

**REGISTERED NUMBER: 01325708 (England and Wales)**

**Strategic Report, Report of the Directors and  
Financial Statements for the Year Ended 31 December 2015  
for  
Kennedy Travel (Yorkshire) Limited**



**Harris & Co Limited  
Chartered Accountants & Statutory Auditor  
Marland House  
13 Huddersfield Road  
Barnsley  
South Yorkshire  
S70 2LW**

**Kennedy Travel (Yorkshire) Limited**

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for the Year Ended 31 December 2015**

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**Kennedy Travel (Yorkshire) Limited**  
**Company Information**  
**for the Year Ended 31 December 2015**

**DIRECTORS:**

Mrs R M Briggs  
Mrs C Button  
Mrs S P Roberts  
Ms J C Button

**SECRETARY:**

Mrs S P Roberts

**REGISTERED OFFICE:**

The Kennedy Building  
48 Victoria Road  
Leeds  
West Yorkshire  
LS11 5AF

**REGISTERED NUMBER:**

01325708 (England and Wales)

**INDEPENDENT AUDITORS:**

Harris & Co Limited  
Chartered Accountants & Statutory Auditor  
Marland House  
13 Huddersfield Road  
Barnsley  
South Yorkshire  
S70 2LW

## **Kennedy Travel (Yorkshire) Limited**

### **Strategic Report for the Year Ended 31 December 2015**

The directors present their strategic report for the year ended 31 December 2015.

#### **REVIEW OF BUSINESS**

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.

Whilst turnover decreased by £2,114,091 (10%), the gross profit percentage remained at 15.5%. This reflects a downturn in market conditions and an increase in competition within the market. The overheads of the business reduced by £171,309 (7.3%), and overall there was a £96,627 reduction in operating profits to £499,754. The profit for the year after tax amounted to £401,209 (2014: £472,743).

As for many businesses of our size, the business environment in which we are operating remains 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 future development of the business may be subject to unforeseen future events outside of our control, for example the outcome and subsequent impact of the EU referendum.

#### **PRINCIPAL RISKS AND UNCERTAINTIES**

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 risks 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 a 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.

##### 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.

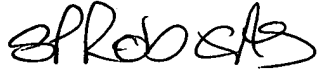
**Kennedy Travel (Yorkshire) Limited**

**Strategic Report  
for the Year Ended 31 December 2015**

**KEY PERFORMANCE INDICATORS**

We consider that our key financial performance indicators are those that communicate the financial performance of the company, these being turnover, operating profit, profits before tax and after tax retained profit.

**ON BEHALF OF THE BOARD:**

A handwritten signature in black ink, appearing to read 'S P Roberts', written in a cursive style.

Mrs S P Roberts - Secretary

7 June 2016

**Kennedy Travel (Yorkshire) Limited**

**Report of the Directors  
for the Year Ended 31 December 2015**

The directors present their report with the financial statements of the Company for the year ended 31 December 2015.

**PRINCIPAL ACTIVITY**

The principal activity of the Company in the year under review was that of a tour operator and travel agent.

**DIVIDENDS**

The total distribution of dividends for the year ended 31 December 2015 will be £518,968.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2015 to the date of this report.

Mrs R M Briggs  
Mrs C Button  
Mrs S P Roberts  
Ms J C Button

**DISCLOSURE IN THE STRATEGIC REPORT**

The company has chosen in accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 to set out in the company's strategic report information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008. This includes information that would have been included in the business review and the principal risks and uncertainties.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors and 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). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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 adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's auditors are unaware, and each director has taken all the steps that she ought to have taken as a director in order to make herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

**Kennedy Travel (Yorkshire) Limited**

**Report of the Directors  
for the Year Ended 31 December 2015**

**AUDITORS**

The auditors, Harris & Co Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

A handwritten signature in black ink, appearing to read 'S Roberts', written over a horizontal line.

