

Holiday Hypermarkets (1998) Limited

Directors' report and financial statements

Registered number 3647615
Year ended 31 October 2001



Contents	Page
Directors' Report	1
Statement of Directors' Responsibilities	4
Report of the Independent Auditors to the members of Holiday Hypermarkets (1998) Ltd	5
Profit and Loss Account	6
Balance Sheet	7
Statement of Total Recognised Losses and Gains	8
Reconciliation of Movements on Shareholder's Funds	8
Notes	9

Directors' Report

The Directors present their report and financial statements for the year ended 31 October 2001.

Principal Activity

The principal activity of the Company is that of retail travel agents operating in the United Kingdom.

Business Review

The loss for the year transferred from reserves was £276,024 (2000: £8,304,252). During the year the Company continued to increase its turnover and expanded its retail store chain.

Proposed Dividend

The Directors do not recommend the payment of a dividend (2000: nil).

Directors and Directors' Interest

The Directors at the date of this report are:-

J J Donnelly	
A D Martin	Appointed 28 September 2001
H D Thomas	Appointed 31 January 2002
J Wimbleton	Appointed 21 September 2001

Other directors who served in the year were as follows:-

M Gifford	Resigned 31 January 2002
D Howell	Resigned 3 May 2001
A M Rowland	Resigned 26 January 2001
P D K Shanks	Resigned 30 September 2001

None of the Directors had any beneficial interest in the shares of the Company at any time during the year.

As at 31 October 2001 the interests of the Directors in the share capital of First Choice Holidays PLC, the ultimate parent company, were as follows:-

	--- Ordinary Shares ---		-----Options-----				-----Restricted Shares-----			
	31 Oct 2001	31 * Oct 2000	31 Oct 2001	Granted in year	Exercised in year	31 * Oct 2000	31 Oct 2001	Granted in year	Exercised in year	31 * Oct 2000
J J Donnelly	-	-	4,426	-	-	4,426	225,366	60,366	-	165,000
M Gifford	37,639	19,387	-	-	-	-	70,302	50,000	(30,421)	50,723
J Wimbleton	34,811	81,743	6,601	-	-	6,601	306,566	-	(8,112)	314,678

* Or at the date of their appointment

Directors' Report (continued)

	No. of Shares	Option exercised price (p) (as applicable)	Date first exercisable
J J Donnelly			
Restricted Share Plan	165,000	-	03 May 2003
Restricted Share Plan	60,366	-	11 December 2003
Savings Related Share Option Scheme	4,426	97.6	01 October 2003
M Gifford			
Restricted Share Plan	4,495	-	06 October 2001
Restricted Share Plan	15,807	-	15 December 2002
Restricted Share Plan	50,000	123.0	11 December 2003
J Wimbleton			
Restricted Share Plan	5,780	-	06 October 2001
Restricted Share Plan	26,108	-	16 December 2001
Restricted Share Plan	152,727	-	15 December 2002
Restricted Share Plan	121,951	-	12 December 2003
Savings Related Share Option Scheme	3,724	116.0	01 November 2001
Savings Related Share Option Scheme	2,877	97.6	01 October 2003

The following exercises took place during the year under the Restricted Share Plan:

	<u>Grant Date</u>	<u>Number of Shares</u>	<u>Exercise Date</u>
M Gifford	16.12.97	17,119	03.01.01
	16.12.97	6,992	02.07.01
	05.10.09	6,310	19.10.01
J Wimbleton	05.10.98	8,112	19.10.01

The interests of A. Martin are disclosed in the accounts of the ultimate parent company, First Choice Holidays PLC. For full details on the above schemes, reference should be made to the Annual Report and Accounts of First Choice Holidays PLC.

During the year the price of First Choice Holidays PLC Ordinary Shares ranged between 174.0p and 77.5p and was 104.0p at 31 October 2001.

Political and Charitable Contributions

The Company made no political contributions during the year. Donations to charitable organisations amounted to £705 (2000: £850)

Directors' Report (continued)

Directors' Insurance

The ultimate parent company maintains insurance policies on behalf of all the Directors of the Company against liability arising from negligence, breach of duty and breach of trust in relation to the Company.

