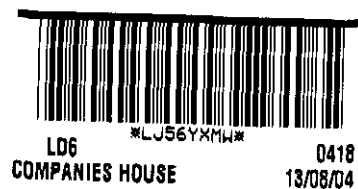


**Holiday Autos U.K. and Ireland Limited**  
**(Registered Number 3292373)**

**Annual Report and Financial Statements**

**For The Period Ended 30 September 2003**



# **Holiday Autos U.K. and Ireland Limited**

## **Company Information**

### **DIRECTORS**

C Jacobs  
D Wiseman (Resigned on 27 April 2004)  
D Sawers  
M Hart (Appointed on 27 April 2004)

### **SECRETARY**

S Watkins

### **AUDITORS**

Ernst & Young LLP  
1 More London Place  
London  
SE1 2AF

### **BANKERS**

Bank of Scotland  
38 Threadneedle Street  
London  
EC2P 2EH

### **SOLICITORS**

DLA  
3 Noble Street  
London  
EC2V 7EE

### **REGISTERED OFFICE**

4 Buckingham Gate  
London  
SW1E 6JP

# **Holiday Autos U.K. and Ireland Limited**

## **Contents**

	<b>Page</b>
Report of the directors	1 - 2
Statement of directors' responsibilities	3
Auditors' report	4 - 5
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8 - 14

# **Holiday Autos U.K. and Ireland Limited**

## **Directors' report for the period ended 30 September 2003**

The directors submit their annual report and the audited financial statements of the Company for the period ended 30 September 2003.

### **Principal activities**

The principal activity of the Company is the provision of car rentals to the leisure traveller.

### **Review of the business and future developments**

In March 2003 the Holiday Autos Group was acquired by the lastminute.com plc Group.

The Company's profit before taxation for the year was £828,709 (2002: £2,227,396). Aggregate interim dividends of £2,200,000 (2002: £nil) were proposed and paid. The Directors recommend that no final dividend be paid. The retained loss of £1,371,241 (2002: profit £2,227,396) has been transferred to reserves.

### **Directors**

The directors of the Company who have served on the board during the period ended 30 September 2003 are shown below. All served on the board throughout the year unless otherwise shown.

C Jacobs	(Chairman)
B Farrugia	(Resigned 30 September 2003)
D Wiseman	(Resigned 27 April 2004)
D Sawers	
M Hart	(Appointed 27 April 2004)

The directors' shareholdings in the ultimate parent undertaking, lastminute.com plc, are disclosed in the annual report of lastminute.com plc which are publicly available from the Company Secretary of lastminute.com plc.


## **Holiday Autos U.K. and Ireland Limited**

### **Directors' report for the period ended 30 September 2003 (continued)**

#### **Auditors**

A resolution to re-appoint Ernst & Young LLP as the Company's auditors will be put to the members at the next Annual General Meeting.

By order of the Board

A handwritten signature in black ink, appearing to read 'Mathew Hart', written over a horizontal line.

**Mathew Hart**

Director

4 Buckingham Gate  
London  
SW1E 6JP

**Date: 11th August 2004**

**Statement of directors' responsibilities in respect of financial statements  
For the period ended 30 September 2003**

Company law requires the directors to prepare financial statements for each financial year 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 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 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.

## **Independent auditors' report to the members of Holiday Autos U.K and Ireland Limited**

We have audited the Company's financial statements for the period ended 30 September 2003 which comprise the Profit and Loss Account, Balance Sheet and the related notes 1 to 20. These financial statements have been prepared on the basis of 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**

As described in the Statement of Directors' responsibilities the Company's directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 if, in our opinion, the Directors' Report is not consistent with the financial statements, if 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 transactions with the Company 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**

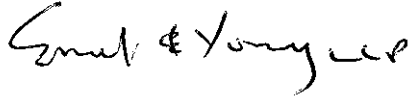
We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates 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.

**Independent auditors' report to the members of  
Holiday Autos U.K and Ireland Limited (continued)**

**Opinion**

In our opinion the financial statements give a true and fair view of the state of affairs of the Company as at 30 September 2003 and of its loss for the period then ended and have been properly prepared in accordance with the Companies Act 1985.

A handwritten signature in black ink, appearing to read 'Ernst & Young LLP', is written over the printed name of the firm.

Ernst & Young LLP  
Registered Auditor  
London

**Date: 11<sup>th</sup> August 2004**



## Holiday Autos U.K. and Ireland Limited

### Profit and loss account for the period ended 30 September 2003

		11 months ended 30 September 2003	12 months ended 31 October 2002
	Notes	£'000	£'000
Turnover	3	71,340	75,148
Cost of sales		(59,675)	(61,303)
<b>Gross profit</b>		11,665	13,845
Selling costs net of market support		(7,156)	(7,590)
Administrative expenses		(3,692)	(4,028)
<b>Other operating income</b>		3	-
<b>Operating profit</b>	4	820	2,227
<b>Profit on ordinary activities before interest and taxation</b>		820	2,227
<b>Interest receivable</b>	5	9	-
<b>Profit on ordinary activities before taxation</b>		829	2,227
Tax on ordinary activities	7	-	-
<b>Profit on ordinary activities after taxation</b>		829	2,227
Dividends and other appropriations	8	(2,200)	-
<b>Retained loss for the period</b>	12	(1,371)	2,227

All results were derived from continuing operations.