Mrs S P Roberts - Secretary

7 June 2016

**Independent Auditors' Report to the Members of  
Kennedy Travel (Yorkshire) Limited**

We have audited the financial statements of Kennedy Travel (Yorkshire) Limited for the year ended 31 December 2015 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Independent Auditors' Report to the Members of  
Kennedy Travel (Yorkshire) Limited**

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

*Paul Hinchliffe*

Paul Hinchliffe BA FCA (Senior Statutory Auditor)  
for and on behalf of Harris & Co Limited  
Chartered Accountants & Statutory Auditor  
Marland House  
13 Huddersfield Road  
Barnsley  
South Yorkshire  
S70 2LW

Date: 13 June 2016

**Kennedy Travel (Yorkshire) Limited**

**Statement of Comprehensive Income  
for the Year Ended 31 December 2015**

|                                                          | Notes | 2015<br>£             | 2014<br>£             |
|----------------------------------------------------------|-------|-----------------------|-----------------------|
| <b>TURNOVER</b>                                          | 2     | 19,111,148            | 21,225,239            |
| Cost of sales                                            |       | <u>(16,157,479)</u>   | <u>(17,951,419)</u>   |
| <b>GROSS PROFIT</b>                                      |       | 2,953,669             | 3,273,820             |
| Distribution costs                                       |       | (274,725)             | (326,940)             |
| Administrative expenses                                  |       | <u>(2,179,190)</u>    | <u>(2,350,499)</u>    |
| <b>OPERATING PROFIT</b>                                  | 4     | 499,754               | 596,381               |
| Interest receivable and similar income                   |       | <u>13,972</u>         | <u>17,691</u>         |
| <b>PROFIT ON ORDINARY ACTIVITIES<br/>BEFORE TAXATION</b> |       | 513,726               | 614,072               |
| Tax on profit on ordinary activities                     | 5     | <u>(112,517)</u>      | <u>(141,329)</u>      |
| <b>PROFIT FOR THE FINANCIAL YEAR</b>                     |       | 401,209               | 472,743               |
| <b>OTHER COMPREHENSIVE INCOME</b>                        |       | <u>-</u>              | <u>-</u>              |
| <b>TOTAL COMPREHENSIVE INCOME<br/>FOR THE YEAR</b>       |       | <u><u>401,209</u></u> | <u><u>472,743</u></u> |

The notes form part of these financial statements

## Kennedy Travel (Yorkshire) Limited (Registered number: 01325708)

Balance Sheet  
31 December 2015

|                                              | Notes | 2015<br>£          | 2014<br>£          |
|----------------------------------------------|-------|--------------------|--------------------|
| <b>FIXED ASSETS</b>                          |       |                    |                    |
| Intangible assets                            | 7     | 58,157             | 77,542             |
| Tangible assets                              | 8     | <u>1,007,148</u>   | <u>1,069,148</u>   |
|                                              |       | <u>1,065,305</u>   | <u>1,146,690</u>   |
| <b>CURRENT ASSETS</b>                        |       |                    |                    |
| Debtors                                      | 9     | 829,582            | 891,686            |
| Cash at bank and in hand                     |       | <u>1,361,190</u>   | <u>1,931,539</u>   |
|                                              |       | 2,190,772          | 2,823,225          |
| <b>CREDITORS</b>                             |       |                    |                    |
| Amounts falling due within one year          | 10    | <u>(2,083,622)</u> | <u>(2,673,180)</u> |
| <b>NET CURRENT ASSETS</b>                    |       | <u>107,150</u>     | <u>150,045</u>     |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       | 1,172,455          | 1,296,735          |
| <b>PROVISIONS FOR LIABILITIES</b>            | 13    | <u>(21,100)</u>    | <u>(27,621)</u>    |
| <b>NET ASSETS</b>                            |       | <u>1,151,355</u>   | <u>1,269,114</u>   |
| <b>CAPITAL AND RESERVES</b>                  |       |                    |                    |
| Called up share capital                      | 14    | 100,000            | 100,000            |
| Retained earnings                            | 15    | <u>1,051,355</u>   | <u>1,169,114</u>   |
| <b>SHAREHOLDERS' FUNDS</b>                   |       | <u>1,151,355</u>   | <u>1,269,114</u>   |

The financial statements were approved by the Board of Directors on 7 June 2016 and were signed on its behalf by:



