

Registration number 1325708

Kennedy Travel (Yorkshire) Limited

Abbreviated accounts

for the year ended 31 December 2002



Kennedy Travel (Yorkshire) Limited

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Kennedy Travel (Yorkshire) Limited

Directors' report for the year ended 31 December 2002

The directors present their report and the accounts for the year ended 31 December 2002.

Principal activity and review of the business

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

Results and dividends

The results for the year are set out on page 4.

The directors recommend payment of a final dividend amounting to £70,000.

Directors and their interests

The directors who served during the year and their interests in the company are as stated below:

	Ordinary shares	
	31/12/02	01/01/02
E Button	60,000	60,000
R M Briggs	7,500	7,500
S P Roberts	-	-

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 the affairs of the company and of the profit or loss of the company for that year. In preparing these 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

Kennedy Travel (Yorkshire) Limited

**Directors' report
for the year ended 31 December 2002**

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Harris & Co. be reappointed as auditors of the company will be put to the Annual General Meeting.

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

This report was approved by the Board on 26 June 2003 and signed on its behalf by

A handwritten signature in black ink, appearing to read 'S P Roberts', with a long, sweeping horizontal stroke extending to the right.

**S P Roberts
Secretary**

**Independent auditors' report to Kennedy Travel (Yorkshire) Limited
under Section 247B of the Companies Act 1985**

We have examined the abbreviated accounts set out on pages 4 to 15 together with the financial statements of Kennedy Travel (Yorkshire) Limited for the year ended 31 December 2002 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

The directors are responsible for preparing abbreviated accounts 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 accounts prepared in accordance with Section 246A(3) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with that provision 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 accounts and that the abbreviated accounts are properly prepared. The scope of our work for the purpose of this report did 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 accounts prepared in accordance with Section 246A(3) of the Companies Act 1985 in respect of the year ended 31 December 2002, and the abbreviated accounts on pages 4 to 15 are properly prepared in accordance with that provision.



**Harris & Co.
Chartered Accountants and
Registered Auditors**

27 June 2003

**Marland House
13 Huddersfield Road
Barnsley
South Yorkshire
S70 2LW**

Kennedy Travel (Yorkshire) Limited

Abbreviated profit and loss account for the year ended 31 December 2002

		Continuing operations	
		2002	2001
	Notes	£	£
Gross profit		2,977,301	3,479,877
Distribution costs		(504,227)	(798,970)
Administrative expenses		(2,347,277)	(2,638,878)
Operating profit	2	<u>125,797</u>	<u>42,029</u>
Other interest receivable and similar income	3	<u>104,186</u>	<u>126,294</u>
Profit on ordinary activities before taxation		229,983	168,323
Tax on profit on ordinary activities	6	<u>(103,639)</u>	<u>(49,465)</u>
Profit on ordinary activities after taxation		126,344	118,858
Dividends	7	<u>(70,000)</u>	<u>(67,000)</u>
Retained profit for the year		56,344	51,858
Retained profit brought forward		1,666,415	1,614,558
Retained profit carried forward		<u>1,722,759</u>	<u>1,666,416</u>

There are no recognised gains or losses other than the profit or loss for the above two financial years.

The notes on pages 7 to 15 form an integral part of these financial statements.

Kennedy Travel (Yorkshire) Limited

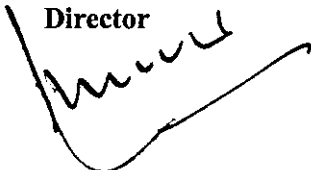
Abbreviated balance sheet as at 31 December 2002

	Notes	2002		2001	
		£	£	£	£
Fixed assets					
Intangible assets	8		437,226		464,552
Tangible assets	9		1,586,037		1,666,920
			<u>2,023,263</u>		<u>2,131,472</u>
Current assets					
Debtors	10	768,873		521,819	
Cash at bank and in hand		2,385,104		2,068,870	
		<u>3,153,977</u>		<u>2,590,689</u>	
Creditors: amounts falling due within one year	11	(2,850,054)		(2,440,448)	
Net current assets			<u>303,923</u>		<u>150,241</u>
Total assets less current liabilities			2,327,186		2,281,713
Creditors: amounts falling due after more than one year	12		(486,725)		(540,297)
Provisions for liabilities and charges	13		(42,702)		-
Net assets			<u>1,797,759</u>		<u>1,741,416</u>
Capital and reserves					
Called up share capital	15		75,000		75,000
Profit and loss account			1,722,759		1,666,416
Equity shareholders' funds	16		<u>1,797,759</u>		<u>1,741,416</u>

The abbreviated accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies .

