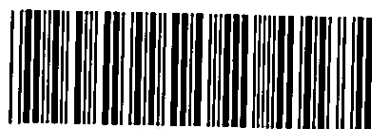


Company Registration No. 3190720 (England and Wales)

AUDLEY TRAVEL GROUP LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007

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AUDLEY TRAVEL GROUP LIMITED

COMPANY INFORMATION

Directors	C Burkinshaw J E Brewer C Mantel (Appointed 1 October 2007)
Secretary	J E Brewer
Company number	3190720
Registered office	The New Mill New Mill Lane Witney Oxfordshire OX29 9SX
Auditors	HLB Vantis Audit plc 66 Wigmore Street London W1U 2SB
Bankers	Barclays Bank Plc United Kingdom House 7th Floor 180 Oxford Street London W1D 1EA

AUDLEY TRAVEL GROUP LIMITED

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AUDLEY TRAVEL GROUP LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2007

The directors present their report and financial statements for the year ended 31 December 2007

Principal activities and review of the business

The principal activity of the company continued to be that of holiday tour operator

The company has enjoyed a successful year with turnover and profits up on the previous year. The directors are satisfied with these results and look forward to the next year with optimism.

Principal risks and uncertainties

The company is reliant on the UK population to take long haul tailor made holidays. This market is growing and further growth can be achieved by increasing the choice of geographical destinations and by increasing market share at the expense of competitors. The directors continue to monitor cost levels to ensure an adequate return is received.

Financial instruments

The company's principal financial instruments comprise of forward foreign exchange contracts, bank balances, trade creditors, trade debtors and loans to the company. The main purpose of these financial instruments is to raise funds for the company's operations and to finance the company's operations.

Due to the nature of the financial instruments used by the company, there is no exposure to price risk. The company's approach to managing other risks applicable to the financial instruments is shown below.

In respect of bank balances the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of current, deposit accounts and money market facilities.

In respect of loans these comprise of loans from directors and associated companies. These loans are interest free. The loans from directors can only be repaid with the consent of the Civil Aviation Authority.

In respect of foreign exchange payments, the company buys forward exchange contracts to match against future foreign exchange liabilities to mitigate the effects of unplanned exchange rate fluctuations.

Trade debtors are managed by the regular monitoring of amounts outstanding, credit is not given to customers. Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Analysis based on key performance indicators

The key performance indicators are as follows:

Turnover £49,818,550 (2006 £36,340,835) (2005 £26,200,153)

Gross profit margin 22.3% (2006 19.9%), (2005 17.6%)

Current ratio 1.09 (2006 1.13), (2005 1.15)

The company continues to provide a quality service and is continually reviewing the range of destinations it has available to meet the changing market demands.

The ratios show that company has improved its gross profit by 2.4% compared to the prior year whilst increasing turnover by 37.1%.

Results and dividends

The results for the year are set out on page 5.

A dividend of £2million (2006 £nil) was paid in the year.

AUDLEY TRAVEL GROUP LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2007

Directors

The following directors have held office since 1 January 2007

C Burkinshaw

J E Brewer

C Mantel

(Appointed 1 October 2007)

Charitable donations	2007 £	2006 £
During the year the company made the following payments		
Charitable donations	4,288	2,635

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that HLB Vantis Audit plc be reappointed as auditors of the company will be put to the Annual General Meeting

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 affairs of the company and of the profit or loss of the company 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 that disclose with reasonable accuracy at any time the financial position of the company and 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.

Statement of disclosure to auditor

(a) so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and

(b) they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

On behalf of the board



C Mantel

Director

11th March 2008

AUDLEY TRAVEL GROUP LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF AUDLEY TRAVEL GROUP LIMITED

We have audited the financial statements of Audley Travel Group Limited for the year ended 31 December 2007 set out on pages 5 to 18. 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 auditors' 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 the directors and 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.

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.

