

KENNEDY TRAVEL (YORKSHIRE) LIMITED

ABBREVIATED FINANCIAL STATEMENTS

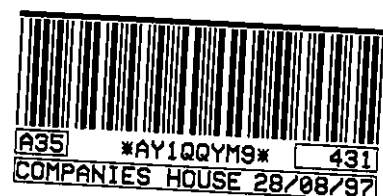
31st DECEMBER 1996

Registered number: 1325708

HARRIS & CO

CHARTERED ACCOUNTANTS

Barnsley



KENNEDY TRAVEL (YORKSHIRE) LIMITED

ABBREVIATED FINANCIAL STATEMENTS

for the year ended 31st December 1996

CONTENTS

	Page
Company information	1
Directors' report	2
Statement of directors' responsibilities	3
Auditors' report	4
Abbreviated profit and loss account	5
Abbreviated balance sheet	6
Cash flow statement	7
Notes on abbreviated financial statements	8

KENNEDY TRAVEL (YORKSHIRE) LIMITED

COMPANY INFORMATION

31st December 1996

NUMBER	1325708
DIRECTORS	E Button C Button R M Briggs
SECRETARY	S Roberts
REGISTERED OFFICE	7 Butts Court Leeds
AUDITORS	Harris & Co Chartered Accountants Marland House Huddersfield Road Barnsley South Yorkshire

KENNEDY TRAVEL (YORKSHIRE) LIMITED

DIRECTORS' REPORT

31st December 1996

The directors present their report and the abbreviated financial statements for the year ended 31st December 1996.

Principal activity

The principal activity of the company is that of tour operators and travel agents.

Business review

The company's balance sheet as detailed on page 6 shows a satisfactory position, shareholders' funds amounting to £725,737.

Results and dividends

The results for the year are shown in the profit and loss account on page 5. An ordinary dividend amounting to £72,000 is proposed.

Fixed assets

In the opinion of the directors there is no significant difference between the present market value of the company's properties and the amounts at which they are stated in the accounts. Details are set out in note 6.

Directors

The directors of the company during the year and their interests in the shares of the company as recorded in the register of directors' interests were as follows

	31st December 1996	1st January 1996
	Ordinary shares	Ordinary shares
E Button	52,500	52,500
C Button	7,500	7,500
R M Briggs	7,500	7,500

In accordance with the Articles of Association, R M Briggs retires by rotation and offers himself for re-election.

continued

KENNEDY TRAVEL (YORKSHIRE) LIMITED

DIRECTORS' REPORT
(continued)

31st December 1996

Auditors

Harris & Co have agreed to offer themselves for re-appointment as auditors of the company.

On behalf of the board

S Roberts
SecretaryA handwritten signature in dark ink, appearing to read 'S Roberts', with a horizontal line drawn underneath it.

7 Butts Court
Leeds

18th June 1997

KENNEDY TRAVEL (YORKSHIRE) LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

We are required under company law 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 we are required to:

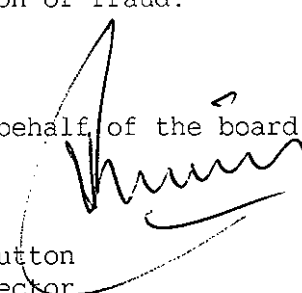
- select suitable accounting policies and apply them consistently;
- make reasonable and prudent judgements and estimates;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

We are also responsible for:

- keeping proper accounting records;
- safeguarding the company's assets;
- taking reasonable steps for the prevention and detection of fraud.

18th June 1997

On behalf of the board



E Button
Director

KENNEDY TRAVEL (YORKSHIRE) LIMITED**Auditors' report to
Kennedy Travel (Yorkshire) Limited
under section 247B to the Companies Act 1985**

We have examined the abbreviated financial statements set out on pages 5 to 8, together with the financial statements of the company for the year ended 31st December 1996 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the abbreviated financial statements in accordance with section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated financial statements prepared in accordance with section 246A(3) of the Act to the registrar of companies and whether the financial statements to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated financial statements and that the abbreviated financial statements to be delivered are properly prepared. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated financial statements prepared in accordance with section 246A(3) of the Companies Act 1985, and the abbreviated financial statements on pages 5 to 8 are properly prepared in accordance with those provisions.



Harris & Co
Registered Auditors
Chartered Accountants

Barnsley
18th June 1997

KENNEDY TRAVEL (YORKSHIRE) LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT

for the year ended 31st December 1996

	Note	1996 £	1995 £
Gross profit		2,168,114	1,937,588
Net operating expenses			
Distribution costs		(450,071)	(411,134)
Administrative expenses		(1,550,117)	(1,360,265)
Other operating income		117,172	126,497
Profit on ordinary activities before taxation		285,098	292,686
Taxation	4	(78,007)	(71,907)
Profit on ordinary activities after taxation		207,091	220,779
Dividends	5	(72,000)	(100,000)
Retained profit for the year	14	135,091	120,779

Movements in reserves are shown in note 14.