The abbreviated accounts were approved by the Board on 26 June 2003 and signed on its behalf by

E Button,
Director



The notes on pages 7 to 15 form an integral part of these financial statements.

Kennedy Travel (Yorkshire) Limited

**Cash flow statement
for the year ended 31 December 2002**

	Notes	2002 £	2001 £
Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit		125,797	42,029
Depreciation		124,986	137,055
(Increase) in debtors		(247,054)	308,318
Increase in creditors		454,978	(430,485)
Net cash inflow from operating activities		<u>458,707</u>	<u>56,917</u>
Cash flow statement			
Net cash inflow from operating activities		458,707	56,917
Returns on investments and servicing of finance	18	104,186	126,294
Taxation	18	(49,528)	(57,032)
Capital expenditure	18	(16,777)	(12,970)
		496,588	113,209
Equity dividends paid		(67,000)	-
		429,588	113,209
Financing	18	(53,572)	293,507
Increase in cash in the year		<u>376,016</u>	<u>406,716</u>
Reconciliation of net cash flow to movement in net funds (Note 19)			
Increase in cash in the year		376,016	406,716
Cash outflow from increase in debts and lease financing		53,572	(293,507)
Change in net funds resulting from cash flows		429,588	113,209
Net funds at 1 January 2002		1,413,791	1,300,582
Net funds at 31 December 2002		<u>1,843,379</u>	<u>1,413,791</u>

Kennedy Travel (Yorkshire) Limited

Notes to the abbreviated financial statements for the year ended 31 December 2002

1. Accounting policies

1.1. Accounting convention

The accounts are prepared under the historical cost convention .

1.2. Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the year.

1.3. Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 20 years.

1.4. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Land and buildings	-	Straight line over fifty years
Leasehold properties	-	Straight line over the life of the lease
Fixtures, fittings and equipment	-	15% per annum on reducing balance
Motor vehicles	-	25% per annum on reducing balance

1.5. Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.6. Pensions

The pension costs charged in the financial statements represent the contribution payable by the company during the year.

1.7. Deferred taxation

The company adopted Financial Reporting Standard 19 "Deferred Taxation" (FRS 19) during the financial year.

Full provision is made for deferred taxation on all timing differences which have arisen but have not reversed at the balance sheet date.

Prior to the adoption of FRS 19, the company provided for deferred taxation only to the extent that timing differences were expected to materialise in the foreseeable future.

1.8. Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Profit and Loss account.

Kennedy Travel (Yorkshire) Limited

Notes to the abbreviated financial statements for the year ended 31 December 2002

2. Operating profit	2002	2001
	£	£
Operating profit is stated after charging:		
Depreciation and other amounts written off intangible assets	27,326	27,326
Depreciation and other amounts written off tangible assets	97,660	105,667
Loss on disposal of tangible fixed assets	-	4,062
Operating lease rentals		
- Plant and machinery	28,253	37,453
Auditors' remuneration	17,000	15,570
	<u> </u>	<u> </u>
3. Interest receivable and similar income	2002	2001
	£	£
Bank interest	104,186	126,294
	<u> </u>	<u> </u>
4. Employees		
Number of employees		
The average monthly numbers of employees (including the directors) during the year were:	2002	2001
Administration staff	68	87
	<u> </u>	<u> </u>
Employment costs	2002	2001
	£	£
Wages and salaries	1,411,280	1,737,659
Social security costs	121,184	171,219
Other pension costs	112,339	50,462
	<u> </u>	<u> </u>
	1,644,803	1,959,340
	<u> </u>	<u> </u>

Kennedy Travel (Yorkshire) Limited

Notes to the abbreviated financial statements for the year ended 31 December 2002

4.1. Directors' emoluments	2002	2001
	£	£
Remuneration and other emoluments	266,059	268,081
Pension contributions	44,000	-
	<u>310,059</u>	<u>268,081</u>
	Number	Number
Number of directors to whom retirement benefits are accruing under a money purchase scheme	<u>2</u>	<u>2</u>
Highest paid director	£	£
Amounts included above:		
Emoluments and other benefits	106,709	111,457
Pension contributions	24,000	-
	<u>130,709</u>	<u>111,457</u>

5. Pension costs

The company operates a defined contribution pension scheme in respect of certain employees and directors. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £112,339 (2001 - £50,462).

