

KENNEDY TRAVEL (YORKSHIRE) LIMITED

ABBREVIATED FINANCIAL STATEMENTS

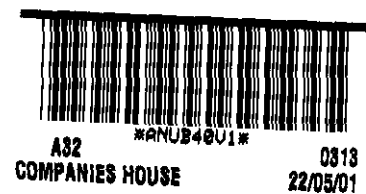
31st DECEMBER 2000

Registered number: 1325708

HARRIS & CO.

CHARTERED ACCOUNTANTS

Barnsley



KENNEDY TRAVEL (YORKSHIRE) LIMITED

ABBREVIATED FINANCIAL STATEMENTS

for the year ended 31st December 2000

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KENNEDY TRAVEL (YORKSHIRE) LIMITED

COMPANY INFORMATION

31st December 2000

NUMBER	1325708
DIRECTORS	E Button R M Briggs S P Roberts
SECRETARY	S P Roberts
REGISTERED OFFICE	The Kennedy Building Victoria Road Leeds
AUDITORS	Harris & Co Chartered Accountants Marland House 13 Huddersfield Road Barnsley South Yorkshire

KENNEDY TRAVEL (YORKSHIRE) LIMITED

DIRECTORS' REPORT

31st December 2000

The directors present their report and the abbreviated financial statements for the year ended 31st December 2000.

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 £1,689,558.

Results and dividends

The results for the year are shown in the profit and loss account on page 5. The directors do not propose payment of an ordinary dividend.

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 13.

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 2000 Ordinary shares	1st January 2000 Ordinary shares
E Button	60,000	60,000
R M Briggs	7,500	7,500
S P Roberts	-	-

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

continued

KENNEDY TRAVEL (YORKSHIRE) LIMITED

DIRECTORS' REPORT
(continued)

31st December 2000

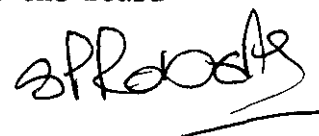
Research and development

Work is continuing on the development and modification of existing products to meet customer requirements and, through a continuing programme of research and development, to take advantage of new technology as it becomes available.

Auditors

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

On behalf of the board

S P Roberts
Secretary

The Kennedy Building
Victoria Road
Leeds

25th April 2001

KENNEDY TRAVEL (YORKSHIRE) LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

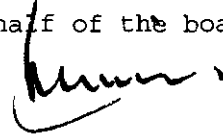
Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements the directors are required to:

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

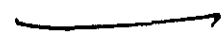
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets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

25th April 2001

On behalf of the board



E Button
Director



KENNEDY TRAVEL (YORKSHIRE) LIMITED

**Auditors' report to
Kennedy Travel (Yorkshire) Limited
under section 247B of 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 2000 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.



Barnsley
30th April 2001

Harris & Co
Registered Auditors
Chartered Accountants

KENNEDY TRAVEL (YORKSHIRE) LIMITED

ABBREVIATED PROFIT AND LOSS ACCOUNT

for the year ended 31st December 2000

	Note	2000 £	1999 £
Gross profit		3,552,123	3,440,824
Net operating expenses			
Distribution costs		(864,569)	(699,885)
Administrative expenses		(2,602,748)	(2,517,738)
Other operating income		165,423	121,291
Profit on ordinary activities before taxation		250,229	344,492
Taxation	4	(57,893)	(94,722)
Profit on ordinary activities after taxation		192,336	249,770
retained for the year	14		

Movements in reserves are shown in note 14.

There are no recognised gains and losses in 2000 or 1999 other than the profit for the year.

KENNEDY TRAVEL (YORKSHIRE) LIMITED

ABBREVIATED BALANCE SHEET

at 31st December 2000

	Note	2000		1999	
		£	£	£	£
Fixed assets					
Intangible assets	5		491,878		519,204
Tangible assets	6		1,763,679		1,976,439
			<u>2,255,557</u>		<u>2,495,643</u>
Current assets					
Debtors	8	830,137		653,893	
Cash at bank and in hand		<u>1,838,945</u>		<u>1,595,979</u>	
		2,669,082		2,249,872	
Creditors: amounts falling due within one year	9	<u>(3,023,291)</u>		<u>(2,881,274)</u>	
Net current liabilities			<u>(354,209)</u>		<u>(631,402)</u>
Total assets less current liabilities			1,901,348		1,864,241
Creditors: amounts falling due after more than one year	10		<u>(211,790)</u>		<u>(367,019)</u>
			<u>1,689,558</u>		<u>1,497,222</u>
Capital and reserves					
Called up share capital	13		75,000		75,000
Profit and loss account	14		<u>1,614,558</u>		<u>1,422,222</u>
Total shareholders' funds	12		<u>1,689,558</u>		<u>1,497,222</u>