AUDLEY TRAVEL GROUP LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE SHAREHOLDERS OF AUDLEY TRAVEL GROUP LIMITED

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 31 December 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

HLB Vantis Audit plc

HLB Vantis Audit plc

1/12/2008

Chartered Accountants

Registered Auditor



66 Wigmore Street

London

W1U 2SB

AUDLEY TRAVEL GROUP LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2007

	Notes	2007 £	2006 £
Turnover	2	49,818,550	36,340,835
Cost of sales		(38,714,725)	(29,095,215)
Gross profit		11,103,825	7,245,620
Distribution costs		(1,132,989)	(917,607)
Administrative expenses		(7,390,856)	(5,368,451)
Operating profit	3	2,579,980	959,562
Other interest receivable and similar income	4	290,324	151,510
Interest payable and similar charges	5	-	(1,579)
Profit on ordinary activities before taxation		2,870,304	1,109,493
Tax on profit on ordinary activities	6	(855,535)	(343,724)
Profit for the year	14	2,014,769	765,769

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

AUDLEY TRAVEL GROUP LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2007

	Notes	2007 £	£	2006 £	£
Fixed assets					
Tangible assets	8	353,718		288,997	
Investments	9	1,002		1,002	
		<u>354,720</u>		<u>289,999</u>	
Current assets					
Debtors	10	13,688,281	10,279,920		
Cash at bank and in hand		9,071,503	5,808,620		
		<u>22,759,784</u>	<u>16,088,540</u>		
Creditors. amounts falling due within one year	11	(20,948,018)	(14,226,822)		
Net current assets		<u>1,811,766</u>		<u>1,861,718</u>	
Total assets less current liabilities		<u>2,166,486</u>		<u>2,151,717</u>	
Creditors: amounts falling due after more than one year	12	(142,674)	(142,674)		
		<u>2,023,812</u>	<u>2,009,043</u>		
Capital and reserves					
Called up share capital	13	81,000	81,000		
Profit and loss account	14	1,942,812	1,928,043		
Shareholders' funds	15	<u>2,023,812</u>	<u>2,009,043</u>		

Approved by the Board and authorised for issue on 11th March 2008


C Mantel
Director

AUDLEY TRAVEL GROUP LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2007

	£	2007 £	£	2006 £
Net cash inflow from operating activities		5,454,096		1,542,501
Returns on investments and servicing of finance				
Interest received	290,324		151,510	
Interest paid	-		(1,579)	
Net cash inflow for returns on investments and servicing of finance		290,324		149,931
Taxation		(320,000)		(240,264)
Capital expenditure				
Payments to acquire tangible assets	(161,637)		(182,945)	
Receipts from sales of tangible assets	100		-	
Net cash outflow for capital expenditure		(161,537)		(182,945)
Equity dividends paid		(2,000,000)		-
Net cash inflow before management of liquid resources and financing		3,262,883		1,269,223
Financing				
Repayment of other long term loans	-		(227,500)	
Net cash outflow from financing		-		(227,500)
Increase in cash in the year		3,262,883		1,041,723

AUDLEY TRAVEL GROUP LIMITED

NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2007

1	Reconciliation of operating profit to net cash inflow from operating activities	2007		2006	
		£		£	
	Operating profit	2,579,980		959,562	
	Depreciation of tangible assets	96,816		42,017	
	Increase in debtors	(3,408,361)		(3,924,512)	
	Increase in creditors within one year	6,185,661		4,465,434	
	Net cash inflow from operating activities	5,454,096		1,542,501	
2	Analysis of net funds	1 January 2007	Cash flow	Other non-cash changes	31 December 2007
		£	£	£	£
	Net cash				
	Cash at bank and in hand	5,808,620	3,262,883	-	9,071,503
	Bank deposits	-	-	-	-
	Debt				
	Debts falling due after one year	(142,674)	-	-	(142,674)
	Net funds	5,665,946	3,262,883	-	8,928,829
3	Reconciliation of net cash flow to movement in net funds	2007		2006	
		£		£	
	Increase in cash in the year	3,262,883		1,041,723	
	Cash (inflow)/outflow from (increase)/decrease in debt	-		227,500	
	Movement in net funds in the year	3,262,883		1,269,223	
	Opening net funds	5,665,946		4,396,723	
	Closing net funds	8,928,829		5,665,946	

