. Mounser	612	-	612
R.A.P. Jones	2,018	2,496	4,514

	At 1 October 1998	Granted	At 30 September 1999
1996 Unapproved Scheme			
F. Regan	25,241	10,000	35,241
I.P. Mounser	25,241	10,000	35,241
R.A.P. Jones	18,528	10,000	28,528

None of the directors had any other interests which are required to be disclosed under Schedule 7 of the Companies Act 1985.

Year 2000

The directors' report with respect to the Year 2000 issue is contained within the Holidaybreak plc accounts.

Euro

The directors' report with respect to the Euro is contained within the Holidaybreak plc accounts.

Directors' report (continued)

Auditors

The directors will place a resolution before the annual general meeting to reappoint Arthur Andersen as auditors for the ensuing year.

60 Piccadilly

York

YO1 9WX

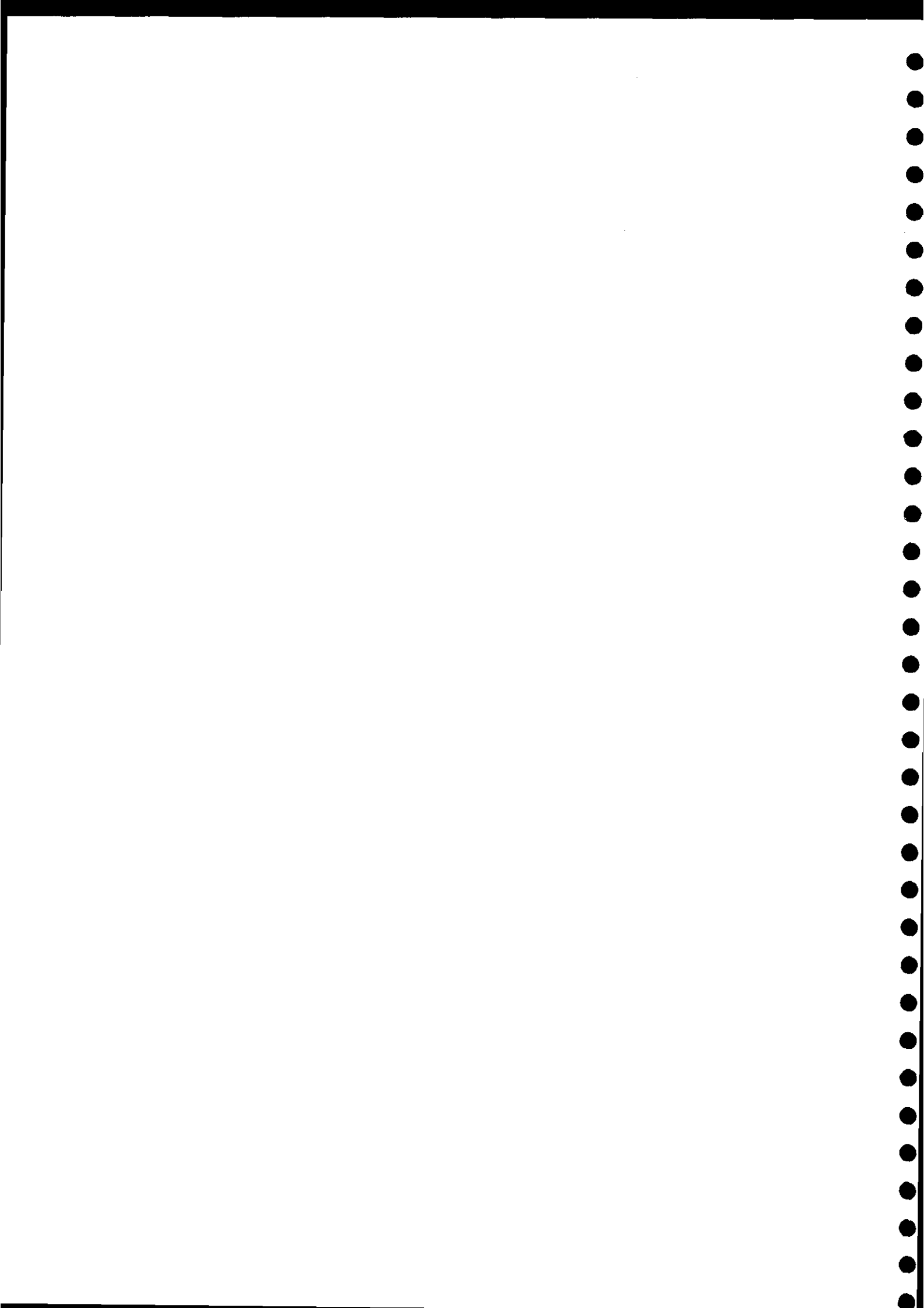
By order of the Board



R.G. Baddeley

Secretary

5 January 2000



Statement of directors' and auditors' responsibilities

Directors' responsibilities

Company law requires the directors to prepare accounts for each financial period which 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 accounts, 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the group will continue in business.

