

Registration number 1325708

Kennedy Travel (Yorkshire) Limited

Abbreviated accounts

for the year ended 31 December 2003



Kennedy Travel (Yorkshire) Limited

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Kennedy Travel (Yorkshire) Limited

Directors' report for the year ended 31 December 2003

The directors present their report and the accounts for the year ended 31 December 2003.

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 3.

The directors do not recommend payment of a final dividend.

Directors and their interests

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

	Ordinary shares	
	31/12/03	01/01/03
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 irregularities.

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 24 June 2004 and signed on its behalf by

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 3 to 15 together with the financial statements of Kennedy Travel (Yorkshire) Limited for the year ended 31 December 2003 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company, in accordance with Section 247B of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders 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 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 2003, and the abbreviated accounts on pages 3 to 15 are properly prepared in accordance with that provision.



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

25 June 2004

**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 2003**

		Continuing operations	
		2003	2002
	Notes	£	£
Gross profit		3,238,641	2,977,301
Distribution costs		(487,792)	(504,227)
Administrative expenses		(2,373,102)	(2,347,277)
Operating profit	2	<u>377,747</u>	<u>125,797</u>
Other interest receivable and similar income	3	<u>104,711</u>	<u>104,186</u>
Profit on ordinary activities before taxation		482,458	229,983
Tax on profit on ordinary activities	6	<u>(121,814)</u>	<u>(103,639)</u>
Profit on ordinary activities after taxation		360,644	126,344
Dividends	7	-	(70,000)
Retained profit for the year		360,644	56,344
Retained profit brought forward		<u>1,722,759</u>	<u>1,666,415</u>
Retained profit carried forward		<u><u>2,083,403</u></u>	<u><u>1,722,759</u></u>

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

The notes on pages 6 to 15 form an integral part of these financial statements.

Kennedy Travel (Yorkshire) Limited

Abbreviated balance sheet as at 31 December 2003

	Notes	2003 £	2002 £
Fixed assets			
Intangible assets	8	409,900	437,226
Tangible assets	9	1,474,225	1,586,037
		<u>1,884,125</u>	<u>2,023,263</u>
Current assets			
Debtors	10	730,480	768,873
Cash at bank and in hand		2,843,665	2,385,104
		<u>3,574,145</u>	<u>3,153,977</u>
Creditors: amounts falling due within one year	11	(3,262,496)	(2,850,054)
Net current assets		<u>311,649</u>	<u>303,923</u>
Total assets less current liabilities		2,195,774	2,327,186
Creditors: amounts falling due after more than one year	12	-	(486,725)
Provisions for liabilities and charges	13	(37,371)	(42,702)
Net assets		<u>2,158,403</u>	<u>1,797,759</u>
Capital and reserves			
Called up share capital	15	75,000	75,000
Profit and loss account		2,083,403	1,722,759
Equity shareholders' funds	16	<u>2,158,403</u>	<u>1,797,759</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 24 June 2004 and signed on its behalf by

R M Briggs
Director



The notes on pages 6 to 15 form an integral part of these financial statements.

Kennedy Travel (Yorkshire) Limited

Cash flow statement for the year ended 31 December 2003

	Notes	2003 £	2002 £
Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit		377,747	125,797
Depreciation		(194,333)	124,986
Decrease in debtors		38,393	(247,054)
Increase in creditors		161,147	454,978
Net cash inflow from operating activities		<u>382,954</u>	<u>458,707</u>
Cash flow statement			
Net cash inflow from operating activities		382,954	458,707
Returns on investments and servicing of finance	18	104,711	104,186
Taxation	18	(60,875)	(49,528)
Capital expenditure	18	333,471	(16,777)
		<u>760,261</u>	<u>496,588</u>
Equity dividends paid		(70,000)	(67,000)
		<u>690,261</u>	<u>429,588</u>
Financing	18	(541,725)	(53,572)
Decrease in cash in the year		<u>148,536</u>	<u>376,016</u>
Reconciliation of net cash flow to movement in net funds (Note 19)			
Decrease in cash in the year		148,536	376,016
Cash outflow from increase in debts and lease financing		541,725	53,572
Change in net funds resulting from cash flows		690,261	429,588
Net funds at 1 January 2003		<u>1,843,379</u>	<u>1,413,791</u>
Net funds at 31 December 2003		<u>2,533,640</u>	<u>1,843,379</u>

Kennedy Travel (Yorkshire) Limited

Notes to the abbreviated financial statements for the year ended 31 December 2003

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. Pensions

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

Kennedy Travel (Yorkshire) Limited

Notes to the abbreviated financial statements for the year ended 31 December 2003

1.6. Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold;

Provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable;

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

1.7. 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.

