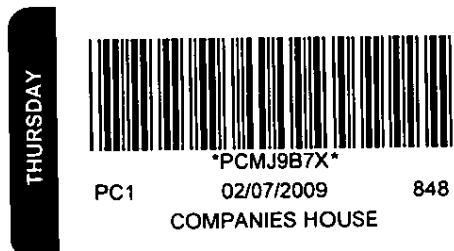


Registration number 1325708

Kennedy Travel (Yorkshire) Limited

Abbreviated accounts

for the year ended 31 December 2008



Kennedy Travel (Yorkshire) Limited

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Kennedy Travel (Yorkshire) Limited

Directors' report

for the year ended 31 December 2008

The directors present their report and the accounts for the year ended 31 December 2008.

Principal activity and review of the business

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

The directors aim to present a balanced and comprehensive review of the development and performance of our business during the year and its position at the year-end. Our review is consistent with the size and non-complex nature of our business and is written in the context of the risks and uncertainties we face. In addition, as the company is only required to file abbreviated accounts at Companies House, and so is not required to disclose turnover in its profit & loss account, the company has not presented turnover and gross profit analyses in this business review.

Overall profit before tax has increased to £202,761 from £99,169 in the previous year. After taxation, £155,124 has been added to reserves (2007: £17,908 deducted from reserves).

As for many businesses of our size, the business environment in which we operate continues to be challenging. The tour operator and travel agents market in the UK is competitive and margins continue to be tight. We are also subject to consumer spending patterns, consumers' overall level of disposable income within the economy and the impact of exchange rate movements.

With these risks and uncertainties in mind, we are aware that any plans for the future development of the business may be subject to unforeseen future events outside of our control.

Financial risk management objectives and policies

The company's operations expose it to a variety of financial risks that include the effects of changes in credit risk, liquidity risk and interest rate risk. The company does not use derivative financial instruments to manage interest rate costs and as such, no hedge accounting is applied.

The board of directors is responsible for monitoring financial risk and for deciding where it would be appropriate to use financial instruments to manage this risk.

Exchange rate risk

As the company transacts substantially in US dollars, it is exposed to exchange rate risk, which it manages by keeping under review the need for forward contracts to purchase dollars.

Interest rate cashflow risk

The company has interest bearing assets, comprising cash and bank balances which earn interest at variable rates, and interest bearing liabilities, comprising bank overdraft on which interest is paid at variable rates. The board of directors regularly review the mix of cash, overdraft and debt to manage interest rate risk.

Liquidity risk

The company actively maintains cash, bank and overdraft balances to ensure the company has sufficient funds for operations and any planned expansion.

Kennedy Travel (Yorkshire) Limited

Directors' report

for the year ended 31 December 2008

..... continued

Post balance sheet events

On 25 June 2009 the directors declared a final dividend of £210,076 in respect of the year ended 31 December 2008, which will be incorporated in the financial statements for the year ended 31 December 2009.

Price risk

The company has no exposure to equity securities price risk as it holds no listed or equity investments.

Credit risk

The company has implemented policies that require appropriate credit checks on potential customers before sales are made.

Directors and their interests

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

	Class of share	31/12/08	01/01/08
E Button	Ordinary shares	-	55,500
R M Briggs	Ordinary shares	7,500	7,500
S P Roberts	Ordinary shares	4,500	4,500

The directors regret to report the death of E Button on 10 May 2008.

Directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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 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.

Kennedy Travel (Yorkshire) Limited

Directors' report

for the year ended 31 December 2008

..... continued

In so far as the directors are aware:

- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Harrisaccounts LLP 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 25 June 2009 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 5 to 16 together with the financial statements of Kennedy Travel (Yorkshire) Limited for the year ended 31 December 2008 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 work has been undertaken so that we might state to the company those matters we are required to state to it in a special auditor's 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 for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and the auditors

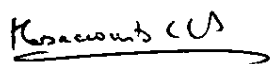
The directors are responsible for preparing the abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2006/3 "The special auditor's report on abbreviated accounts in the United Kingdom" issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Companies Act 1985, and the abbreviated accounts have been properly prepared in accordance with that provision.