AUDLEY TRAVEL GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2007

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.3 Turnover

Turnover is recognised at the point at which an initial deposit is received after the travel booking is agreed with the customer

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Computer equipment	30% reducing balance
Fixtures and fittings	30% reducing balance
Motor vehicles	30% reducing balance

1.5 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term

1.6 Investments

Fixed asset investments are stated at cost less provision for diminution in value

1.7 Deferred taxation

Where material, deferred tax is provided in full, as required by FRS 19 - Deferred Tax, in respect of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is not discounted

1.8 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirement to do so by section 228 of the Companies Act 1985 as it is a subsidiary undertaking of Brecon LLP, a company incorporated in England & Wales, and is included in the consolidated accounts of that company

1.9 Forward foreign exchange contracts and hedging activities

The company enters into forward foreign exchange contracts to hedge against the company's purchases denominated in foreign currencies. The forward foreign exchange contracts are initially recognised at fair value on the date the contract is entered into and are subsequently remeasured at their fair value. The gain or loss relating to the effective proportion of the forward foreign exchange contracts hedging foreign currency purchases is recognised in the profit and loss statement within cost of sales. The gain or loss relating to the ineffective proportion is recognised immediately in the profit and loss statement within other gains/losses. The resulting financial asset or liability is included within current assets or liabilities

AUDLEY TRAVEL GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2007

1 Accounting policies

(continued)

1.10 Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

1.11 Share based payments

The company operates an equity-settled, share-based compensation plan or option scheme. The fair value of the employee services received in exchange for the grant of options is recognised as an expense with a corresponding increase in equity. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted at the grant date. At each balance sheet date, the entity revises its estimates of the number of options that are expected to become exercisable. It recognises the impact of the revision of original estimates, if any, in the profit and loss account, with a corresponding adjustment to equity. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

On 29 September 2006, 690,000 share options were granted to a select number of employees at an exercise price of £0.21 in varying amounts with each option holder's allocation vesting in equal tranches on the second, third, fourth and fifth anniversary of the date of grant. Options first become exercisable on the satisfaction of predefined performance criteria applied to the above anniversary dates. Options lapse on the occurrence of the earliest of the following events:

- the expiry of the period (if any) allowed for the satisfaction of performance criteria
- the tenth anniversary of the date of grant
- the date the option holder ceases to become an employee
- the expiry of the applicable period under a change of control event

Equity instruments granted were valued at market value of £0.21.

The directors assessed the impact of this accounting policy to the profit and loss account and considered it to be immaterial, hence the charge to the profit and loss account is £nil (2006 - £nil). At the year end, no options were exercised.

2 Turnover

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

3 Operating profit

	2007	2006
	£	£
Operating profit is stated after charging		
Depreciation of tangible assets	96,816	42,017
Operating lease rentals	361,110	274,914
Auditors' remuneration	16,259	12,500

AUDLEY TRAVEL GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2007

4	Investment income	2007	2006
		£	£
	Bank interest	290,324	151,510
		<u> </u>	<u> </u>
5	Interest payable	2007	2006
		£	£
	On bank loans and overdrafts	-	1,579
		<u> </u>	<u> </u>
6	Taxation	2007	2006
		£	£
	Domestic current year tax		
	U K corporation tax	860,233	342,468
	Adjustment for prior years	(4,698)	1,256
		<u> </u>	<u> </u>
	Current tax charge	855,535	343,724
		<u> </u>	<u> </u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	2,870,304	1,109,493
		<u> </u>	<u> </u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00% (2006 - 30.00%)	861,091	332,848
		<u> </u>	<u> </u>
	Effects of		
	Non deductible expenses	7,608	10,084
	Depreciation add back	-	12,605
	Capital allowances	(8,466)	(48,183)
	Adjustments to previous periods	(4,698)	1,256
	Marginal relief	-	(9,029)
	Other tax adjustments	-	44,143
		<u> </u>	<u> </u>
		(5,556)	10,876
		<u> </u>	<u> </u>
	Current tax charge	855,535	343,724
		<u> </u>	<u> </u>
7	Dividends	2007	2006
		£	£
	Ordinary interim paid	2,000,000	-
		<u> </u>	<u> </u>