Mrs R M Briggs - Director

The notes form part of these financial statements

**Kennedy Travel (Yorkshire) Limited**

**Statement of Changes in Equity  
for the Year Ended 31 December 2015**

|                                    | <b>Called up<br/>share<br/>capital<br/>£</b> | <b>Retained<br/>earnings<br/>£</b> | <b>Total<br/>equity<br/>£</b> |
|------------------------------------|----------------------------------------------|------------------------------------|-------------------------------|
| <b>Balance at 1 January 2014</b>   | 100,000                                      | 1,295,339                          | 1,395,339                     |
| <b>Changes in equity</b>           |                                              |                                    |                               |
| Dividends                          | -                                            | (598,968)                          | (598,968)                     |
| Total comprehensive income         | -                                            | <u>472,743</u>                     | <u>472,743</u>                |
| <b>Balance at 31 December 2014</b> | <u>100,000</u>                               | <u>1,169,114</u>                   | <u>1,269,114</u>              |
| <b>Changes in equity</b>           |                                              |                                    |                               |
| Dividends                          | -                                            | (518,968)                          | (518,968)                     |
| Total comprehensive income         | -                                            | <u>401,209</u>                     | <u>401,209</u>                |
| <b>Balance at 31 December 2015</b> | <u>100,000</u>                               | <u>1,051,355</u>                   | <u>1,151,355</u>              |

The notes form part of these financial statements

**Kennedy Travel (Yorkshire) Limited**

**Cash Flow Statement  
for the Year Ended 31 December 2015**

|                                                         | Notes | 2015<br>£               | 2014<br>£               |
|---------------------------------------------------------|-------|-------------------------|-------------------------|
| <b>Cash flows from operating activities</b>             |       |                         |                         |
| Cash generated from operations                          | 1     | 285,961                 | 1,023,991               |
| Tax paid                                                |       | <u>(146,623)</u>        | <u>(137,365)</u>        |
| Net cash from operating activities                      |       | <u>139,338</u>          | <u>886,626</u>          |
| <b>Cash flows from investing activities</b>             |       |                         |                         |
| Purchase of tangible fixed assets                       |       | (977)                   | (8,319)                 |
| Sale of tangible fixed assets                           |       | 323                     | 904                     |
| Interest received                                       |       | <u>13,972</u>           | <u>17,691</u>           |
| Net cash from investing activities                      |       | <u>13,318</u>           | <u>10,276</u>           |
| <b>Cash flows from financing activities</b>             |       |                         |                         |
| Equity dividends paid                                   |       | <u>(518,968)</u>        | <u>(598,968)</u>        |
| Net cash from financing activities                      |       | <u>(518,968)</u>        | <u>(598,968)</u>        |
| <b>(Decrease)/increase in cash and cash equivalents</b> |       | <u>(366,312)</u>        | <u>297,934</u>          |
| Cash and cash equivalents at beginning of year          | 2     | <u>1,679,273</u>        | <u>1,381,339</u>        |
| Cash and cash equivalents at end of year                | 2     | <u><u>1,312,961</u></u> | <u><u>1,679,273</u></u> |

The notes form part of these financial statements

**Kennedy Travel (Yorkshire) Limited**

**Notes to the Cash Flow Statement  
for the Year Ended 31 December 2015**

**1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

|                                                  | 2015<br>£             | 2014<br>£               |
|--------------------------------------------------|-----------------------|-------------------------|
| Profit before taxation                           | 513,726               | 614,072                 |
| Depreciation charges                             | 82,094                | 96,125                  |
| Profit on disposal of fixed assets               | (55)                  | (258)                   |
| Finance income                                   | <u>(13,972)</u>       | <u>(17,691)</u>         |
|                                                  | <b>581,793</b>        | <b>692,248</b>          |
| Decrease in trade and other debtors              | 62,104                | 75,762                  |
| (Decrease)/increase in trade and other creditors | <u>(357,936)</u>      | <u>255,981</u>          |
| <b>Cash generated from operations</b>            | <u><b>285,961</b></u> | <u><b>1,023,991</b></u> |