Involvement, Health, Safety, and Disability Policies

The Company recognises the importance of involving and developing its employees wherever practical. Employees are updated on corporate performance, business objectives and developments through various formal and informal channels of communication in order to promote a better understanding of the Company's business. Involvement of employees in the Company's performance is also encouraged by the availability of performance related bonuses and similar schemes.

It is the Company's policy to place the utmost importance upon and maintain a high standard of health and safety at work. It is our responsibility to endeavour to ensure the prevention of personal injuries and to investigate and encourage means by which the health, safety and welfare of employees can be improved. Accordingly, all safety precautions are kept under review to ensure that the highest standards are maintained.

Where it is reasonable and practical, all employees, including disabled people, are treated in the same way in matters relating to employment, training, career development and promotion. Proper attention is paid to the opportunities, training and work prospects of people who become disabled during their employment with the Company.

Policy and practice on payment of creditors

It is the Company's policy wherever possible to agree terms of payment with suppliers in advance to ensure that suppliers are made aware of the terms of payment and both parties abide by those terms. At the year end the Company's average creditor payment days was 33 (2000 - 37).

Auditors

The Company has elected to dispense with the holding of Annual General Meetings, the laying of accounts before members in General Meeting and the appointment of auditors annually. Accordingly, KPMG Audit Plc will continue in office as auditors.

By order of the board,,


John Donnelly
Director

Date 24 April 2002

First Choice House
London Road
Crawley
West Sussex
RH10 9GX

Statement of Directors Responsibilities

Company law requires the Directors to prepare financial statements for each financial year, which gives a true and fair view of the state of affairs of the Company, and of the profit and loss for that period. In preparing those 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 accounting standards have been followed, subject to any material departure 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 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 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.

Kpmg

KPMG Audit Plc
100 Temple Street
Bristol
BS1 6AG
United Kingdom

Independent auditors' report to the members of Holiday Hypermarket (1998) Ltd

We have audited the financial statements on pages 6 to 18.

Respective responsibilities of directors and auditors

The Directors are responsible for preparing the Directors' Report and, as described on page 4, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Audit Practices Board and by our profession's ethical guidance.

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.

Basis of audit opinion

We conducted our audit in accordance with the Auditing Standards issued by the Auditing Standards Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statement. 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 of the state of the Company's affairs as at 31 October 2001 and of its loss for the year then ended and have properly prepared in accordance with the Companies Act 1985.

KPMG Audit Plc
KPMG Audit Plc
Chartered Accountants
Registered Auditor

26 APRIL 2002

Profit & Loss Account

For the year ended 31 October 2001

	Note	2001 £000	2000 £000
Turnover	1	34,507	23,184
Other Operating Income and Charges	3	(34,715)	(33,289)
Operating Loss		<u>(208)</u>	<u>(10,105)</u>
Other Interest Receivable and Similar Income	7	43	306
Interest Payable and Similar Charges	8	(196)	(597)
Loss on Ordinary Activities Before Taxation		<u>(361)</u>	<u>(10,396)</u>
Tax on Loss on Ordinary Activities	9	85	2,092
Retained Loss for the Financial Year		<u><u>(276)</u></u>	<u><u>(8,304)</u></u>

All results arose from continuing activities.


There were no recognised gains or losses for either year other than those included in the profit and loss account.

The notes on pages 9 to 18 form part of these financial statements.

Balance Sheet
At 31 October 2001

	<u>Note</u>	2001 £000	2000 £000
Fixed Assets			
Intangible Assets	10	35,694	37,794
Tangible Assets	11	27,328	24,301
Total Fixed Assets		<u>63,022</u>	<u>62,095</u>
Currents Assets			
Debtors	12	54,155	29,475
Cash at Bank and in Hand		3,322	7,587
		<u>57,477</u>	<u>37,062</u>
Current Liabilities			
Creditors: Amounts Falling Due Within One Year	14	(50,857)	(42,746)
Net Current Assets/(Liabilities)		<u>6,620</u>	<u>(5,684)</u>
Total Assets Less Current Liabilities		69,642	56,411
Long Terms Liabilities			
Creditors: Amounts Falling Due After One Year	15	(25,819)	(26,312)
Net Assets		<u>43,823</u>	<u>30,099</u>
Capital & Reserves			
Share Capital	16	16,080	550
Preference Shares	16	-	1,530
Share Premium	17	41,943	41,943
Profit & Loss A/c	17	(14,200)	(13,924)
Shareholders' Funds		<u>43,823</u>	<u>30,099</u>
 Equity		 43,323	 28,069
Non-Equity		500	2,030
		<u>43,823</u>	<u>30,099</u>

