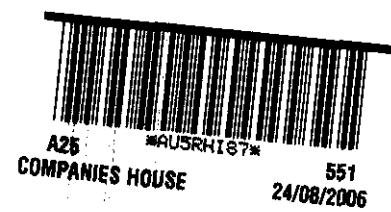


Registered number
3826170

Travel Offers Limited

Report and Accounts

16 Months ended
31 January 2006



Travel Offers Limited

Directors' Report

The directors present their report and accounts for the 16 month period ended 31 January 2006.

Principal activities and review of the business

The company's principal activity during the period continued to be that of marketing consultants.

The level of business and financial position were considered satisfactory. It is expected that the present level of activity will be maintained.

Results and dividends

The profit for the year, after taxation, amounted to £81,513 (2004: £88,898). The directors do not recommend a dividend (2004: £50,000), which leaves £81,513 (2004: £38,898) to be transferred to reserves.

Future developments

The directors aim to maintain the management policies which have resulted in the company's substantial growth in recent years. They consider that the next year will show further growth in sales.

Directors

The directors who served during the period were A Barrett (resigned 16/3/06), D Lyne, C Dyer (resigned 31/01/06) and C Gibson (appointed 31/1/06). All were also directors of the parent company and their interests in the shares of the parent company are disclosed in its accounts. None of the directors had an interest in the shares of Travel Offers Limited.

Third party indemnity provision for the benefit of the directors was in force during the financial period.

Directors' responsibilities

Company law requires the directors to prepare accounts 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 for that period. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business; and,
- state whether applicable accounting standards have been followed subject to any material departure disclosed and explained in the accounts.

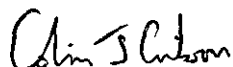
The directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of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

Travel Offers Limited
Directors' Report

Auditors

A resolution to reappoint Baker Tilly as auditors will be put to the members at the Annual General Meeting.

This report was approved by the board on 4 May 2006.

A handwritten signature in black ink, appearing to read 'Colin J Gibson'.

Colin J Gibson
Company Secretary

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRAVEL OFFERS LIMITED

We have audited the accounts on pages 4 to 10.

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 may 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 any 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 accounts in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' responsibilities.

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

We report to you our opinion as to whether the accounts 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 accounts, 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 other information contained in the Annual Report, and consider whether it is consistent with the audited accounts. This other information comprises only the Directors' Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the accounts. Our responsibilities do not extend to any other information.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts and of whether the accounting policies are appropriate to the 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 accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 31 January 2006 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



Baker Tilly
Chartered Accountants and Registered Auditor
Liverpool
4 May 2006

Travel Offers Limited
Profit and Loss Account
for the period from 1 October 2004 to 31 January 2006

	Notes	2006 £	12 months ended 30 September 2004 £
Turnover		735,157	640,298
Cost of sales		(353,710)	(351,116)
Gross profit		381,447	289,182
Administrative expenses		(285,490)	(187,791)
Operating profit	2	95,957	101,391
Interest receivable		10,556	2,406
Profit on ordinary activities before taxation		106,513	103,797
Tax on profit on ordinary activities	5	(25,000)	(14,899)
Profit on ordinary activities after taxation		81,513	88,898
Dividends:			
Ordinary dividend on equity shares	6	--	(50,000)
Retained profit for the period	13	<u>81,513</u>	<u>38,898</u>

Continuing operations

None of the company's activities were acquired or discontinued during the above two periods.

Statement of total recognised gains and losses

The company has no recognised gains or losses other than the profit for the above two periods.

Travel Offers Limited
Balance Sheet
as at 31 January 2006

	Notes	2006 £	2004 £
Fixed assets			
Tangible assets	7	13,325	12,168
Investments	8	2,441,932	2,441,932
		2,455,257	2,454,100
Current assets			
Stocks	9	10,817	10,830
Debtors	10	1,081,996	828,919
Cash at bank and in hand		107,655	216,060
		1,200,468	1,055,809
Creditors: amounts falling due within one year	11	(3,205,119)	(3,140,816)
Net current liabilities		(2,004,651)	(2,085,007)
Total assets less current liabilities		450,606	369,093
		<u>450,606</u>	<u>369,093</u>
Capital and reserves			
Called up share capital	12	1	1
Profit and loss account	13	450,605	369,092
Shareholder's funds:			
Equity		450,606	369,093
	14	<u>450,606</u>	<u>369,093</u>

Colin J Gibson

Colin J Gibson
Director

Approved by the board on 4 May 2006

Travel Offers Limited
Notes to the Accounts
for the period from 1 October 2004 to 31 January 2006

1 Accounting policies

Accounting convention

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

The accounts do not incorporate the result of the company's subsidiary undertaking, as the directors have taken advantage of Section 248(3) of the companies Act 1985. Accordingly, the accounts present information about the company as an individual undertaking and not about its group.