**Harrisaccounts LLP
Chartered Accountants and
Registered Auditors**

29 June 2009

**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 2008**

		Continuing operations	
		2008	2007
	Notes	£	£
Gross profit		3,751,219	4,232,640
Distribution costs		(735,186)	(523,932)
Administrative expenses		(3,065,077)	(3,832,198)
Operating loss	2	<u>(49,044)</u>	<u>(123,490)</u>
Other interest receivable and similar income	3	<u>251,805</u>	<u>222,659</u>
Profit on ordinary activities before taxation		202,761	99,169
Tax on profit on ordinary activities	6	<u>(47,637)</u>	<u>(117,077)</u>
Profit/(loss) for the year		<u><u>155,124</u></u>	<u><u>(17,908)</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 8 to 16 form an integral part of these financial statements.

Kennedy Travel (Yorkshire) Limited

**Abbreviated balance sheet
as at 31 December 2008**

		2008		2007	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	7		193,847		213,231
Tangible assets	8		1,299,023		1,367,689
			<u>1,492,870</u>		<u>1,580,920</u>
Current assets					
Debtors	9	1,293,112		1,425,524	
Cash at bank and in hand		2,970,129		3,422,270	
		<u>4,263,241</u>		<u>4,847,794</u>	
Creditors: amounts falling due within one year	10	(3,521,720)		(4,340,752)	
Net current assets			<u>741,521</u>		<u>507,042</u>
Total assets less current liabilities			2,234,391		2,087,962
Provisions for liabilities	11		<u>(32,765)</u>		<u>(41,460)</u>
Net assets			<u>2,201,626</u>		<u>2,046,502</u>
Capital and reserves					
Called up share capital	13		75,000		75,000
Profit and loss account			2,126,626		1,971,502
Shareholders' funds	14		<u>2,201,626</u>		<u>2,046,502</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 companies.

The abbreviated accounts were approved by the Board on 25 June 2009 and signed on its behalf by


R M Briggs
Director

The notes on pages 8 to 16 form an integral part of these financial statements.

Kennedy Travel (Yorkshire) Limited

**Cash flow statement
for the year ended 31 December 2008**

	Notes	2008 £	2007 £
Reconciliation of operating loss to net cash outflow from operating activities			
Operating loss		(49,044)	(123,490)
Depreciation		93,611	93,009
Decrease / (increase) in debtors		132,412	(463,936)
(Decrease) / increase in creditors		(1,208,629)	1,312,927
Net cash (outflow) / inflow from operating activities		<u>(1,031,650)</u>	<u>818,510</u>

Cash flow statement

Net cash (outflow) / inflow from operating activities		(1,031,650)	818,510
Returns on investments and servicing of finance	19	251,805	222,659
Taxation	19	(107,605)	(11,491)
Capital expenditure	19	(5,561)	(58,764)
Decrease in cash in the year		<u>(893,011)</u>	<u>970,914</u>

Reconciliation of net cash flow to movement in net debt (Note 20)

Decrease in cash in the year	(893,011)	970,914
Net funds at 1 January 2008	<u>3,422,270</u>	<u>2,451,356</u>
Net funds at 31 December 2008	<u>2,529,259</u>	<u>3,422,270</u>

Kennedy Travel (Yorkshire) Limited

Notes to the abbreviated financial statements for the year ended 31 December 2008

1. Accounting policies

1.1. Accounting convention

The accounts are prepared under the historical cost convention and comply with financial reporting standards of the Accounting Standards Board.

1.2. Turnover

Turnover represents the aggregate amount of revenue from inclusive tours, travel agency commission and other services supplied to customers in the ordinary course of business. Revenue relating to inclusive tours arranged by the company is recognised on the date of departure and related costs of holidays are charged to the profit and loss account on the same basis. Revenue relating to travel agency commission on third party leisure travel products is recognised when earned, which is on receipt of the full payment from the customer.

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.

Kennedy Travel (Yorkshire) Limited

Notes to the abbreviated financial statements for the year ended 31 December 2008

..... continued

1.7. 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.

1.8. 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.