These financial statements were approved by the board of directors on 24 April 2002 and were signed on its behalf by:


John Donnelly
Director

**Statement of Total Recognised Losses and Gains
 For the Year ended 31 October 2001**

	2001	2000
	£000	£000
Loss for the Financial Year	(276)	(8,304)
Total Recognised Losses and Gains relating to the Financial Year	<u>(276)</u>	<u>(8,304)</u>
Prior year adjustment	-	(3,640)
Total Losses and Gains recognised since last Annual Report	<u>(276)</u>	<u>(11,944)</u>

**Reconciliation of Movements in Shareholders' Funds
 For the year ended 31 October 2001**

	2001	2000
	£000	£000
Loss for the Financial Year	(276)	(8,304)
New Share Capital Subscribed (Net of Issue Costs)	14,000	1,530
Net addition to/(reduction in) Shareholders' Funds	<u>13,724</u>	<u>(6,774)</u>
Opening Shareholders' Funds	30,099	36,873
Closing Shareholders' Funds	<u>43,823</u>	<u>30,099</u>

Notes

(forming part of the financial statements)

1. Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements.

Basis of Preparation

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

Turnover

Turnover is the total amount receivable by the Company for commissions earned and services provided, excluding VAT and trade discounts. Commissions earned on the sale of holidays is credited to the profit and loss account on the date the final balance falls due from the customer.

Goodwill

Purchased goodwill (representing the excess of the fair value of the consideration and associated costs given over the fair values of the separable net assets acquired) arising on consolidation in respect of acquisitions since 1 November 1998 is capitalised. Positive goodwill is amortised to nil by equal installments over its estimated useful life, 20 years. Goodwill arising on consolidation prior to the adoption, on 1 November 1998, of FRS 10: Goodwill and Intangible Assets has been charged directly to reserves. The goodwill, which has been taken directly to reserves, will be charged to the profit and loss account on disposal of the related business.

Depreciation

Depreciation is calculated to write down the cost less the estimated residual value of all tangible fixed assets over their expected useful lives. The rates and periods generally applicable are:

Leasehold Building	: Over the life of the lease
Fixtures	: 8 Years 12.5% per annum straight line
Furnishings	: 4 Years 25% per annum straight line
Computers	: 3-5 Years 20% - 33% per annum straight line

Leased assets

Operating leases and the payments made under them are charged to the profit and loss account on a straight line basis over the period of the lease.

Notes (continued)
(forming part of the financial statements)

Accounting Policies (continued)

Contributions to pension funds

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The amounts charged against profits represents the contributions payable to the scheme in respect of the accounting period.

Deferred Taxation

Except as otherwise required by accounting standards, full provision without discounting is made for all timing differences which have arisen but not reversed at the balance sheet date. Timing differences arise when items of income and expenditure are included in tax computations in periods different from their inclusion in the financial statements.

Cash flow

The Company is exempt from the requirements of Financial Reporting Standard 1 (revised 1996) to prepare a cash flow statement as it is a wholly owned subsidiary of First Choice Holidays PLC. The consolidated financial statements of First Choice Holidays PLC, which include the Company are publicly available (address given in note 21).

Notes (continued)

2. Turnover and Loss on Ordinary Activities Before Taxation

Turnover and profit on ordinary activities before taxation is derived solely within the United Kingdom and is attributable to the single class of business of travel agency.

	2001 £000	2000 £000
Loss on ordinary activities before taxation is stated after charging		
Auditors' Remuneration:		
Audit	-	25
Other Services – fees paid to the auditor and its associates	7	3
Depreciation and other amounts written off tangible Fixed Assets:		
Owned	2,885	5,355
Goodwill Amortisation	2,100	4,199
Hire of Plant and machinery – rentals payable under operating leases	644	100
Hire of other assets – operating leases	5,094	2,896
	<hr/>	<hr/>

All audit fees are borne by other group companies.