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Plant and machinery 15% per annum straight line

Stocks

Stock is valued at the lower of cost and net realisable value.

Turnover

Turnover represents the invoiced value of goods and services supplied by the company, net of value added tax and trade discounts.

	16 months ended 31 January 2006 £	12 months ended 30 September 2004 £
2 Operating profit		
This is stated after charging:		
Depreciation of owned fixed assets	3,650	2,147
Auditor's remuneration	2,500	2,500
	<hr/>	<hr/>
	16 months ended 31 January 2006 £	12 months ended 30 September 2004 £
3 Directors' emoluments		
Emoluments	89,323	57,467
	<hr/>	<hr/>

Travel Offers Limited
Notes to the Accounts
for the period from 1 October 2004 to 31 January 2006

4 Staff costs	2006	2004
	£	£
Wages and salaries	146,975	90,749
Social security costs	16,671	9,051
	<u>163,646</u>	<u>99,800</u>

Average number of employees during the period	Number	Number
Administration	<u>4</u>	<u>4</u>

5 Taxation	2006	2004
	£	£
UK corporation tax	25,000	14,250
Adjustments in respect of prior periods	-	649
	<u>25,000</u>	<u>14,899</u>

Tax on profit on ordinary activities

	2006	2004
	£	£
Factors affecting tax charge for the period		
Profit on ordinary activities before tax	106,513	103,797
	<u> </u>	<u> </u>
Profits on ordinary activities multiplied by the small companies rate of tax in the UK of 19%	20,237	19,721
Effects of :		
Adjustments to tax charge in respect of previous periods	-	649
Group tax relief	-	(5,471)
Other differences	4,763	-
Current tax charge for the period	<u>25,000</u>	<u>14,899</u>

6 Equity dividends	2006	2004
	£	£
Equity dividends on ordinary shares - final proposed	<u>-</u>	<u>50,000</u>

Travel Offers Limited
Notes to the Accounts
for the period from 1 October 2004 to 31 January 2006

7 Tangible fixed assets

	Plant and machinery £
Cost	
At 1 October 2004	27,919
Additions	4,807
At 31 January 2006	<u>32,726</u>
Depreciation	
At 1 October 2004	15,751
Charge for the period	3,650
At 31 January 2006	<u>19,401</u>
Net book value	
At 31 January 2006	<u>13,325</u>
At 30 September 2004	<u>12,168</u>

8 Investments

	Investments in subsidiary undertakings £
Cost	
At 1 October 2004	2,441,932
At 31 January 2006	<u>2,441,932</u>

Travel Offers Limited owns 100% of the share capital of Buy & Fly Limited a dormant company incorporated in England. The aggregate amount of capital and reserves at 31 January 2006 was £200 (30 September 2004 - £200).

9 Stocks

	2006 £	2004 £
Finished goods and goods for resale	<u>10,817</u>	<u>10,830</u>

10 Debtors

	2006 £	2004 £
Trade debtors	2,046	17,285
Amounts owed by group undertakings and undertakings in which the company has a participating interest	1,079,847	810,133
Prepayments and accrued income	103	1,501
	<u>1,081,996</u>	<u>828,919</u>

Travel Offers Limited
Notes to the Accounts
for the period from 1 October 2004 to 31 January 2006

11 Creditors: amounts falling due within one year	2006	2004
	£	£
Trade creditors	43,434	32,204
Amounts owed to group undertakings and undertakings in which the company has a participating interest	3,150,690	3,062,791
Corporation tax	-	14,281
Other taxes and social security costs	10,995	31,540
	<u>3,205,119</u>	<u>3,140,816</u>

12 Share capital	2006	2004
	£	£
Authorised:		
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

	2006	2004	2006	2004
	No	No	£	£
Allotted, called up and fully paid:				
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

13 Profit and loss account	2006	2004
	£	£
At 1 October	369,092	330,194
Retained profit	81,513	38,898
At 31 January	<u>450,605</u>	<u>369,092</u>

14 Reconciliation of movement in shareholder's funds	2006	2004
	£	£
At 1 October	369,093	330,195
Profit for the financial period	81,513	88,898
Dividends	-	(50,000)
At 31 January	<u>450,606</u>	<u>369,093</u>

15 Related parties

The company is exempt from disclosing related party transactions with members of the same group as it is a 100% subsidiary.

Travel Offers Limited
Notes to the Accounts
for the period from 1 October 2004 to 31 January 2006

16 Controlling party

The Parent undertaking and ultimate holding company of this company at 31 January 2006 was Landround PLC, a company incorporated in England.

To obtain a copy of the consolidated group accounts please write to:

The Company Secretary
Landround PLC
The Quadrant
Sealand Road
Chester
CH1 4QR