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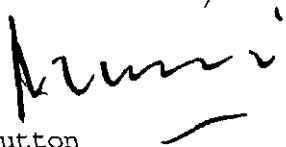
KENNEDY TRAVEL (YORKSHIRE) LIMITED

ABBREVIATED BALANCE SHEET
(continued)

at 31st December 2000

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 25th April 2001 and signed on its behalf by:



E Button
Director

KENNEDY TRAVEL (YORKSHIRE) LIMITED

CASH FLOW STATEMENT

for the year ended 31st December 2000

	Note	2000		1999	
		£	£	£	£
Net cash inflow from operating activities	16		492,275		756,500
Taxation					
Corporation tax paid			(95,583)		(82,372)
Capital expenditure and financial investment					
Purchase of intangible fixed assets		-		(546,530)	
Purchase of tangible fixed assets		(31,815)		(104,508)	
Sale of tangible fixed assets		176,213		7,295	
			144,398		(643,743)
			541,090		30,385
Financing					
Debt due within a year:					
Bank loan repayments		(90,000)		(90,000)	
Debt due beyond a year:					
Other loan repayments		(57,540)		(102,174)	
Bank loan repayments		(7,689)		(3,803)	
			(155,229)		(195,977)
Increase/(decrease) in cash			385,861		(165,592)

KENNEDY TRAVEL (YORKSHIRE) LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31st December 2000

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 and buildings	straight line basis not exceeding 50 years
Leasehold land and buildings and buildings	straight line over remaining term of leases
Motor vehicles	25% per annum on reducing balance
Fixtures and fittings	15% per annum on reducing balance
Goodwill	straight line basis over 20 years

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 2000

2 Operating profit

	2000 £	1999 £
Operating profit is stated after crediting:		
Interest receivable	165,423	121,291
Profit on sale of assets	34,760	-
	<u> </u>	<u> </u>
and after charging:		
Staff costs (note 3)	1,962,703	1,875,879
Auditors' remuneration	15,000	15,450
Operating leases:		
Hire of assets other than plant & machinery	55,022	49,316
Loss on sale of assets	-	321
	<u> </u>	<u> </u>
Depreciation of tangible fixed assets (note 6):		
Owned assets	103,122	125,046
Amortisation of intangible fixed assets	27,326	27,326
	<u> </u>	<u> </u>
	130,448	152,372
	<u> </u>	<u> </u>

KENNEDY TRAVEL (YORKSHIRE) LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31st December 2000

3 Directors and employees

	2000	1999
Staff costs including directors' emoluments	£	£
Wages and salaries	1,758,897	1,567,091
Social security costs	161,065	136,532
Pension costs	42,741	172,256
	<u>1,962,703</u>	<u>1,875,879</u>
 Average monthly number employed including executive directors:	 Number	 Number
Administration staff	<u>90</u>	<u>79</u>
 Directors	 £	 £
Emoluments	312,435	284,000
Company contributions to money purchase pension schemes	-	83,000
	<u>312,435</u>	<u>367,000</u>
 During the year the following number of directors:	 Number	 Number
Accrued retirement benefits under:		
Money purchase pension schemes	<u>2</u>	<u>2</u>
 Highest paid director	 £	 £
Emoluments and amounts receivable under long term incentive schemes	137,600	140,000
Company contributions to a money purchase pension scheme	-	-
	<u>-</u>	<u>-</u>

Defined contribution pension 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 £42,741 (1999 £172,256) including contributions in respect of employees.

Contributions totalling £0 (1999 £0) were payable to the fund at 31st December 2000 and are included in creditors.

KENNEDY TRAVEL (YORKSHIRE) LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31st December 2000

4 Taxation

	2000		1999	
	£	£	£	£
UK Corporation tax:				
Current tax on income for the period				
at 20% (1999 23.46%)		57,032		94,722
Adjustments in respect of prior				
periods		861		-
		<u> </u>		<u> </u>

5 Intangible fixed assets

		Goodwill
		£
Cost		
1st January 2000		546,530
and		
31st December 2000		<u> </u>
Amortisation		
1st January 2000		27,326
Charge for the year		27,326
		<u> </u>
31st December 2000		54,652
		<u> </u>
Net book amount		
31st December 2000		491,878
		<u> </u>
1st January 2000		519,204
		<u> </u>

KENNEDY TRAVEL (YORKSHIRE) LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31st December 2000

6 Tangible fixed assets

Cost	Motor Vehicles £	Fixtures and Fittings £	Land and Buildings £	Total £
1st January 2000	53,830	897,449	1,596,732	2,548,011
Additions	-	31,815	-	31,815
Disposals	-	-	(152,100)	(152,100)
31st December 2000	53,830	929,264	1,444,632	2,427,726
Depreciation				
1st January 2000	35,818	432,231	103,523	571,572
Charge for the year	4,502	62,126	36,494	103,122
Disposals	-	-	(10,647)	(10,647)
31st December 2000	40,320	494,357	129,370	664,047
Net book amount				
31st December 2000	13,510	434,907	1,315,262	1,763,679
1st January 2000	18,012	465,218	1,493,209	1,976,439