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

**Year ended 31 December 2015**

|                           | 31/12/15<br>£           | 1/1/15<br>£             |
|---------------------------|-------------------------|-------------------------|
| Cash and cash equivalents | 1,361,190               | 1,931,539               |
| Bank overdrafts           | <u>(48,229)</u>         | <u>(252,266)</u>        |
|                           | <u><b>1,312,961</b></u> | <u><b>1,679,273</b></u> |

**Year ended 31 December 2014**

|                           | 31/12/14<br>£           | 1/1/14<br>£             |
|---------------------------|-------------------------|-------------------------|
| Cash and cash equivalents | 1,931,539               | 1,381,339               |
| Bank overdrafts           | <u>(252,266)</u>        | <u>-</u>                |
|                           | <u><b>1,679,273</b></u> | <u><b>1,381,339</b></u> |

The notes form part of these financial statements

## **Kennedy Travel (Yorkshire) Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2015**

#### **1. ACCOUNTING POLICIES**

##### **Company information and basis of preparing the financial statements**

Kennedy Travel (Yorkshire) Limited is a limited company incorporated in the United Kingdom and the address of the registered office is given in the company information on page 1 of these financial statements. The principal activity of the company was that of a tour operator and travel agent.

These financial statements have been prepared in accordance with Financial Reporting Standard "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS102) and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

This is the first year in which the financial statements have been prepared under FRS102 as the entity transitioned from UK GAAP to FRS102 as at 1 January 2014. Details of how FRS102 has affected the accounting policies, reported financial position and financial performance is given in note 19.

The financial statements are presented in sterling (£).

The principal accounting policies and significant judgements and estimates applied in the preparation of these financial statements are set out below. These policies, judgements and estimates have been consistently applied to all years presented unless otherwise stated.

##### **Significant judgements and estimates**

No significant judgements or estimates have had to be made by management in preparing these financial statements other than as described in the following accounting policies.

##### **Turnover**

Turnover represents the aggregate amount of revenue from inclusive tours, travel agency commission and other services supplied to the 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 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.

##### **Goodwill**

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset. Intangible assets are tested for impairment when there is an indication that the carrying value may not be recoverable.

Amortisation is calculated as follows:

Goodwill - Straight line over 20 years

**Kennedy Travel (Yorkshire) Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2015**

**1. ACCOUNTING POLICIES - continued**

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

|                       |                                           |
|-----------------------|-------------------------------------------|
| Freehold property     | - 2% on cost                              |
| Short leasehold       | - at varying rates on cost                |
| Fixtures and fittings | - 33% on cost and 15% on reducing balance |
| Motor vehicles        | - 25% on reducing balance                 |

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Deferred tax is recognised 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.

**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 transaction. Exchange differences are taken into account in arriving at the operating result.

**Hire purchase and leasing commitments**

Operating lease rentals are charged to the Statement of comprehensive income on a straight-line basis over the lease term.

**Pension costs and other post-retirement benefits**

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in the future payments or a cash refund.

**2. TURNOVER**

Turnover represents amounts earned on goods and services provided during the year and derives from the provision of goods falling within the company's ordinary activities.

**Kennedy Travel (Yorkshire) Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2015**

**3. STAFF COSTS**

|                       | <b>2015</b>             | <b>2014</b>             |
|-----------------------|-------------------------|-------------------------|
|                       | <b>£</b>                | <b>£</b>                |
| Wages and salaries    | <b>1,343,715</b>        | 1,400,568               |
| Social security costs | <b>123,842</b>          | 125,201                 |
| Other pension costs   | <b>80,789</b>           | 123,901                 |
|                       | <b><u>1,548,346</u></b> | <b><u>1,649,670</u></b> |

The average monthly number of employees during the year was as follows:

|                      | <b>2015</b>      | <b>2014</b>      |
|----------------------|------------------|------------------|
| Administration staff | <b><u>63</u></b> | <b><u>62</u></b> |