2. Operating loss

	2008	2007
	£	£
Operating loss is stated after charging:		
Depreciation and other amounts written off intangible assets	19,384	19,384
Depreciation and other amounts written off tangible assets	74,227	73,625
Operating lease rentals		
- Motor vehicles	8,107	20,217
Auditors' remuneration	25,087	23,650

Kennedy Travel (Yorkshire) Limited

**Notes to the abbreviated financial statements
for the year ended 31 December 2008**

..... continued

3. Interest receivable and similar income	2008	2007
	£	£
Bank interest	<u>251,805</u>	<u>222,659</u>
4. Employees		
Number of employees	2008	2007
The average monthly numbers of employees (including the directors) during the year were:		
Administration staff	<u>80</u>	<u>78</u>
Employment costs	2008	2007
	£	£
Wages and salaries	1,980,796	2,363,708
Social security costs	202,685	240,755
Pension costs-other operating charge	<u>141,574</u>	<u>115,893</u>
	<u>2,325,055</u>	<u>2,720,356</u>
4.1. Directors' emoluments	2008	2007
	£	£
Remuneration and other emoluments	498,401	817,500
Pension contributions	<u>60,000</u>	<u>50,000</u>
	<u>558,401</u>	<u>867,500</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	287,942	300,500
Pension contributions	<u>-</u>	<u>25,000</u>
	<u>287,942</u>	<u>325,500</u>

Kennedy Travel (Yorkshire) Limited

Notes to the abbreviated financial statements for the year ended 31 December 2008

..... continued

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 £141,574 (2007 - £115,893).

6. Tax on profit on ordinary activities

Analysis of charge in period	2008 £	2007 £
Current tax		
UK corporation tax	56,332	107,605
Total current tax charge	<u>56,332</u>	<u>107,605</u>
Deferred tax		
Timing differences, origination and reversal	(8,695)	9,472
Total deferred tax	<u>(8,695)</u>	<u>9,472</u>
Tax on profit on ordinary activities	<u>47,637</u>	<u>117,077</u>

Factors affecting tax charge for period

The tax assessed for the period is higher than the standard rate of corporation tax in the UK (21 per cent). The differences are explained below:

	2008 £	2007 £
Profit on ordinary activities before taxation	<u>202,761</u>	<u>99,169</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21% (31 December 2007 : 30%)	42,580	29,751
Effects of:		
Expenses not deductible for tax purposes	-	90,416
Depreciation for period in excess of capital allowances	14,427	14,375
Marginal relief adjustment	-	(26,937)
Corporation tax rate change in year	(675)	-
Current tax charge for period	<u>56,332</u>	<u>107,605</u>

Kennedy Travel (Yorkshire) Limited

**Notes to the abbreviated financial statements
for the year ended 31 December 2008**

..... continued

7. Intangible fixed assets

	Goodwill	Total
	£	£
Cost		
At 1 January 2008	387,686	387,686
At 31 December 2008	<u>387,686</u>	<u>387,686</u>
Amortisation		
At 1 January 2008	174,455	174,455
Charge for year	<u>19,384</u>	<u>19,384</u>
At 31 December 2008	<u>193,839</u>	<u>193,839</u>
Net book values		
At 31 December 2008	<u>193,847</u>	<u>193,847</u>
At 31 December 2007	<u>213,231</u>	<u>213,231</u>

8. Tangible fixed assets

	Land and buildings freehold	Short leasehold property	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 January 2008	1,284,496	97,097	1,134,783	34,080	2,550,456
Additions	<u>-</u>	<u>-</u>	<u>5,561</u>	<u>-</u>	<u>5,561</u>
At 31 December 2008	<u>1,284,496</u>	<u>97,097</u>	<u>1,140,344</u>	<u>34,080</u>	<u>2,556,017</u>
Depreciation					
At 1 January 2008	231,210	55,466	862,771	33,320	1,182,767
Charge for the year	<u>25,690</u>	<u>6,901</u>	<u>41,446</u>	<u>190</u>	<u>74,227</u>
At 31 December 2008	<u>256,900</u>	<u>62,367</u>	<u>904,217</u>	<u>33,510</u>	<u>1,256,994</u>
Net book values					
At 31 December 2008	<u>1,027,596</u>	<u>34,730</u>	<u>236,127</u>	<u>570</u>	<u>1,299,023</u>
At 31 December 2007	<u>1,053,286</u>	<u>41,631</u>	<u>272,012</u>	<u>760</u>	<u>1,367,689</u>

