

**INTERNATIONAL CURRENCY
EXCHANGE (EUROPE) PLC**

Report and Financial Statements

28 February 2007



INTERNATIONAL CURRENCY EXCHANGE (EUROPE) PLC

REPORT AND FINANCIAL STATEMENTS 2007

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INTERNATIONAL CURRENCY EXCHANGE (EUROPE) PLC

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

Z G Tejan
F G Tejan
N G Tejan
T E Johnson

SECRETARY

A P White

REGISTERED OFFICE

Albany Court Yard
47 - 48 Piccadilly
London
W1J 0LR

BANKERS

Lloyds TSB Bank PLC
Connaught House
Alexandra Terrace
Guildford
Surrey, GU1 3DA

Barclays Bank PLC
PO Box 15162
50 Pall Mall
London, SW1A 1QB

The Cooperative Bank
80 Cornhill
London, EC3V 3NJ

SOLICITORS

Clintons
55 Drury Lane
London
WC2B 5RZ

AUDITORS

KPMG Audit Plc
Registered Auditors
Chartered Accountants
8 Salisbury Square
London EC4Y 8BB

INTERNATIONAL CURRENCY EXCHANGE (EUROPE) PLC

DIRECTORS' REPORT

The directors submit their report and the audited financial statements of International Currency Exchange (Europe) PLC ("the Company") for the year ended 28 February 2007

ACTIVITIES

The principal activities of the Company during the year were the provision of foreign exchange, the provision of travel services and hotel bookings

REVIEW OF DEVELOPMENTS

A summary of the year's trading is given on page 6 to the accounts. The directors consider the result achieved is satisfactory. The Company produced a profit after tax for the year of £2,095,511 (2006 £1,272,267)

DIVIDENDS

No dividend is proposed for the year (2006- £nil)

FUTURE PROSPECTS

The directors are optimistic for a continuing profits trend for the foreseeable future

DISCLOSURE OF INFORMATION TO AUDITORS

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information

FINANCIAL RISK MANAGEMENT

The company is exposed to financial risk through its financial assets and liabilities. The key financial risk is that the proceeds from financial assets are not sufficient to fund the obligations arising from liabilities as they fall due. The most important components of financial risk are interest rate risk, currency risk, credit risk, liquidity risk, cash flow risk and price risk. Due to the nature of the company's business and the assets and liabilities contained within the company's balance sheet the only financial risks the directors consider relevant to this company are currency, interest rate and cash flow risk. These risks are mitigated by the routine monitoring of key management information. The KPI's used by the company to monitor financial risk include Turnover, gross profit and salary costs as a percentage of turnover. A summary of key financial data is set out below

KEY FINANCIAL DATA	2007	2006
TURNOVER	33,142,706	31,565,655
GROSS PROFIT	3,066,525	2,859,168
RETAINED PROFIT AFTER TAX	2,095,511	1,272,267
EQUITY SHAREHOLDERS' FUNDS	8,333,167	6,237,656
TOTAL ASSETS	9,123,097	6,496,480
SALARY COSTS AS A PERCENTAGE OF TURNOVER	3.09%	3.26%

PAYMENT OF CREDITORS

It is the policy of the Company to abide by the terms of payment agreed with each supplier. At the year end, creditor days were 30 days (2006 – 30 days)

INTERNATIONAL CURRENCY EXCHANGE (EUROPE) PLC

DIRECTORS' REPORT (continued.....)

DIRECTORS

The names of persons who were directors throughout the year are as follows

Z G Tejani

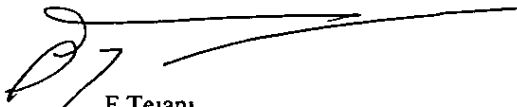
F G Tejani

N G Tejani

T E Johnson

N G Tejani held one £1 ordinary share in International Currency Exchange (Europe) PLC throughout the year. The directors' interests in Lenlyn Holdings PLC, Travelcare Services Ltd and International Currency Exchange PLC are disclosed in the financial statements of these companies. There are no other disclosable interests in group companies.