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

There are no recognised gains and losses in 1996 or 1995 other than the profit for the year.

KENNEDY TRAVEL (YORKSHIRE) LIMITED

ABBREVIATED BALANCE SHEET

at 31st December 1996

	Note	1996		1995	
		£	£	£	£
Fixed assets					
Tangible assets	6		685,981		496,434
Current assets					
Debtors	8	415,680		477,776	
Cash at bank and in hand		1,131,468		1,377,306	
		<u>1,547,148</u>		<u>1,855,082</u>	
Creditors: amounts falling due within one year	9	(1,400,208)		(1,650,360)	
Net current assets			<u>146,940</u>		<u>204,722</u>
Total assets less current liabilities			<u>832,921</u>		<u>701,156</u>
Creditors: amounts falling due after more than one year	10		(107,184)		(110,510)
			<u>725,737</u>		<u>590,646</u>
Capital and reserves					
Called up share capital	13		75,000		75,000
Profit and loss account	14		650,737		515,646
Total shareholders' funds	12		<u>725,737</u>		<u>590,646</u>

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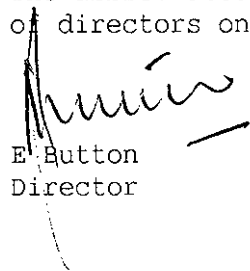
KENNEDY TRAVEL (YORKSHIRE) LIMITED

ABBREVIATED BALANCE SHEET
(continued)

at 31st December 1996

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

The abbreviated financial statements on pages 5 to 8 were approved by the board of directors on 18th June 1997 and signed on its behalf by:



E. Button
Director

KENNEDY TRAVEL (YORKSHIRE) LIMITED

CASH FLOW STATEMENT

for the year ended 31st December 1996

	Note	1996		1995	
		£	£	£	£
Net cash inflow from operating activities	17		179,305		855,279
Taxation					
Corporation tax paid			(62,365)		(59,111)
Capital expenditure and financial investment					
Purchase of tangible fixed assets		(302,202)		(121,069)	
Sale of tangible fixed assets		14,750		18,960	
			(287,452)		(102,109)
			(170,512)		694,059
Equity dividends paid			(72,000)		(100,000)
			(242,512)		594,059
Financing					
Debt due beyond a year:					
Other loan repayments		(3,326)		(5,892)	
			(3,326)		(5,892)
(Decrease)/increase in cash			(245,838)		588,167

KENNEDY TRAVEL (YORKSHIRE) LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31st December 1996

1 Accounting policies

Basis of accounting

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

Turnover

Turnover represents the amount derived from the provision of goods and services falling within the company's activities after deduction of trade discounts and value added tax.

Depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Freehold land	straight line basis not exceeding
and buildings	50 years
Leasehold land	straight line over length of
and buildings	lease
Motor vehicles	25% per annum on reducing balance
Fixtures and fittings	15% per annum on reducing balance

Deferred taxation

Deferred taxation is provided on the liability method in respect of the taxation effect of all timing differences to the extent that tax liabilities are likely to crystallise in the foreseeable future.

Pensions**Defined contribution scheme**

Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange rate differences are taken into account in arriving at the operating profit.

KENNEDY TRAVEL (YORKSHIRE) LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31st December 1996

2 Operating profit

	1996 £	1995 £
Operating profit is stated after crediting		
Interest receivable	117,172	126,497
and after charging		
Staff costs (note 3)	1,067,579	970,638
Auditors' remuneration	11,000	11,750
Loss on sale of assets	2,369	10,252
Depreciation of tangible fixed assets (note 6)		
owned assets	95,536	49,925

KENNEDY TRAVEL (YORKSHIRE) LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31st December 1996

3 Directors and employees

	1996 £	1995 £
Staff costs including directors' emoluments		
Wages and salaries	990,479	868,538
Pension costs	77,100	102,100
	<u>1,067,579</u>	<u>970,638</u>
	Number	Number
Average monthly number employed including executive directors		
Administration staff	<u>58</u>	<u>58</u>
Directors	£	£
Directors' emoluments		
Other emoluments	<u>249,934</u>	<u>265,510</u>
	<u>249,934</u>	<u>265,510</u>
Emoluments excluding pension scheme contributions		
Highest paid director	<u>148,167</u>	<u>158,883</u>
Other directors	Number	Number
£5,001-£10,000	-	1
£10,001-£15,000	1	-
£70,001-£75,000	-	1
£90,001-£95,000	1	-
Pension costs		

Defined contribution scheme

The company operates a defined contribution scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £77,100 (1995 £102,100).