Kennedy Travel (Yorkshire) Limited

**Notes to the abbreviated financial statements
for the year ended 31 December 2008**

..... continued

9. Debtors	2008	2007
	£	£
Trade debtors	598,295	754,094
Other debtors	165,002	452,546
Prepayments and accrued income	529,815	218,884
	<u>1,293,112</u>	<u>1,425,524</u>
10. Creditors: amounts falling due within one year	2008	2007
	£	£
Bank overdraft	440,870	-
Trade creditors	2,614,997	2,799,184
Corporation tax	56,332	107,605
Other taxes and social security costs	50,868	62,240
Directors' accounts	1,111	-
Other creditors	30,292	331,470
Accruals and deferred income	327,250	1,040,253
	<u>3,521,720</u>	<u>4,340,752</u>
11. Provisions for liabilities	Deferred taxation (Note 12)	Total
	£	£
At 1 January 2008	41,460	41,460
Movements in the year	8,695	8,695
At 31 December 2008	<u>32,765</u>	<u>32,765</u>

Kennedy Travel (Yorkshire) Limited

**Notes to the abbreviated financial statements
for the year ended 31 December 2008**

..... continued

12. Provision for deferred taxation	2008	2007
	£	£
Accelerated capital allowances	32,765	41,460
Provision for deferred tax	<u>32,765</u>	<u>41,460</u>
Provision at 1 January 2008	41,460	
Deferred tax credit in profit and loss account	(8,695)	
Provision at 31 December 2008	<u>32,765</u>	
 13. Share capital	 2008	 2007
	£	£
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>
 Equity Shares		
75,000 Ordinary shares of £1 each	<u>75,000</u>	<u>75,000</u>
 14. Reconciliation of movements in shareholders' funds	 2008	 2007
	£	£
Profit/(loss) for the year	155,124	(17,908)
Opening shareholders' funds	<u>2,046,502</u>	<u>2,064,410</u>
Closing shareholders' funds	<u>2,201,626</u>	<u>2,046,502</u>

Kennedy Travel (Yorkshire) Limited

**Notes to the abbreviated financial statements
for the year ended 31 December 2008**

..... continued

15. Financial commitments

At 31 December 2008 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2008	2007
	£	£
Expiry date:		
Within one year	7,000	22,000
In over five years	280,075	268,425
	<u>287,075</u>	<u>290,425</u>

16. Transactions with directors

The following directors had interest free loans during the year. The movements on these loans are as follows:

	Amount owing		Maximum in year
	2008	2007	
	£	£	£
E Button	-	301,387	339,220
R M Briggs	-	25	25
S P Roberts	<u>30,408</u>	<u>41,111</u>	<u>41,111</u>

Following the death of Mr E Button on the 10 May 2008, a full provision was made against the 31 December 2007 director's loan balance in the 2007 accounts.

17. Controlling interest

The Trustees of E Button (Deceased) Estate controlled the company at 31 December 2008 by virtue of a controlling interest of 74% of the issued share capital.

18. Post balance sheet events

On 25 June 2009 the directors declared a final dividend of £210,076 in respect of the year ended 31 December 2008, which will be incorporated in the financial statements for the year ended 31 December 2009.

Kennedy Travel (Yorkshire) Limited

**Notes to the abbreviated financial statements
for the year ended 31 December 2008**

..... continued

19. Gross cash flows

	2008	2007
	£	£
Returns on investments and servicing of finance		
Interest received	<u>251,805</u>	<u>222,659</u>
Taxation		
Corporation tax paid	<u>(107,605)</u>	<u>(11,491)</u>
Capital expenditure		
Payments to acquire tangible assets	<u>(5,561)</u>	<u>(58,764)</u>

20. Analysis of changes in net funds

	Opening balance	Cash flows	Closing balance
	£	£	£
Cash at bank and in hand	3,422,270	(452,141)	2,970,129
Overdrafts	<u>-</u>	<u>(440,870)</u>	<u>(440,870)</u>
	<u>3,422,270</u>	<u>(893,011)</u>	<u>2,529,259</u>
Net funds	<u>3,422,270</u>	<u>(893,011)</u>	<u>2,529,259</u>