There are no recognised gains or losses other than the loss for the period.

There is no material difference between the historical cost profit and the profit for the year shown above.

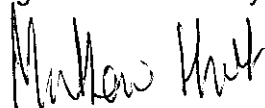
The notes on pages 8 to 14 form part of these financial statements

# Holiday Autos U.K. and Ireland Limited

## Balance sheet as at 30 September 2003

		At 30 Sept 2003	At 31 Oct 2002
	<i>Notes</i>	£000	£000
<b>Current assets</b>			
Debtors	<b>9</b>	22,498	16,164
Cash at bank and in hand		351	498
		22,849	16,662
<b>Creditors - amounts falling due within one year</b>	<b>10</b>	(21,993)	(14,435)
<b>Net current assets</b>		856	2,227
<b>Total assets less current liabilities</b>		856	2,227
		856	2,227
<b>Capital and reserves</b>			
Called up equity share capital	<b>11</b>	-	-
Profit and loss account	<b>12</b>	856	2,227
<b>Equity shareholders' funds</b>		856	2,227

These financial statements were approved by the Board of Directors on 10<sup>th</sup> August 2004 and were signed on its behalf by:



**M Hart**  
Director

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

# **Holiday Autos U.K. and Ireland Limited**

## **Notes to financial statements For the period ended 30 September 2003**

### **1 Basis of preparation**

The financial statements have been prepared under the going concern concept, the historical cost convention and in accordance with applicable accounting standards.

### **2 Accounting policies**

#### **(1) Change of accounting reference date**

The accounting reference date has been changed to 30 September 2003 and the financial statements have been prepared for the period 1 November 2002 to 30 September 2003.

#### **(2) Turnover**

Turnover represents amounts invoiced for vehicle hire and ancillary services and is recognised in full at the date of departure.

#### **(3) Foreign currency**

Income and expense items denominated in foreign currencies are translated into sterling at the rate ruling on their transaction date, or where a related forward exchange contract has been entered into, at the rate specified in the forward contract.

Monetary assets and liabilities recorded in foreign currencies have been expressed in sterling at the rates of exchange ruling on 30 September 2003, or if appropriate at the related forward contract rate. The resulting exchange differences are dealt with in the profit and loss account.

#### **(4) Pension costs**

The Company operates defined contribution pension arrangements for certain of its employees. Contributions are charged to the profit and loss account as they are incurred and fall due.

#### **(5) Deferred taxation**

Deferred tax is recognised in respect of all timing differences that originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exception:

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and the loss enacted or substantively enacted at the balance sheet date

# Holiday Autos U.K. and Ireland Limited

## Notes to financial statements For the period ended 30 September 2003

### 2 Accounting policies (continued)

#### (6) Cash flow statement

Under the provision of Financial Reporting Standard No. 1 "Cash Flow Statements" (Revised 1996), the Company has not prepared a statement of cash flows because its ultimate parent undertaking, lastminute.com plc, has prepared consolidated financial statements which include the financial statements of the Company and which contain a statement of cash flows.

### 3 Turnover

Turnover is derived from the principal activity of the Company. Turnover is not disclosed by geographical market or by destination as the Company has taken advantage of exemption in paragraph 4 SSAP 25 which exempts companies from disclosing segmental information where this information is disclosed in the accounts of the ultimate parent company.

### 4 Operating Profit

Operating profit is stated after charging/(crediting) the following:

		11 months ended 30 September 2003	12 months ended 31 October 2002
	Note		£000
Staff costs	6	3,723	4,464
Net foreign exchange (gain)/loss		306	(13)
Provision for bad debts		(82)	2
Auditors' remuneration for:			
- audit services		18	20

Auditors' remuneration for period ended 30 September 2003 relates to Ernst & Young LLP.

### 5 Interest receivable

	11 months ended 30 September 2003	12 months ended 31 October 2002
	£'000	£'000
Bank interest receivable	9	-
	9	-

## Holiday Autos U.K. and Ireland Limited

### Notes to financial statements For the period ended 30 September 2003

#### 6 Directors and employees

	11 months ended 30 September 2003	12 months ended 31 October 2002
	£'000	£'000
Wages and salaries	3,352	4,071
Social security costs	312	337
Other pension costs	59	56
	3,723	4,464

The average number of persons employed by the Company (including directors) during the year can be split as follows:

	11 months ended 30 September 2003 Number	12 months ended 31 October 2002 Number
Administration	20	28
Sales	11	19
Reservations	128	152
	159	199

	11 months ended 30 September 2003 £'000	12 months ended 31 October 2002 £'000
Directors' emoluments for the year:	342	128

These emoluments related to D Sawers and were borne by the Company and charged in the profit and loss account. Other directors' emoluments were borne by Holiday Autos International Limited, including the highest paid director. No directors have any shares held under long term incentive schemes.