**4. OPERATING PROFIT**

The operating profit is stated after charging/(crediting):

|                                                            | <b>2015</b>             | <b>2014</b>             |
|------------------------------------------------------------|-------------------------|-------------------------|
|                                                            | <b>£</b>                | <b>£</b>                |
| Other operating leases                                     | <b>258,604</b>          | 327,735                 |
| Depreciation - owned assets                                | <b>62,709</b>           | 76,740                  |
| Profit on disposal of fixed assets                         | <b>(55)</b>             | (258)                   |
| Goodwill amortisation                                      | <b>19,385</b>           | 19,385                  |
| Auditors' remuneration                                     | <b>19,000</b>           | 15,750                  |
| Taxation compliance services                               | <b>552</b>              | 500                     |
| Operating lease costs - other                              | <b>257,794</b>          | 351,816                 |
| Exchange rate variance                                     | <b><u>(325,541)</u></b> | <b><u>(550,672)</u></b> |
| Directors' remuneration                                    | <b>50,899</b>           | 50,939                  |
| Directors' pension contributions to money purchase schemes | <b><u>40,000</u></b>    | <b><u>80,000</u></b>    |

The number of directors to whom retirement benefits were accruing was as follows:

|                        |                 |                 |
|------------------------|-----------------|-----------------|
| Money purchase schemes | <b><u>1</u></b> | <b><u>2</u></b> |
|------------------------|-----------------|-----------------|

**5. TAXATION**

**Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows:

|                                      | <b>2015</b>           | <b>2014</b>           |
|--------------------------------------|-----------------------|-----------------------|
|                                      | <b>£</b>              | <b>£</b>              |
| Current tax:                         |                       |                       |
| UK corporation tax                   | <b>119,038</b>        | 146,623               |
| Deferred tax                         | <b><u>(6,521)</u></b> | <b><u>(5,294)</u></b> |
| Tax on profit on ordinary activities | <b><u>112,517</u></b> | <b><u>141,329</u></b> |

**Kennedy Travel (Yorkshire) Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2015**

**5. TAXATION - continued**

**Reconciliation of total tax charge included in profit and loss**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

|                                                                                                                | <b>2015</b>           | <b>2014</b>           |
|----------------------------------------------------------------------------------------------------------------|-----------------------|-----------------------|
|                                                                                                                | <b>£</b>              | <b>£</b>              |
| Profit on ordinary activities before tax                                                                       | <b><u>513,726</u></b> | <b><u>614,072</u></b> |
| Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2014 - 21%) | <b>102,745</b>        | 128,955               |
| Effects of:                                                                                                    |                       |                       |
| Expenses not deductible for tax purposes                                                                       | <b>505</b>            | 502                   |
| Depreciation in excess of capital allowances                                                                   | <b>14,892</b>         | 16,734                |
| Marginal rate relief                                                                                           | <b>(561)</b>          | (3,001)               |
| Tax charged at different rates                                                                                 | <b><u>1,457</u></b>   | <b><u>3,433</u></b>   |
| Total tax charge                                                                                               | <b><u>119,038</u></b> | <b><u>146,623</u></b> |

**6. DIVIDENDS**

|                                        | <b>2015</b>           | <b>2014</b>           |
|----------------------------------------|-----------------------|-----------------------|
|                                        | <b>£</b>              | <b>£</b>              |
| Ordinary shares of £1 each<br>Declared | <b><u>518,968</u></b> | <b><u>598,968</u></b> |

**7. INTANGIBLE FIXED ASSETS**

|                                           | <b>Goodwill</b>       |
|-------------------------------------------|-----------------------|
|                                           | <b>£</b>              |
| <b>COST</b>                               |                       |
| At 1 January 2015<br>and 31 December 2015 | <b><u>387,686</u></b> |
| <b>AMORTISATION</b>                       |                       |
| At 1 January 2015                         | <b>310,144</b>        |
| Amortisation for year                     | <b><u>19,385</u></b>  |
| At 31 December 2015                       | <b><u>329,529</u></b> |
| <b>NET BOOK VALUE</b>                     |                       |
| At 31 December 2015                       | <b><u>58,157</u></b>  |
| At 31 December 2014                       | <b><u>77,542</u></b>  |