2. Operating profit

	2003 £	2002 £
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	85,316	97,660
Operating lease rentals		
- Motor vehicles	31,803	28,253
Auditors' remuneration	17,850	17,000
	<u>173,995</u>	<u>143,239</u>
and after crediting:		
Profit on disposal of tangible fixed assets	306,975	-
	<u>480,970</u>	<u>143,239</u>

Kennedy Travel (Yorkshire) Limited

Notes to the abbreviated financial statements for the year ended 31 December 2003

3. Interest receivable and similar income	2003	2002
	£	£
Bank interest	<u>104,711</u>	<u>104,186</u>
4. Employees		
Number of employees	2003	2002
The average monthly numbers of employees (including the directors) during the year were:		
Administration staff	<u>76</u>	<u>68</u>
Employment costs	2003	2002
	£	£
Wages and salaries	1,641,889	1,411,280
Social security costs	150,864	121,184
Other pension costs	<u>119,426</u>	<u>112,339</u>
	<u>1,912,179</u>	<u>1,644,803</u>
4.1. Directors' emoluments	2003	2002
	£	£
Remuneration and other emoluments	263,150	266,059
Pension contributions	<u>58,600</u>	<u>44,000</u>
	<u>321,750</u>	<u>310,059</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	101,000	106,709
Pension contributions	<u>25,000</u>	<u>24,000</u>
	<u>126,000</u>	<u>130,709</u>

Kennedy Travel (Yorkshire) Limited

Notes to the abbreviated financial statements for the year ended 31 December 2003

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 £119,426 (2002 - £112,339).

6. Tax on profit on ordinary activities

Analysis of charge in period	2003 £	2002 £
Current tax		
UK corporation tax at 24.73% (2002 - 20.00%)	127,145	60,875
Adjustments in respect of previous periods	-	62
	<u>127,145</u>	<u>60,937</u>
Total current tax charge	<u>127,145</u>	<u>60,937</u>
Deferred tax		
Timing differences, origination and reversal	(5,331)	42,702
Total deferred tax	<u>(5,331)</u>	<u>42,702</u>
Tax on profit on ordinary activities	<u>121,814</u>	<u>103,639</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:

	2003 £	2002 £
Profit on ordinary activities before taxation	<u>482,458</u>	<u>229,983</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (31 December 2002 : 30%)	144,737	68,995
Effects of:		
Expenses not deductible for tax purposes	417	407
Capital allowances for period in excess of depreciation	22,825	23,464
Adjustments to tax charge in respect of previous periods	-	62
Marginal relief adjustment	(27,110)	(31,991)
Profit on disposal of leasehold property	<u>(13,724)</u>	<u>-</u>
Current tax charge for period	<u>127,145</u>	<u>60,937</u>

Kennedy Travel (Yorkshire) Limited

Notes to the abbreviated financial statements for the year ended 31 December 2003

7. Dividends	2003	2002
	£	£
Dividends on equity shares:		
Ordinary shares - final proposed	-	70,000
	<u> </u>	<u> </u>
 8. Intangible fixed assets		
	Goodwill	Total
	£	£
Cost		
At 1 January 2003	546,530	546,530
At 31 December 2003	<u>546,530</u>	<u>546,530</u>
Provision for diminution in value		
At 1 January 2003	109,304	109,304
Charge for year	<u>27,326</u>	<u>27,326</u>
At 31 December 2003	<u>136,630</u>	<u>136,630</u>
Net book values		
At 31 December 2003	<u>409,900</u>	<u>409,900</u>
At 31 December 2002	<u>437,226</u>	<u>437,226</u>

Kennedy Travel (Yorkshire) Limited

Notes to the abbreviated financial statements for the year ended 31 December 2003

9. Tangible fixed assets	Land and buildings freehold £	Short leasehold property £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost					
At 1 January 2003	1,284,496	160,136	962,761	34,080	2,441,473
Additions	-	-	9,988	-	9,988
Disposals	-	(68,411)	-	-	(68,411)
At 31 December 2003	<u>1,284,496</u>	<u>91,725</u>	<u>972,749</u>	<u>34,080</u>	<u>2,383,050</u>
Depreciation					
At 1 January 2003	102,760	99,598	622,203	30,875	855,436
On disposals	-	(31,927)	-	-	(31,927)
Charge for the year	25,690	6,243	52,582	801	85,316
At 31 December 2003	<u>128,450</u>	<u>73,914</u>	<u>674,785</u>	<u>31,676</u>	<u>908,825</u>
Net book values					
At 31 December 2003	<u>1,156,046</u>	<u>17,811</u>	<u>297,964</u>	<u>2,404</u>	<u>1,474,225</u>
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>