4 Taxation

	1996 £	1995 £
Corporation tax on profit on ordinary activities at 25/24% (1995 25%)	71,340	71,798
Under provision in earlier years	<u>6,667</u>	<u>109</u>
	<u>78,007</u>	<u>71,907</u>

KENNEDY TRAVEL (YORKSHIRE) LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31st December 1996

5 Dividends

	1996 £	1995 £
Equity - ordinary/final	<u>72,000</u>	<u>100,000</u>

6 Tangible fixed assets

Cost	Motor Vehicles £	Fixtures and Fittings £	Land and Buildings £	Total £
1st January 1996	130,069	497,184	135,021	762,274
Additions	22,350	69,621	210,231	302,202
Disposals	(38,667)	-	-	(38,667)
31st December 1996	<u>113,752</u>	<u>566,805</u>	<u>345,252</u>	<u>1,025,809</u>
Depreciation				
1st January 1996	47,058	182,717	36,065	265,840
Charge for year	20,945	57,614	16,977	95,536
Disposals	(21,548)	-	-	(21,548)
31st December 1996	<u>46,455</u>	<u>240,331</u>	<u>53,042</u>	<u>339,828</u>
Net book amount				
31st December 1996	<u>67,297</u>	<u>326,474</u>	<u>292,210</u>	<u>685,981</u>
1st January 1996	<u>83,011</u>	<u>314,467</u>	<u>98,956</u>	<u>496,434</u>

7 Land and buildings

	1996 £	1995 £
Freehold	150,579	-
Short leasehold	141,631	98,956
	<u>292,210</u>	<u>98,956</u>

KENNEDY TRAVEL (YORKSHIRE) LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31st December 1996

8 Debtors

	1996 £	1995 £
Amounts falling due within one year		
Trade debtors	289,424	332,655
Other debtors	30,263	68,291
Prepayments and accrued income	95,993	76,830
	<u>415,680</u>	<u>477,776</u>

9 Creditors: amounts falling due within one year

	1996 £	1995 £
Trade creditors	1,168,513	1,404,081
Corporation tax	60,008	44,366
Other taxation and social security	42,291	105,775
Other creditors	54,561	2,351
Accruals and deferred income	74,835	93,787
	<u>1,400,208</u>	<u>1,650,360</u>

10 Creditors: amounts falling due after more than one year

	1996 £	1995 £
Other loans	107,184	110,510
	<u>107,184</u>	<u>110,510</u>

11 Deferred taxation

	1996		1995	
	Potential liability £	Provision made £	Potential liability £	Provision made £
Corporation tax deferred by Capital allowances in excess of depreciation	40,868	-	45,425	-
	<u>40,868</u>	<u>-</u>	<u>45,425</u>	<u>-</u>

The potential liability and provision are based on a corporation tax rate of 25/24% (1995 25%).

KENNEDY TRAVEL (YORKSHIRE) LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31st December 1996

12 Reconciliation of movements in shareholders' funds

	1996 £	1995 £
Profit for the financial year	207,091	220,779
Dividends	(72,000)	(100,000)
Net addition to shareholders' funds	135,091	120,779
Opening shareholders' funds	590,646	469,867
Closing shareholders' funds	725,737	590,646

13 Called up share capital

	1996		1995	
	Number of shares	£	Number of shares	£
Authorised				
Ordinary shares of £1 each	100,000	100,000	100,000	100,000
Allotted called up and fully paid				
Ordinary shares of £1 each	75,000	75,000	75,000	75,000

14 Profit and loss account

	1996 £
1st January 1996	515,646
Retained profit for the year	135,091
31st December 1996	650,737

15 Guarantees and other financial commitments

Financial commitments under non-cancellable operating leases will result in the following payments falling due in the year to 31st December 1997

	1996 Land and Buildings £
Expiring After five years	201,150

KENNEDY TRAVEL (YORKSHIRE) LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31st December 1996

16 Directors' interests and loans

The company leases on a commercial basis a property which is owned personally by the directors of the company.

At 31 December 1996 the company owed to E Button (director) £78,600 and to R M Briggs (director) £19,971.

17 Notes to the cash flow statement

Reconciliation of operating profit
to operating cash flows

	1996 £	1995 £
Operating profit	285,098	292,686
Depreciation charges	95,536	49,925
Loss on sale of fixed assets	2,369	10,252
Decrease/(increase) in debtors	62,096	(188,730)
(Decrease)/increase in creditors	(265,794)	691,146
Net cash inflow		
from operating activities	<u>179,305</u>	<u>855,279</u>

KENNEDY TRAVEL (YORKSHIRE) LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31st December 1996

18 Notes to the cash flow statement (continued)

Analysis of changes in net debt

	At start of year £	Cash flows £	At end of year £
Cash in hand, at bank	1,377,306	(245,838)	1,131,468
		<u>(245,838)</u>	
Debt due after 1 year	(110,510)	3,326	(107,184)
		<u>3,326</u>	
Total	<u>1,266,796</u>	<u>(242,512)</u>	<u>1,024,284</u>

Reconciliation of net cash flow to movement in net debt

	1996 £	1995 £
(Decrease)/increase in cash in the year	(245,838)	588,167
Cash outflow from decrease in debt and lease financing	<u>3,326</u>	<u>5,892</u>
Change in net debt resulting from cash flows	(242,512)	594,059
Net debt at 1st January 1996	<u>1,266,796</u>	<u>672,737</u>
Net debt at 31st December 1996	<u>1,024,284</u>	<u>1,266,796</u>