AUDLEY TRAVEL GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2007

8 Tangible fixed assets

	Computer equipment £	Fixtures and fittings £	Motor vehicles £	Total £
Cost				
At 1 January 2007	307,095	157,805	6,530	471,430
Additions	109,682	41,647	10,308	161,637
Disposals	-	(100)	-	(100)
At 31 December 2007	416,777	199,352	16,838	632,967
Depreciation				
At 1 January 2007	150,442	26,747	5,244	182,433
Charge for the year	56,566	39,913	337	96,816
At 31 December 2007	207,008	66,660	5,581	279,249
Net book value				
At 31 December 2007	209,769	132,692	11,257	353,718
At 31 December 2006	156,653	131,058	1,286	288,997

AUDLEY TRAVEL GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2007

9 Fixed asset investments

	Shares in subsidiary undertakings £
Cost	
At 1 January 2007 & at 31 December 2007	1,002
Net book value	
At 31 December 2007	1,002
At 31 December 2006	1,002

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Class	Shares held %
Subsidiary undertakings			
African Journeys Limited	United Kingdom	Ordinary	100 00
journeyfactory com Limited	United Kingdom	Ordinary	100 00

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows

		Capital and reserves 2007 £	Profit/(loss) for the year 2007 £
	Principal activity		
African Journeys Limited	Dormant	2	-
journeyfactory com Limited	Dormant	1,000	-

10 Debtors

	2007 £	2006 £
Trade debtors	12,898,703	9,103,202
Amounts owed by parent and fellow subsidiary undertakings	-	581,091
Other debtors	699,680	479,649
Prepayments and accrued income	89,898	115,978
	<u>13,688,281</u>	<u>10,279,920</u>

AUDLEY TRAVEL GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2007

11 Creditors: amounts falling due within one year	2007	2006
	£	£
Trade creditors	19,500,089	13,534,762
Amounts owed to parent and fellow subsidiary undertakings	192,924	-
Amounts owed to subsidiary undertakings	1,002	1,002
Corporation tax	878,003	342,468
Other taxes and social security costs	186,010	183,761
Other creditors	24,190	23,329
Accruals and deferred income	165,800	141,500
	<u>20,948,018</u>	<u>14,226,822</u>

The directors, C Burkinshaw and J E Brewer, have provided the bank with personal guarantees limited to £40,000 in total

12 Creditors: amounts falling due after more than one year	2007	2006
	£	£
Other loans	<u>142,674</u>	<u>142,674</u>

Included in other loans is an amount of £95,000 (2006 £95,000) which has been subordinated by C Burkinshaw, a director in favour of the Civil Aviation Authority and is not to be repaid without the consent of the Civil Aviation Authority. During the year, the Civil Aviation Authority provided the authority to release £nil (2006 £227,500)

AUDLEY TRAVEL GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2007

13 Share capital	2007 £	2006 £
Authorised		
5,000,000 Ordinary shares of 1p each	50,000	50,000
1,000,000 "E group" Ordinary shares of 10p each	100,000	100,000
	<u>150,000</u>	<u>150,000</u>
Allotted, called up and fully paid		
5,000,000 Ordinary shares of 1p each	50,000	50,000
310,000 'E14' Ordinary shares of 10p each	31,000	31,000
	<u>81,000</u>	<u>81,000</u>