Approved by the Board of Directors
and signed on behalf of the Board



F Tejani
Director

28 September 2007

INTERNATIONAL CURRENCY EXCHANGE (EUROPE) PLC

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Directors' Report and 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

The financial statements are required by law to 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 these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- 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 that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INTERNATIONAL CURRENCY EXCHANGE (EUROPE) PLC

We have audited the financial statements of International Currency Exchange (Europe) Plc for the year ended 28 February 2007 which comprise the Profit and Loss Account, the Balance Sheet, the Reconciliation of Movement in Shareholders Funds and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 4.

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

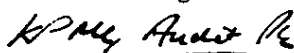
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and 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 UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 28 February 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.


KPMG Audit Plc
Chartered Accountants

Registered Auditor

8 Salisbury Square

London EC4Y 8BB

28 September 2007

INTERNATIONAL CURRENCY EXCHANGE (EUROPE) PLC

PROFIT AND LOSS ACCOUNT

Year ended 28 February 2007

	Note	2007 £	2006 £
TURNOVER	1	33,142,706	31,565,655
Cost of sales		(30,076,181)	(28,706,487)
GROSS PROFIT		3,066,525	2,859,168
Administrative expenses		(1,549,595)	(1,207,060)
Other operating income		146,573	185,401
OPERATING PROFIT		1,663,503	1,837,509
Interest receivable and similar income	3	33	370
Interest payable and similar charges	4	-	(159)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	5	1,663,536	1,837,720
Tax on profit on ordinary activities	6	431,975	(565,453)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	11	2,095,511	1,272,267

The notes on pages 8 - 14 form part of these financial statements

The company has no recognised gains or losses other than the profit for the current and prior year

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

All activities derive from continuing operations

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

RECONCILIATION OF MOVEMENT ON SHAREHOLDERS FUNDS

	2007 £	2006 £
Profit for the year	2,095,511	1,272,267
Opening shareholders' funds	6,237,656	4,965,389
Closing shareholders' funds	8,333,167	6,237,656

The notes on pages 8 - 14 form part of these financial statements

INTERNATIONAL CURRENCY EXCHANGE (EUROPE) PLC

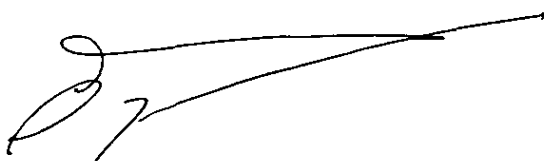
BALANCE SHEET At 28 February 2007

	Note	2007 £	2006 £
FIXED ASSETS			
Tangible assets	7	5,462	10,087
CURRENT ASSETS			
Stocks		109,563	101,385
Debtors	8	8,663,748	6,055,014
Cash at bank and in hand		344,324	329,994
		9,117,635	6,486,393
CREDITORS – amounts falling due within one year	9	(789,930)	(258,824)
NET CURRENT ASSETS		8,327,705	6,227,569
TOTAL ASSETS LESS CURRENT LIABILITIES		8,333,167	6,237,656
CAPITAL AND RESERVES			
Called up share capital	12	50,000	50,000
Profit and loss account	11	8,283,167	6,187,656
EQUITY SHAREHOLDERS' FUNDS		8,333,167	6,237,656

The notes on pages 8 - 14 form part of these financial statements

These financial statements were approved by the Board of Directors on 28 September 2007

Signed on behalf of the Board of Directors



F Tejan
Director

INTERNATIONAL CURRENCY EXCHANGE (EUROPE) PLC

NOTES TO THE ACCOUNTS

Year ended 28 February 2007

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable United Kingdom law and accounting standards. The particular accounting policies adopted are described below.

Accounting convention

The financial statements are prepared under the historical cost convention.

Turnover and cost of sales

Turnover represents sales of foreign currency and travellers cheques, cash processing and related commissions and fees receivable.

Cost of sales represents the cost of purchase of foreign currency, direct selling costs and holding gains and losses on foreign currency.

The directors consider that the activities of the Company comprise one business segment.