Retirement benefits are accruing to the four Company directors under a defined contribution scheme. The value of the Company contributions to the scheme for D Sawers was £6,771 (2002: £5,926).

# Holiday Autos U.K. and Ireland Limited

## Notes to financial statements For the period ended 30 September 2003

### 7 Taxation

	11 months ended 30 September 2003	12 months ended 31 October 2002
	£'000	£'000

#### (a) Tax on profit on ordinary activities

##### UK Corporation tax

UK Corporation tax on profit of the period

-

Total Current tax

-

##### Deferred tax

There are no timing differences within this Company and, accordingly, there should be no provision for deferred tax.

#### (b) Factors affecting the current tax charge for the period

The tax assessed for the period is higher than the standard rate of corporation tax explained below

Profit on ordinary activities before tax	829	2,227
Profit on ordinary activities multiplied by the UK tax rate	249	668
Effect of:		
Disallowed expenses and non-taxable income	1	7
Group relief	(250)	(675)
<b>Current tax charge for the period</b>	<b>-</b>	<b>-</b>

### 8 Dividends and other appropriations

	11 months ended 30 September 2003	12 months ended 31 October 2002
	£'000	£'000
Interim dividend	2,200	-
	2,200	-

# Holiday Autos U.K. and Ireland Limited

## Notes to financial statements For the period ended 30 September 2003

### 9 Debtors

	At 30 September 2003	At 31 October 2002
	£'000	£'000
Trade debtors	1,033	1,197
Amounts owed by group undertakings	21,204	14,302
Other debtors	-	124
Prepayments and accrued income	261	541
	22,498	16,164

All debtors are due within one year.

### 10 Creditors: amounts falling due within one year

	At 30 September 2003	At 31 October 2002
	£'000	£'000
Accruals and deferred income	14,159	11,667
Amounts owed to group companies	2,200	-
Other creditors including social security	1,006	94
Advanced receipts	4,628	2,674
	21,993	14,435

### 11 Called up equity share capital

	At 30 September 2003	At 31 October 2002
	£	£
Authorised, issued and fully paid equity shares:		
100 ordinary shares of £1	100	100

## Holiday Autos U.K. and Ireland Limited

### Notes to financial statements For the period ended 30 September 2003

#### 12 Statement of reserves

	Profit and loss account £'000
At 1 November 2002	2,227
Transfer from Profit & Loss account for the year to reserves	(1,371)
At 30 September 2003	856

#### 13 Reconciliation of movement in shareholders' funds

	As At 30 September 2003 £'000	As At 31 October 2002 £'000
Loss on ordinary activities after taxation	(1,371)	2,227
Net increase in shareholders' funds	(1,371)	2,227
Opening shareholders' funds	2,227	-
Closing shareholders' funds	856	2,227

#### 14 Contingent liabilities and securitisations

At 30 September 2003 the Company has no liabilities regarding contingent liabilities and securitisations (2002: £nil).

#### 15 Capital commitments

At 30 September 2003 there were no commitments contracted for but not provided (2002: £nil).

#### 16 Commitments under operating leases

At 30 September 2003 the Company has no liabilities in regards to non-cancellable operating leases (2002: £nil).



## **Holiday Autos U.K. and Ireland Limited**

### **Notes to financial statements**

**For the period ended 30 September 2003**

#### **17 Pension**

The Company operates two defined contribution schemes for its directors and senior staff. The company also makes available a stakeholder scheme for all other staff. The assets of the pension schemes are maintained separately from those of the Company and are managed by Scottish Equitable. At 30 September 2003 the Company had £7,500.00 held within accruals in respect to pension contributions paid after the year end.

#### **18 Parent undertaking and controlling party**

The directors regard lastminute.com plc, a company incorporated in Great Britain and registered in England and Wales, as the Company's ultimate parent undertaking. The only group into which the results of the Company are consolidated is that headed by lastminute.com plc.

Copies of the financial statements of lastminute.com plc are available from the Company Secretary at the Company's registered office:

4 Buckingham Gate  
London  
SW1E 6JP

#### **19 Related party disclosures**

The Company has taken advantage of the exemption in Financial Reporting Standard No. 8 from disclosure of details of related party transactions (but not balances) between entities that are part of the lastminute.com Group, on the grounds that the Company is a greater than 90% owned subsidiary which is consolidated into a Group whose financial statements are publicly available.

#### **20 Subsequent events**

No material events have occurred since the balance sheet date that would affect the opinion or understanding of the Company's activities or financial position other than as already disclosed in these financial statements.