3. Other Operating Income and Expenses

	2001 £000	2000 £000
Staff Costs (see note 4)	14,784	10,358
Depreciation	2,885	5,355
Other Operating Charges	17,046	17,576
	<hr/>	<hr/>
	34,715	33,289

4. Staff numbers and costs

The average number of persons employed by the Company (including directors) during the year, analysed by category, was as follows:

	Number of Employees	
Category:	2001	2000
Management	60	42
Sales	978	746
Administration	88	83
	<hr/>	<hr/>
	1,126	871

Notes (continued)

4. Staff numbers and costs (continued)

The aggregate payroll costs of these persons were as follows:

	2001 £000	2000 £000
Wages and Salaries	13,501	9,399
Social security costs	1,121	822
Other pension costs (Note 6)	162	137
	<u>14,784</u>	<u>10,358</u>

5. Remuneration of Directors

Remuneration in respect of the Directors was as follows:

	2001 £000	2000 £000
Emoluments	307	427
Pension contributions to money purchase pension scheme	26	30
	<u>333</u>	<u>457</u>

During the year 2 directors (2000: 3 directors) participated in money purchase pension schemes

The emoluments in respect of the highest paid director including amounts paid to the other group companies are as follows:

	2001 £000	2000 £000
Emoluments	254	262
Pension contributions to money purchase pension scheme	25	18
	<u>279</u>	<u>280</u>

6. Pension Scheme

Defined Contribution Scheme

The Company operates a defined contribution pension scheme. The pensions costs charged for the period represented contributions payable by the Company to the fund and amounted to £161,854 (2000: £136,556). The assets of the scheme represented are administered by trustees in a fund independent from those of the Company. There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Notes (continued)

7. Other Interests Receivable and similar income	2001 £000	2000 £000
Bank interest	43	306
	<u>43</u>	<u>306</u>

8. Interest Payable and similar charges	2001 £000	2000 £000
On bank loans and overdrafts	9	96
On all other loans	187	501
	<u>196</u>	<u>597</u>

Of the above amount £186,604 (2000: £452,293) was payable to Group Undertakings.

9. Taxation

The tax charge in the 31 October 2001 accounts can be summarized as follows:

	2001 £000	2000 £000
Tax on profit on ordinary activities:		
(i) Analysis of credit in the year		
Current tax:		
UK Corporation Tax on profits for the year	(852)	(31)
Adjustment in respect of previous periods:		
- permanent	(677)	-
- origination of timing differences	14	-
Total current tax	<u>(1,515)</u>	<u>(31)</u>
Deferred tax:		
Origination and reversal of timing differences:		
- current year UK	1,444	(2,061)
- adjustment in respect of previous periods	(14)	-
Total deferred tax (See note 13)	<u>1,430</u>	<u>(2,061)</u>
Tax on profit on ordinary activities	<u>(85)</u>	<u>(2,092)</u>

Notes (continued)

9. Taxation (continued)

(ii) Factors affecting tax credit for the year

The tax charge for the year is lower than the standard rate of UK corporation tax of 30% (2000: 30%). The differences are explained below:

	2001	2000
	£000	£000
Profit on ordinary activities before tax	(361)	(10,396)
Profit on ordinary activities at the standard rate of UK corporation tax of (30% (2000: 30%))	(108)	(3,119)
Effects of:		
- Expenses not deductible for tax purposes	702	962
- Capital allowances for year in excess of depreciation	(1,446)	2,126
- Adjustment to tax in respect of previous periods	(663)	-
Current tax credit for the year	<u>(1,515)</u>	<u>(31)</u>

10. Intangible Fixed Assets

	Goodwill
	£000
Cost	
As at 1 November 2000	41,993
At 31 October 2001	<u>41,993</u>
Amortisation	
As at 1 November 2000	4,199
Provided in year	2,100
At 31 October 2001	<u>6,299</u>
Net Book Value	
As at 31 October 2001	<u>35,694</u>
As at 31 October 2000	<u>37,794</u>

Goodwill is being amortised over 20 years, its useful estimated economic life.