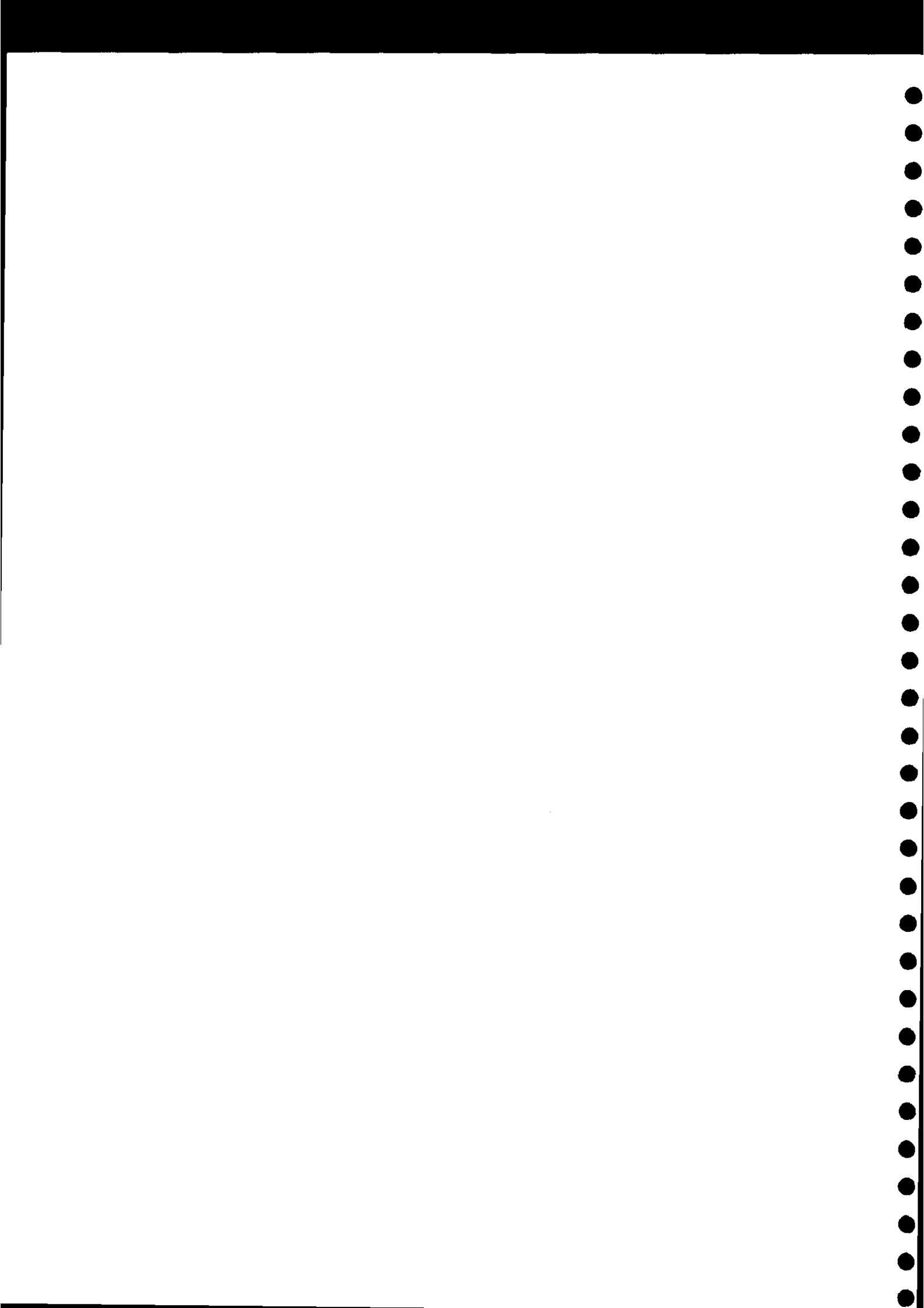
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors' responsibilities

Company law requires auditors to form an independent opinion on the financial statements presented by the directors based on their audit and to report their opinion to the shareholders. The Companies Act also requires auditors to report to the shareholders if the following requirements are not met:

- that the company has maintained proper accounting records;
- that the financial statements are in agreement with the accounting records;
- that directors' emoluments and other transactions with directors are properly disclosed in the accounts; and
- that the auditors have obtained all the information and explanations which, to the best of their knowledge and belief, are necessary for the purpose of their audit.