The authorised "E group" Ordinary shares are split as follows

300,000 'E1' Ordinary shares of 10p each
 15,000 'E2' to 'E10', 'E13' Ordinary shares of 10p each
 150,000 'E11' Ordinary shares of 10p each
 90,000 'E12' Ordinary shares of 10p each
 310,000 'E14' Ordinary shares of 10p each

The "E group" shares hold no voting rights

14 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 January 2007	1,928,043
Profit for the year	2,014,769
Dividends paid	<u>(2,000,000)</u>
Balance at 31 December 2007	<u>1,942,812</u>

AUDLEY TRAVEL GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2007

15 Reconciliation of movements in shareholders' funds	2007 £	2006 £
Profit for the financial year	2,014,769	765,769
Dividends	(2,000,000)	-
Net addition to shareholders' funds	14,769	765,769
Opening shareholders' funds	2,009,043	1,243,274
Closing shareholders' funds	2,023,812	2,009,043

16 Contingent liabilities

The company has given the following bonds to the Civil Aviation Authority,

- 1) The sum of £700,000 from 29 March 2007 to 30 September 2008 issued by BMS Group Ltd
- 2) The sum of £700,000 from 29 March 2007 to 30 September 2008 issued by Royal and Sun Alliance Insurance Plc
- 3) The sum of £700,000 from 29 March 2007 to 30 September 2008 issued by Coface SA
- 4) The sum of £700,000 from 29 March 2007 to 30 September 2008 issued by Travel & General Insurance Company Plc
- 5) The sum of £700,000 from 29 March 2007 to 30 September 2008 issued by Euler Hermes Plc
- 6) The sum of £200,000 from 29 March 2007 to 30 September 2008 issued by Lombard Insurance Brokers Ltd

The company has also given the following bond to the Association of British Travel Agents Ltd,

- 1) The sum of £109,494 from 1 October 2007 to 31 March 2009 issued by Barclays Bank Plc

17 Financial commitments

At 31 December 2007 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2008

	Land and buildings	
	2007	2006
	£	£
Operating leases which expire		
In over five years	245,000	245,000

AUDLEY TRAVEL GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2007

18 Directors' emoluments	2007 £	2006 £
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Emoluments for qualifying services	312,904	226,656
------------------------------------	---------	---------

Emoluments disclosed above include the following amounts paid to the highest paid director

Emoluments for qualifying services	125,771	121,709
------------------------------------	---------	---------

19 Employees

Number of employees

The average monthly number of employees (including directors) during the year was

	2007 Number	2006 Number
Administrative	31	22
Sales	143	110
	174	132

Employment costs	2007 £	2006 £
------------------	-----------	-----------

Wages and salaries	4,541,486	2,937,113
Social security costs	449,806	296,810
	4,991,292	3,233,923

20 Control

The parent entity is Brecon LLP, a limited liability partnership incorporated in England and Wales

The ultimate controlling parties are C Burkinshaw and J E Brewer

AUDLEY TRAVEL GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2007

21 Related party transactions

During the year the company was charged rent and service charges of £320,576 (2006 £106,250) by their parent company Brecon LLP. During the year the company paid Brecon LLP a dividend of £2m (2006 £nil). At the year end the company owed Brecon LLP £192,924 (2006 were owed £581,091 by Brecon LLP).

During the year, the company recharged expenses to Prosoma Limited of £98,102. In the previous year, the company purchased fixed assets of £145,058, services of £89,317 and was charged management charge of £550,000 by Prosoma Limited. At the year end the company owed Prosoma Limited £575,046 (2006 £200,263) of which £47,674 (2006 £47,674) is included in Creditors due after more than one year. Prosoma Limited is a company in which C Burkinshaw has an interest. Amounts due to Prosoma Limited are not subordinated to the Civil Aviation Authority.

During the year the company was charged £50,206 for software services (2006 £nil) by Antelope Software Limited, a company of which the directors J Brewer and C Burkinshaw are both shareholders. During the year, the company recharged expenses to Antelope Software Limited of £48,471 (2006 £10,542). At the year end the company was owed £48,471 (2006 £10,542) from Antelope Software Limited.