10. Debtors	2003 £	2002 £
Trade debtors	530,504	580,266
Other debtors	82,623	68,452
Prepayments and accrued income	117,353	120,155
	<u>730,480</u>	<u>768,873</u>

Kennedy Travel (Yorkshire) Limited

Notes to the abbreviated financial statements for the year ended 31 December 2003

11. Creditors: amounts falling due within one year	2003 £	2002 £
Bank overdraft	310,025	-
Bank loan (secured)	-	55,000
Trade creditors	2,597,556	2,414,940
Corporation tax	127,145	60,875
Other taxes and social security costs	57,484	77,206
Directors' accounts	35,282	69,554
Other creditors	49,579	42,490
Accruals and deferred income	85,425	59,989
Proposed dividend	-	70,000
	<u>3,262,496</u>	<u>2,850,054</u>
12. Creditors: amounts falling due after more than one year	2003 £	2002 £
Bank loan (secured)	-	486,725
Loans		
Repayable in one year or less, or on demand (Note 11)	-	55,000
Repayable between one and two years	-	55,000
Repayable between two and five years	-	165,000
Repayable in five years or more	-	266,725
	<u>-</u>	<u>541,725</u>
Repayable in five years or more:		
Bank loan (secured)	-	266,725
	<u>-</u>	<u>266,725</u>

Yorkshire Bank plc formerly held a legal mortgage on The Kennedy Building, Victoria Road, Leeds. The loan was repaid during the year. (Liabilities amounted to £541,725 in 2002).

The rate of interest charged was variable.

Kennedy Travel (Yorkshire) Limited

Notes to the abbreviated financial statements for the year ended 31 December 2003

13. Provisions for liabilities and charges

	Deferred taxation (Note 14) £	Total £
At 1 January 2003	42,702	42,702
Movements in the year	5,331	5,331
At 31 December 2003	<u>37,371</u>	<u>37,371</u>

14. Provision for deferred taxation

	2003 £	2002 £
Accelerated capital allowances	<u>37,371</u>	<u>42,702</u>
Provision at 1 January 2003	42,702	
Deferred tax charge in profit and loss account	(5,331)	
Provision at 31 December 2003	<u>37,371</u>	

15. Share capital

	2003 £	2002 £
Authorised		
100,000 Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
Allotted, called up and fully paid		
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 2003

16. Reconciliation of movements in shareholders' funds	2003 £	2002 £
Profit for the year	360,644	126,344
Dividends	-	(70,000)
	<u>360,644</u>	<u>56,344</u>
Opening shareholders' funds	1,797,759	1,741,415
Closing shareholders' funds	<u>2,158,403</u>	<u>1,797,759</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	-	A director and the company secretary

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

	2003 £	2002 £
E Button	(272)	(544)
R M Briggs	(2,711)	(35,711)
S P Roberts	(32,299)	(33,299)

Kennedy Travel (Yorkshire) Limited

Notes to the abbreviated financial statements for the year ended 31 December 2003

18. Gross cash flows

	2003 £	2002 £
Returns on investments and servicing of finance		
Interest received	<u>104,711</u>	<u>104,186</u>
Taxation		
Corporation tax paid	<u>(60,875)</u>	<u>(49,528)</u>
Capital expenditure		
Payments to acquire tangible assets	(9,988)	(16,777)
Receipts from sales of tangible assets	<u>343,459</u>	<u>-</u>
	<u>333,471</u>	<u>(16,777)</u>
Financing		
New long term bank loan	(486,725)	1,428
Repayment of short term bank loan	<u>(55,000)</u>	<u>(55,000)</u>
	<u>(541,725)</u>	<u>(53,572)</u>

19. Analysis of changes in net funds

	Opening balance £	Cash flows £	Closing balance £
Cash at bank and in hand	2,385,104	458,561	2,843,665
Overdrafts	<u>-</u>	<u>(310,025)</u>	<u>(310,025)</u>
	<u>2,385,104</u>	<u>148,536</u>	<u>2,533,640</u>
Debt due within one year	(55,000)	55,000	-
Debt due after one year	<u>(486,725)</u>	<u>486,725</u>	<u>-</u>
	<u>(541,725)</u>	<u>541,725</u>	<u>-</u>
Net funds	<u>1,843,379</u>	<u>690,261</u>	<u>2,533,640</u>