The auditors' opinion does not encompass the directors' report on pages 1 to 3. However, the Companies Act 1985 requires auditors to report to the shareholders if the matters contained in the directors' report are inconsistent with the financial statements.



To the Shareholders of Superbreak Mini Holidays Group Limited:

We have audited the accounts on pages 6 to 10 which have been prepared under the historical cost convention, and the accounting policies set out on page 8.

Respective responsibilities of directors and auditors

As described on page 4 the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts and of whether the accounting policies are appropriate to the circumstances of the company, 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the company at 30 September 1999 and of the loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Arthur Andersen

Chartered Accountants and Registered Auditors

Bank House
9 Charlotte Street
Manchester
M1 4EU

5 January 2000

Profit and loss account

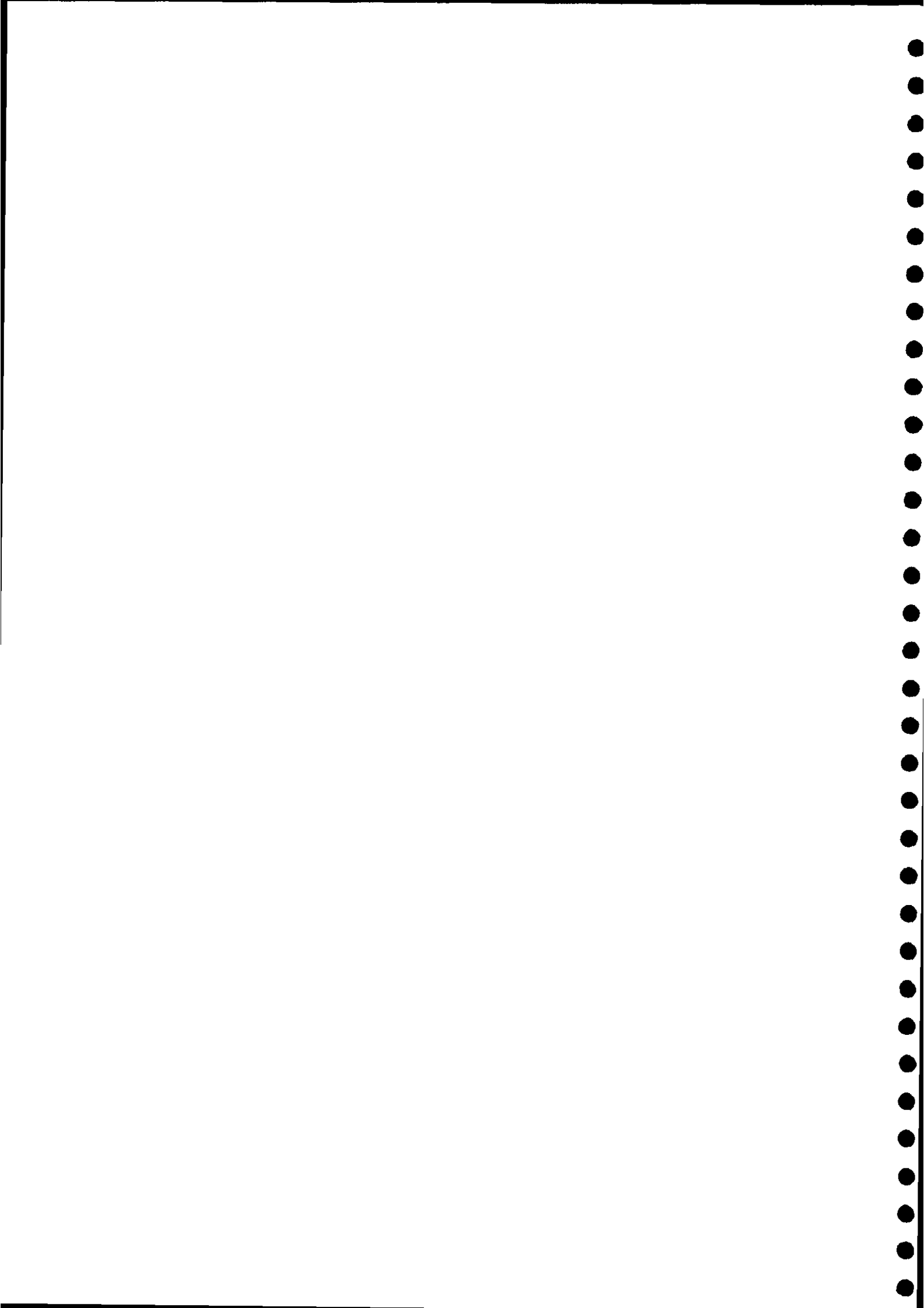
For the year ended 30 September 1999

	Notes	1999 £'000	1998 £'000
Other operating expenses		(3)	(3)
Loss on ordinary activities before taxation		(3)	(3)
Tax on loss on ordinary activities	2	-	-
Loss for the financial year	6	(3)	(3)

All activity arose from continuing operations. There are no recognised gains or losses other than the loss for each financial period.