Kennedy Travel (Yorkshire) Limited

Notes to the abbreviated financial statements for the year ended 31 December 2002

6. Tax on profit on ordinary activities

Analysis of charge in period	2002 £	2001 £
Current tax		
UK corporation tax at 20.00% (2001 - 20.00%)	60,875	49,465
Prior period adjustments	62	-
	<u>60,937</u>	<u>49,465</u>
Total current tax charge	<u>60,937</u>	<u>49,465</u>
Deferred tax		
Timing differences, origination and reversal	42,702	-
Total deferred tax	<u>42,702</u>	<u>-</u>
Tax on profit on ordinary activities	<u>103,639</u>	<u>49,465</u>

Factors affecting tax charge for period

The tax assessed for the period is lower than the standard rate of corporation tax in the UK (30 per cent). The differences are explained below:

	2002 £	2001 £
Profit on ordinary activities before taxation	<u>229,983</u>	<u>168,323</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (31 December 2001 : 30%)	68,995	50,497
Expenses not deductible for tax purposes (primarily goodwill amortisation)	407	906
Capital allowances for period in excess of depreciation	23,464	22,795
Adjustments to tax charge in respect of previous periods	62	-
Marginal relief adjustment	<u>(31,991)</u>	<u>(24,733)</u>
Current tax charge for period	<u>60,937</u>	<u>49,465</u>

7. Dividends

	2002 £	2001 £
Dividends on equity shares:		
Ordinary shares - final proposed	<u>70,000</u>	<u>67,000</u>

Kennedy Travel (Yorkshire) Limited

Notes to the abbreviated financial statements for the year ended 31 December 2002

8. Intangible fixed assets

	Goodwill	Total
	£	£
Cost		
At 1 January 2002	546,530	546,530
At 31 December 2002	<u>546,530</u>	<u>546,530</u>
Provision for diminution in value		
At 1 January 2002	81,978	81,978
Charge for year	27,326	27,326
At 31 December 2002	<u>109,304</u>	<u>109,304</u>
Net book values		
At 31 December 2002	<u>437,226</u>	<u>437,226</u>
At 31 December 2001	<u>464,552</u>	<u>464,552</u>

9. Tangible fixed assets

	Land and buildings freehold	Short leasehold property	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 January 2002	1,284,496	160,136	945,984	34,080	2,424,696
Additions	-	-	16,777	-	16,777
At 31 December 2002	<u>1,284,496</u>	<u>160,136</u>	<u>962,761</u>	<u>34,080</u>	<u>2,441,473</u>
Depreciation					
At 1 January 2002	77,070	88,794	562,105	29,807	757,776
Charge for the year	25,690	10,804	60,098	1,068	97,660
At 31 December 2002	<u>102,760</u>	<u>99,598</u>	<u>622,203</u>	<u>30,875</u>	<u>855,436</u>
Net book values					
At 31 December 2002	<u>1,181,736</u>	<u>60,538</u>	<u>340,558</u>	<u>3,205</u>	<u>1,586,037</u>
At 31 December 2001	<u>1,207,426</u>	<u>71,342</u>	<u>383,879</u>	<u>4,273</u>	<u>1,666,920</u>

Kennedy Travel (Yorkshire) Limited

Notes to the abbreviated financial statements for the year ended 31 December 2002