In accordance with the exemptions of the Companies Act 1985 disclosure of turnover by geographical segment would be, in the opinion of the directors, seriously prejudicial to the interests of the Company and as such is not given.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful economic life.

Fixtures and fittings	-	20% on cost, five years, straight line
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Computer equipment	-	20% on cost, five years, straight line
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Profits and losses on disposal of tangible fixed assets are disclosed separately in the profit and loss account where material.

Cash at bank and in hand

Foreign currencies and foreign currency travellers cheques are included in cash at bank and in hand and are valued at their estimated net realisable value based on the foreign exchange rate ruling at the year end.

Foreign currencies

Transactions denominated in foreign currencies are translated into sterling and recorded at the rates of exchange ruling at the dates of the transactions. Assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rates ruling at the balance sheet date. All translation differences are taken to the profit and loss account.

Stocks

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Where necessary a provision is made for obsolete, slow moving and defective stocks.

Cash flow statement

The Company is exempt from preparing a cash flow statement under paragraph 5(a) of Financial Reporting Standard No. 1 (Revised 1996) "Cash Flow Statements".

INTERNATIONAL CURRENCY EXCHANGE (EUROPE) PLC

NOTES TO THE ACCOUNTS

Year ended 28 February 2007

1. ACCOUNTING POLICIES (continued)

Deferred Taxation

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in the taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

2. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

	2007 £	2006 £
Directors' emoluments (excluding pension contributions)	288,702	257,573
Company contributions paid to a pension scheme in respect of directors	-	-

During the year no contributions were made to the directors pension scheme (2006 – one). The above amounts for remuneration include the following in respect of the highest paid director:

	2007 £	2006 £
Remuneration of the highest paid director (excluding pension contributions)	101,233	78,082
Company contributions paid to the pension scheme for highest paid director	-	-

	2007 £	2006 £
Employee costs were as follows		
Wages and salaries	925,697	945,726
Social security costs	97,473	83,848
	1,023,170	1,029,574

INTERNATIONAL CURRENCY EXCHANGE (EUROPE) PLC

NOTES TO THE ACCOUNTS

Year ended 28 February 2007

2. INFORMATION REGARDING DIRECTORS AND EMPLOYEES (continued..)

The average monthly number of employees during the year was as follows

	2007 No.	2006 No.
Management	0	1
Other staff	53	53

3. INTEREST RECEIVABLE AND SIMILAR INCOME

	2007 £	2006 £
Bank interest	33	370

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2007 £	2006 £
Interest on bank overdrafts	-	(159)

5. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2007 £	2006 £
Profit on ordinary activities before taxation is after charging:		
Auditors' remuneration – audit services	32,000	11,500
Tax compliance	5,500	-
Depreciation of tangible fixed assets	4,625	4,401

International Currency Exchange (Europe) PLC forms part of a Group, the Parent Company of which incurs certain expenses on its behalf. An element of administrative expenses consists of a calculated recharge from the Parent Company and amounted to £1,293,417 (2006 - £1,018,432)

INTERNATIONAL CURRENCY EXCHANGE (EUROPE) PLC

NOTES TO THE ACCOUNTS

Year ended 28 February 2007

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2007 £	2006 £
United Kingdom corporation tax at 30% (2006 - 30%)	-	(503,941)
Adjustment in respect of prior years	435,059	(62,586)
	<u>435,059</u>	<u>(566,527)</u>
Deferred taxation (Note 10)		
Timing differences, origination and reversal	(3,084)	1,074
	<u>431,975</u>	<u>(565,453)</u>

The tax assessed for the period is higher than that resulting from applying the standard rate of corporation tax in the UK of 30% (2006 - 30%) The differences are explained below

	2007 £	2006 £
Profit on ordinary activities before taxation	1,663,536	1,837,720
Tax at 30% thereon (2006 30%)	(499,061)	(551,316)
Plus/(less) the effects of		
Expenses not deductible for tax purposes	(4,219)	-
Capital allowances in excess of depreciation	3,026	(686)
Other deferred tax movements	-	(389)
Other short term timing differences	56	-
Over/(under) provision of current tax	435,063	(62,586)
Group relief claimed for no charge	500,194	48,450
	<u>435,059</u>	<u>(566,527)</u>