The accompanying notes are an integral part of this profit and loss account.

There is no difference between the historical cost loss for each period and the loss stated in the profit and loss account.



Balance sheet
30 September 1999

	Notes	1999 £'000	1998 £'000
Fixed assets			
Investments	3	16,752	16,752
Creditors: Amounts falling due within one year	4	(7,344)	(7,341)
Net current liabilities		(7,344)	(7,341)
Net assets		9,408	9,411
Capital and reserves			
Called-up share capital	5	9,287	9,287
Profit and loss account	6	121	124
Shareholders' funds	7	9,408	9,411
Total shareholders' funds			
Non-equity interests		9,020	9,020
Equity interests		388	391
		9,408	9,411

Signed on behalf of the Board



R.G. Baddeley

Director

5 January 2000

The accompanying notes are an integral part of this balance sheet.

Notes to accounts

30 September 1999

1 Accounting policies

The principal accounting policies, all of which have been applied consistently throughout the current year and the preceding period, are as follows:

a) Basis of accounting

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

The company is a wholly owned subsidiary undertaking of Holidaybreak plc. As such it is exempt from the requirement to prepare consolidated accounts under section 228 of the Companies Act 1985.

b) Taxation

Corporation tax payable is provided on taxable profits at the current rate.

Deferred taxation has been calculated using the liability basis. Deferred tax is provided on timing differences which will probably reverse at the rates of tax likely to be in force at the time of reversal. Deferred tax is not provided on timing differences which, in the opinion of the directors, will probably not reverse.

c) Investments

Fixed asset investments are shown at cost less provision for permanent diminution in value.

d) Cash flow statement

As permitted by Financial Reporting Standard No.1 the company has not produced a cash flow statement, as it is a wholly owned subsidiary undertaking of Holidaybreak plc, which has produced a group cash flow statement in its accounts.

2 Tax on loss on ordinary activities

The tax credit is based on the loss for the year and comprises:

	1999 £'000	1998 £'000
Adjustment of current tax in respect of prior periods	-	-

Notes to accounts (continued)

3 Investments

Fixed asset investments comprises an investment in a subsidiary undertaking as follows:

	£'000
Cost	
Beginning and end of year	<u>16,752</u>

The company owns 100% of the ordinary share capital of Superbreak Mini-Holidays Limited, a tour and travel operator, registered in England and Wales.

4 Creditors: Amounts falling due within one year

	1999 £'000	1998 £'000
Amounts owed to other group undertakings	<u>7,344</u>	<u>7,341</u>

5 Called-up share capital

	1999		1998	
	£'000	IL'000	£'000	IL'000
<i>Authorised:</i>				
60,000 'A' ordinary shares of 1 lira each	-	60	-	60
20,000 'B' ordinary shares of 1 lira each	-	20	-	20
160,000 'A' preferred ordinary shares of 1 lira each	-	160	-	160
26,667 'B' preferred ordinary shares of 1 lira each	-	27	-	27
790,600 9% 'A' preference shares of 1 lira each	-	790	-	790
8,230,000 9% 'A' preference shares of 1 lira each	-	8,230	-	8,230
9,287,267 deferred ordinary shares of £1 each	<u>9,287</u>	<u>-</u>	<u>9,287</u>	<u>-</u>
	<u>9,287</u>	<u>9,287</u>	<u>9,287</u>	<u>9,287</u>

Notes to accounts (continued)

5 Called-up share capital (continued)

	1999 £'000	1998 £'000
<i>Allotted, called-up and fully paid:</i>		
9,287,267 deferred ordinary shares of £1 each	9,287	9,287
	<u>9,287</u>	<u>9,287</u>

6 Reserves

	Profit and loss account £'000
At 1 October 1998	124
Loss for the financial year	(3)
At 30 September 1999	<u>121</u>

7 Reconciliation of movements in shareholders' funds

	1999 £'000	1998 £'000
Loss for the financial year	(3)	(3)
Opening shareholders' funds	9,411	9,414
Closing shareholders' funds	<u>9,408</u>	<u>9,411</u>

8 Ultimate parent company

The company is a wholly owned subsidiary undertaking of Holidaybreak plc, a company registered in England and Wales.

The largest and smallest group in which the results of Superbreak Mini Holidays Group Limited are consolidated is that headed by Holidaybreak plc. The consolidated accounts of this group are available to the public and may be obtained from Holidaybreak plc, Hartford Manor, Greenbank Lane, Northwich, Cheshire CW8 1HW.