10. Debtors	2002	2001
	£	£
Trade debtors	580,266	237,982
Other debtors	68,452	61,501
Prepayments and accrued income	120,155	222,336
	<u>768,873</u>	<u>521,819</u>
 11. Creditors: amounts falling due within one year	 2002	 2001
	£	£
Bank overdraft (secured)	-	59,782
Bank loan (secured)	55,000	55,000
Trade creditors	2,414,940	1,872,442
Corporation tax	60,875	49,465
Other taxes and social security costs	77,206	52,929
Directors' accounts	69,554	91,306
Other creditors	42,490	55,209
Accruals and deferred income	59,989	137,315
Proposed dividend	70,000	67,000
	<u>2,850,054</u>	<u>2,440,448</u>
 12. Creditors: amounts falling due after more than one year	 2002	 2001
	£	£
Bank loan (secured)	<u>486,725</u>	<u>540,297</u>
 Loans		
Repayable in one year or less, or on demand (Note 11)	55,000	55,000
Repayable between one and two years	55,000	55,000
Repayable between two and five years	165,000	165,000
Repayable in five years or more	266,725	320,297
	<u>541,725</u>	<u>595,297</u>

Yorkshire Bank plc has a legal mortgage on The Kennedy Building, Victoria Road Leeds in respect of liabilities amounting to £541,725 (2001 £595,297)

The rate of interest charged is variable.

Kennedy Travel (Yorkshire) Limited

**Notes to the abbreviated financial statements
for the year ended 31 December 2002**

13 Provisions for liabilities and charges

	Deferred taxation (Note 14) £	Total £
Movements in the year	42,702	42,702
At 31 December 2002	<u>42,702</u>	<u>42,702</u>

14. Provision for deferred taxation

	2002 £	2001 £
Accelerated capital allowances	42,702	-
Undiscounted provision for deferred tax	<u>42,702</u>	<u>-</u>
Provision at 1 January 2002	-	
Deferred tax charge in profit and loss account	42,702	
Provision at 31 December 2002	<u>42,702</u>	

15. Share capital

	2002 £	2001 £
Authorised equity		
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
Allotted, called up and fully paid equity		
75,000 Ordinary shares of £1 each	<u>75,000</u>	<u>75,000</u>

Kennedy Travel (Yorkshire) Limited

**Notes to the abbreviated financial statements
for the year ended 31 December 2002**

16. Reconciliation of movements in shareholders' funds	2002	2001
	£	£
Profit for the year	126,344	118,858
Dividends	(70,000)	(67,000)
	<u>56,344</u>	<u>51,858</u>
Opening shareholders' funds	1,741,415	1,689,558
Closing shareholders' funds	<u>1,797,759</u>	<u>1,741,416</u>

17. Related party transactions

During the year the company transacted with the following related parties:-

E Button	-	A director of the company
R M Briggs	-	A director of the company
S P Roberts	-	The company secretary

The following balances were owed to/(due from) Kennedy Travel (Yorkshire) Limited as at 31st December :-

	2002	2001
	£	£
E Button	(544)	(10,496)
R M Briggs	(35,711)	(43,511)
S P Roberts	(33,299)	(37,299)

Kennedy Travel (Yorkshire) Limited

**Notes to the abbreviated financial statements
for the year ended 31 December 2002**

18. Gross cash flows

	2002	2001
	£	£
Returns on investments and servicing of finance		
Interest received	<u>104,186</u>	<u>126,294</u>
Taxation		
Corporation tax paid	<u>(49,528)</u>	<u>(57,032)</u>
Capital expenditure		
Payments to acquire tangible assets	(16,777)	(16,720)
Receipts from sales of tangible assets	<u>-</u>	<u>3,750</u>
	<u>(16,777)</u>	<u>(12,970)</u>
Financing		
New long term bank loan	1,428	383,507
Repayment of short term bank loan	<u>(55,000)</u>	<u>(90,000)</u>
	<u>(53,572)</u>	<u>293,507</u>

19. Analysis of changes in net debt

	Opening balance	Cash flows	Other changes	Closing balance
	£	£	£	£
Cash at bank and in hand	2,068,870	316,234		2,385,104
Overdrafts	<u>(59,782)</u>	<u>59,782</u>		<u>-</u>
	<u>2,009,088</u>	<u>376,016</u>		<u>2,385,104</u>
Debt due within one year	(55,000)	55,000	(55,000)	(55,000)
Debt due after one year	<u>(540,297)</u>	<u>(1,428)</u>	<u>55,000</u>	<u>(486,725)</u>
	<u>(595,297)</u>	<u>53,572</u>	<u>-</u>	<u>(541,725)</u>
Net debt	<u>1,413,791</u>	<u>429,588</u>	<u>-</u>	<u>1,843,379</u>