INTERNATIONAL CURRENCY EXCHANGE (EUROPE) PLC

NOTES TO THE ACCOUNTS

Year ended 28 February 2007

7. TANGIBLE ASSETS

	Computer equipment £	Fixtures and fittings £	TOTAL £
COST			
At 1 March 2006	223,675	677,268	900,943
Additions	-	-	-
	<u>223,675</u>	<u>677,268</u>	<u>900,943</u>
At 28 February 2007	223,675	677,268	900,943
ACCUMULATED DEPRECIATION			
At 1 March 2006	219,806	671,050	890,856
Charge for the year	2,698	1,927	4,625
	<u>222,504</u>	<u>672,977</u>	<u>895,481</u>
At 28 February 2007	222,504	672,977	895,481
NET BOOK VALUE			
At 28 February 2007	<u>1,171</u>	<u>4,291</u>	<u>5,462</u>
At 28 February 2006	<u>3,869</u>	<u>6,218</u>	<u>10,087</u>

8. DEBTORS

Due within one year:	2007 £	2006 £
Called up share capital not paid	37,500	37,500
Corporation tax recoverable	435,059	-
Amount owed by group companies	7,988,635	5,953,619
Deferred tax asset (Note 10)	11,930	15,014
Prepayments and accrued income	31,065	39,381
Other debtors	159,559	9,500
	<u>8,663,748</u>	<u>6,055,014</u>

INTERNATIONAL CURRENCY EXCHANGE (EUROPE) PLC

NOTES TO THE ACCOUNTS

Year ended 28 February 2007

9. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	2007	2006
	£	£
Bank overdraft	37,166	-
Other taxes and social security	29,473	69,288
Amounts due to group companies	585,585	58,556
Other creditors	76,396	9,539
Accruals and deferred income	61,310	121,441
	<u>789,930</u>	<u>258,824</u>

10. DEFERRED TAXATION

Movement of deferred tax balance	2007	2006
	£	£
At 1 March	15,014	13,940
Charge to profit and loss account (Note 6)	(3,084)	1,074
	<u>11,930</u>	<u>15,014</u>
At 28 February (Note 8)	<u>11,930</u>	<u>15,014</u>

Analysis of deferred tax balance	2007	2006
	£	£
Capital allowances in excess of depreciation	11,601	14,627
Short term timing differences	329	387
	<u>11,930</u>	<u>15,014</u>

INTERNATIONAL CURRENCY EXCHANGE (EUROPE) PLC

NOTES TO THE ACCOUNTS

Year ended 28 February 2007

11. STATEMENT OF MOVEMENT ON RESERVES

	Profit and loss account £
At 1 March 2006	6,187,656
Profit for the year	<u>2,095,511</u>
At 28 February 2007	<u><u>8,283,167</u></u>

12. CALLED UP SHARE CAPITAL

	2007 £	2006 £
Authorised.		
5,000,000 ordinary shares of £1 each	<u>5,000,000</u>	<u>5,000,000</u>
Allotted:		
50,000 ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>
Called and partly paid:		
50,000 ordinary shares of £1 each 25p paid	<u>12,500</u>	<u>12,500</u>

13. RELATED PARTY DISCLOSURES

The company takes advantage of the exemption provided in Financial Reporting Standard No 8 "Related party disclosures" not to disclose transactions with group related parties. There were no other related party disclosures requiring disclosure.

14. ULTIMATE PARENT COMPANY

International Currency Exchange (Europe) PLC is controlled by International Currency Exchange PLC, an unquoted company incorporated in Great Britain. International Currency Exchange PLC is the parent of the smallest group for which consolidated accounts are prepared. The ultimate holding company of International Currency Exchange (Europe) PLC is Lenlyn Holdings PLC which is incorporated in Great Britain. Lenlyn Holdings PLC is the parent of the largest group for which consolidated accounts are prepared. Copies of the consolidated financial statements for the smallest and largest groups are available from Companies House, Crown Way, Mandy, Cardiff, CF14 3UZ.