Notes (continued)

11. Tangible Fixed Assets

	Leasehold Buildings £000	Others £000	Total £000
Cost			
As at 1 November 2000	17,488	12,168	29,656
Additions in year	6,115	3,278	9,393
Disposals	(35)	(4,981)	(5,016)
As at 31 October 2001	<u>23,568</u>	<u>10,465</u>	<u>34,033</u>
Depreciation			
As at 1 November 2000	707	4,648	5,355
Charge for the year	834	2,051	2,885
Disposals	(35)	(1,500)	(1,535)
As at 31 October 2001	<u>1,506</u>	<u>5,199</u>	<u>6,705</u>
Net Book Value			
As at 31 October 2001	<u>22,062</u>	<u>5,266</u>	<u>27,328</u>
As at 31 October 2000	<u>16,781</u>	<u>7,520</u>	<u>24,301</u>

12. Debtors

	2001 £000	2000 £000
Trade debtors	31,411	23,148
Amounts owed by group undertakings	17,954	-
Deferred Taxation (Note 13)	1,342	2,772
Other debtors	3,448	3,555
	<u>54,155</u>	<u>29,475</u>

All debtors fall due within one year.

13. Deferred Taxation

	Deferred taxation £000	
As at 1 November 2000	(2,772)	
Provided in the year	1,430	
As at 31 October 2001	<u>(1,342)</u>	
	Amounts Provided	
	2001 £000	2000 £000
Accelerated Capital Allowances	(532)	(1,308)
Other timing differences	(810)	(1,464)
	<u>(1,342)</u>	<u>(2,772)</u>

There were no unprovided deferred taxation at either 31 October 2001 or 31 October 2000.

Notes (continued)

14. Creditors: amounts falling due within one year

	2001 £000	2000 £000
Trade creditors	40,646	32,865
Amounts owed to group undertakings	9,897	9,594
Taxation and social security	314	287
	<u>50,857</u>	<u>42,746</u>

15. Creditors: amounts falling due after more than one year

	2001 £000	2000 £000
Amounts owed to group undertakings	25,819	26,312
	<u>25,819</u>	<u>26,312</u>

16. Share Capital

	2001 £000	2000 £000
<i>Authorised</i>		
500,000 Deferred Ordinary Shares of £1.00 each	500	17,950
19,500,000 Ordinary Shares of £1.00 each	19,500	-
Nil A' Ordinary Shares of £1.00 each	-	38
Nil B' Ordinary Shares of £1.00 each	-	12
Nil 7.5% Cumulative Redeemable Preference Shares of £1.00 each	-	2,000
	<u>20,000</u>	<u>20,000</u>

Allotted, called up and fully paid

500,000 Deferred Ordinary Shares of £1.00 each	500	500
15,580,000 Ordinary Shares of £1.00 each	15,580	-
Nil A' Ordinary Shares of £1.00 each	-	38
Nil B' Ordinary Shares of £1.00 each	-	12
Nil 7.5% Cumulative Redeemable Preference Shares of £1.00 each	-	1,530
	<u>16,080</u>	<u>2,080</u>

Notes (continued)

16. Share Capital (continued)

On 27 April 2001 the following changes to the share capital of the Company took place:

- a. the authorised and issued 7.5% Cumulative Redeemable Preference Shares of £1 each were converted to Ordinary Shares of £1 each;
- b. the authorised and issued A & B Ordinary Shares of £1 each were converted to Ordinary Shares of £1 each;
- c. the unissued deferred shares of 17,450,000 shares were converted to Ordinary Shares of £1 each: and
- d. 14,000,000 additional Ordinary Shares of £1 each were allotted to the immediate parent company Holiday Hypermarkets (2000) Limited at par and deemed fully paid.

17. Share Premium and Reserves Accounts

	Share Premium Account £000	Profit & Loss Account £000
At beginning of year	41,943	(13,924)
Retained profit for the year	-	(276)
At end of year	<u><u>41,943</u></u>	<u><u>(14,200)</u></u>

Non- equity interests in shareholders' funds are analysed by class of share as follows:

	2001 £000	2000 £000
Deferred Ordinary Shares of £1 each	500	500
7.5% Cum-redeemable preference shares of £1.00 each	-	1,530
	<u><u>500</u></u>	<u><u>2,030</u></u>

18. Commitments

(a) Capital commitments at the end of the financial year for which no provision has been made are as follows:

	2001 £000	2000 £000
Contracted	<u>377</u>	<u>8,121</u>
Not Contracted	<u>88</u>	<u>4,845</u>

Notes (continued)

18. Commitments (continued)

(b) Annual commitments under non cancelable operating lease are as follows:

	2001		2000	
	Leasehold Buildings £000	Others £000	Leasehold Buildings £000	Others £000
Operating leases which expire:				
Within one year	-	106	-	36
In the second to fifth years inclusive	9	998	-	268
Over five years	6,933	15	5,884	-
	<u>6,942</u>	<u>1,119</u>	<u>5,884</u>	<u>304</u>

19. Contingent Liabilities

The Company is a guarantor to a syndicated surety agreement for a £250,000,000 bonding facility and a syndicated loan agreement relating to a £210,000,000 bonding guarantee and letter of credit facility between First Choice Holidays PLC and other guarantors.