7 Tangible fixed assets (continued)

	2000 £	1999 £
Freehold	1,233,116	1,400,259
Short leasehold	82,146	92,950
	1,315,262	1,493,209

8 Debtors

	2000 £	1999 £
Amounts falling due within one year		
Trade debtors	463,755	311,772
Other debtors	106,096	209,969
Prepayments and accrued income	260,286	132,152
	830,137	653,893

KENNEDY TRAVEL (YORKSHIRE) LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31st December 2000

9 Creditors: amounts falling due within one year

	2000 £	1999 £
Bank loans and overdrafts (secured)	326,573	469,468
Trade creditors	2,151,727	1,840,813
Corporation tax	57,032	94,722
Other taxation and social security	113,157	107,582
Other creditors	188,017	242,839
Accruals and deferred income	186,785	125,850
	<u>3,023,291</u>	<u>2,881,274</u>

10 Creditors: amounts falling due after more than one year

	2000 £	1999 £
Other liabilities		
Bank loans (secured)	211,790	309,479
Other loans	-	57,540
	<u>211,790</u>	<u>367,019</u>

Maturity of debt

In one year or less, or on demand		
- see note 9	90,000	90,000
In more than one year but not more than two years	90,000	147,540
In more than two years but not more than five years	121,790	219,479
	<u>301,790</u>	<u>457,019</u>

11 Deferred taxation

	2000		1999	
	Amount unprovided £	Amount provided £	Amount unprovided £	Amount provided £
Corporation tax deferred by				
Capital allowances in excess of depreciation	48,013	-	48,385	-
	<u>48,013</u>	<u>-</u>	<u>48,385</u>	<u>-</u>

Deferred taxation is based on a corporation tax rate of 20% (1999 23.46%).

KENNEDY TRAVEL (YORKSHIRE) LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31st December 2000

12 Reconciliation of movements in shareholders' funds

	2000 £	1999 £
Profit for the financial year representing a Net addition to shareholders' funds	192,336	249,770
Opening shareholders' funds	<u>1,497,222</u>	<u>1,247,452</u>
Closing shareholders' funds	<u><u>1,689,558</u></u>	<u><u>1,497,222</u></u>

13 Called up share capital

	2000		1999	
	Number of shares	£	Number of shares	£
Authorised				
Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>
Allotted, called up and fully paid				
Ordinary shares of £1 each	<u>75,000</u>	<u>75,000</u>	<u>75,000</u>	<u>75,000</u>

14 Profit and loss account

	2000 £
1st January 2000	1,422,222
Retained profit for the year	<u>192,336</u>
31st December 2000	<u><u>1,614,558</u></u>

15 Liabilities secured on company assets

Name	Amount	Nature of security
Yorkshire Bank plc	£301,790	Legal mortgage on The Kennedy Building, Victoria Road, Leeds.
		Fixed and floating charge over the company assets.

KENNEDY TRAVEL (YORKSHIRE) LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31st December 2000

16 Notes to the cash flow statement

Reconciliation of operating profit
to operating cash flows

	2000 £	1999 £
Operating profit	250,229	344,492
Depreciation charges	103,122	125,046
Amortisation	27,326	27,326
(Profit)/loss on sale of fixed assets	(34,760)	321
Increase in debtors	(176,244)	(17,418)
Increase in creditors	322,602	276,733
Net cash inflow from operating activities	492,275	756,500

17 Notes to the cash flow statement (continued)

Analysis of changes in net debt

	At start of year £	Cash flows £	Other changes £	At end of year £
Cash at bank and in hand	1,595,979	242,966	-	1,838,945
Bank overdrafts	(379,468)	142,895	-	(236,573)
		385,861		
Debt due within 1 year	(90,000)	90,000	(90,000)	(90,000)
Debt due after 1 year	(367,019)	65,229	90,000	(211,790)
		155,229		
Total				
	759,492	541,090	-	1,300,582

Reconciliation of net cash flow to movement in net debt

	2000 £	1999 £
Increase/(decrease) in cash in the year	385,861	(165,591)
Cash outflow from decrease in debt and lease financing	155,229	195,977
Change in net debt resulting from cash flows	541,090	30,386
Net debt at 1st January 2000	759,492	729,106
Net debt at 31st December 2000	1,300,582	759,492

KENNEDY TRAVEL (YORKSHIRE) LIMITED

NOTES ON ABBREVIATED FINANCIAL STATEMENTS

31st December 2000

18 Related parties

Controlling party

Mr E Button, a director, together with a close family member, control the company by virtue of a controlling interest (directly or indirectly) of 90% of the issued ordinary share capital.