20. Related Party Disclosures

As the company is a wholly owned subsidiary of First Choice Holidays PLC, the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group.

21. Ultimate Parent Company

First Choice Holidays PLC, a company registered in England and Wales, is the ultimate parent company. The immediate holding company is Holiday Hypermarkets (2000) Limited. First Choice Holidays PLC is the parent undertaking of the largest and smallest group of which Holiday Hypermarkets (1998) Limited is a member and for which group accounts are drawn up. Copies of these group accounts are available from the Company Secretary, First Choice Holidays PLC, First Choice House, London Road, Crawley, West Sussex, RH10 9GX.

**DETAILED TRADING AND PROFIT AND LOSS ACCOUNT
 FOR THE YEAR ENDED 31 OCTOBER 2001**

	2001 £	2000 £
TURNOVER	414,632,761	313,080,254
COST OF SALES	(380,126,183)	(289,895,909)
	<hr/>	<hr/>
GROSS PROFIT	34,506,578	23,184,345
Less: OVERHEADS		
Administrative expenses	(34,714,964)	(33,289,359)
	<hr/>	<hr/>
OPERATING LOSS	(208,386)	(10,105,014)
Interest receivable	43,587	305,663
Interest payable	(196,246)	(596,567)
Taxation	85,021	2,091,666
	<hr/>	<hr/>
LOSS FOR THE YEAR	(276,024)	(8,304,252)
	<hr/> <hr/>	<hr/> <hr/>

**SCHEDULE TO THE TRADING AND PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 OCTOBER 2001**

	2001 £	2000 £
TURNOVER		
Sales UK	<u>414,632,761</u>	<u>313,080,254</u>
COST OF SALES		
Travel and CFE purchases	362,595,241	266,148,169
Promotional costs	17,530,942	23,747,740
	<u>380,126,183</u>	<u>289,895,909</u>
ADMINISTRATIVE EXPENSES		
Salaries	13,501,049	9,399,393
National Insurance	1,121,153	821,743
Pensions	161,854	136,556
Staff Training	159,129	30,710
Staff Welfare and Recruitment	112,259	178,294
Motor Running Costs	150,168	111,839
Transport	352,742	229,946
Printing, Stationery and Postage	316,441	354,683
Telephone and Fax	928,657	1,056,426
Computer Costs	891,220	404,331
Advertising and Promotion	1,636,111	1,869,062
Pre Opening Costs	(201,083)	2,510,866
Trade Subscriptions	40,341	29,491
Legal and Professional Fees	147,466	157,947
Audit Remuneration	-	44,830
Auditors Remuneration – non audit	6,725	2,508
Bank and Credit Card Charges	222,305	467,538
Sundry Administration Expenses	96,643	196,941
Protective Clothing	52,227	84,416
Cash Shorts	48,508	45,473
Equipment Leasing	643,763	100,742
Rent – Operating Leases	5,093,657	2,895,511
Service Charges	339,928	194,882
Rates and Water	1,746,716	1,165,324
Lighting and Heating	609,139	344,642
Cleaning	466,746	279,064
Insurances	68,765	154,179
Repairs and Maintenance	353,913	224,390
Security	357,561	243,660
Redundancy costs	64,000	-
Depreciation	2,885,000	5,354,652
Amortisation	2,099,662	4,199,320
Loss on disposal of fixed assets	242,199	-
	<u>34,714,964</u>	<u>33,289,359</u>
INTERESTS RECEIVABLE		
Bank Interest Receivable	<u>43,587</u>	<u>305,663</u>
INTEREST PAYABLE		
Bank Overdraft Interest Payable	9,642	238,758
Other Interest Paid	186,604	357,809
	<u>196,246</u>	<u>596,567</u>
TAXATION	<u>85,021</u>	<u>2,091,666</u>
LOSS FOR THE YEAR	<u>(361,045)</u>	<u>(8,304,252)</u>