**Kennedy Travel (Yorkshire) Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2015**

**8. TANGIBLE FIXED ASSETS**

|                        | <b>Freehold<br/>property<br/>£</b> | <b>Short<br/>leasehold<br/>£</b> | <b>Fixtures<br/>and<br/>fittings<br/>£</b> | <b>Motor<br/>vehicles<br/>£</b> | <b>Totals<br/>£</b> |
|------------------------|------------------------------------|----------------------------------|--------------------------------------------|---------------------------------|---------------------|
| <b>COST</b>            |                                    |                                  |                                            |                                 |                     |
| At 1 January 2015      | 1,287,101                          | 139,552                          | 1,235,182                                  | 61,780                          | 2,723,615           |
| Additions              | -                                  | -                                | 977                                        | -                               | 977                 |
| Disposals              | -                                  | -                                | (323)                                      | -                               | (323)               |
| At 31 December 2015    | <u>1,287,101</u>                   | <u>139,552</u>                   | <u>1,235,836</u>                           | <u>61,780</u>                   | <u>2,724,269</u>    |
| <b>DEPRECIATION</b>    |                                    |                                  |                                            |                                 |                     |
| At 1 January 2015      | 411,248                            | 95,339                           | 1,098,527                                  | 49,353                          | 1,654,467           |
| Charge for year        | 25,742                             | 5,572                            | 28,288                                     | 3,107                           | 62,709              |
| Eliminated on disposal | -                                  | -                                | (55)                                       | -                               | (55)                |
| At 31 December 2015    | <u>436,990</u>                     | <u>100,911</u>                   | <u>1,126,760</u>                           | <u>52,460</u>                   | <u>1,717,121</u>    |
| <b>NET BOOK VALUE</b>  |                                    |                                  |                                            |                                 |                     |
| At 31 December 2015    | <u>850,111</u>                     | <u>38,641</u>                    | <u>109,076</u>                             | <u>9,320</u>                    | <u>1,007,148</u>    |
| At 31 December 2014    | <u>875,853</u>                     | <u>44,213</u>                    | <u>136,655</u>                             | <u>12,427</u>                   | <u>1,069,148</u>    |

**9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                | <b>2015<br/>£</b> | <b>2014<br/>£</b> |
|--------------------------------|-------------------|-------------------|
| Trade debtors                  | 370,769           | 291,305           |
| Other debtors                  | 130,333           | 130,333           |
| VAT                            | 48,512            | 171,810           |
| Prepayments and accrued income | <u>279,968</u>    | <u>298,238</u>    |
|                                | <u>829,582</u>    | <u>891,686</u>    |

**10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

|                                         | <b>2015<br/>£</b> | <b>2014<br/>£</b> |
|-----------------------------------------|-------------------|-------------------|
| Bank loans and overdrafts (see note 11) | 48,229            | 252,266           |
| Trade creditors                         | 1,773,726         | 2,048,457         |
| Corporation tax                         | 119,038           | 146,623           |
| Social security and other taxes         | 30,827            | 30,383            |
| Accruals and deferred income            | <u>111,802</u>    | <u>195,451</u>    |
|                                         | <u>2,083,622</u>  | <u>2,673,180</u>  |

**11. LOANS**

An analysis of the maturity of loans is given below:

|                                                   | <b>2015<br/>£</b> | <b>2014<br/>£</b> |
|---------------------------------------------------|-------------------|-------------------|
| Amounts falling due within one year or on demand: |                   |                   |
| Bank overdrafts                                   | <u>48,229</u>     | <u>252,266</u>    |

# Kennedy Travel (Yorkshire) Limited

## Notes to the Financial Statements - continued for the Year Ended 31 December 2015

### 12. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

|                            | 2015             | 2014             |
|----------------------------|------------------|------------------|
|                            | £                | £                |
| Within one year            | 257,373          | 253,019          |
| Between one and five years | 841,702          | 962,840          |
| In more than five years    | 320,200          | 442,800          |
|                            | <u>1,419,275</u> | <u>1,658,659</u> |

### 13. PROVISIONS FOR LIABILITIES

|                                                         | 2015          | 2014           |
|---------------------------------------------------------|---------------|----------------|
|                                                         | £             | £              |
| Deferred tax                                            |               |                |
| Accelerated capital allowances                          | <u>21,100</u> | <u>27,621</u>  |
|                                                         |               | Deferred tax   |
|                                                         |               | £              |
| Balance at 1 January 2015                               |               | 27,621         |
| Credit to Statement of Comprehensive Income during year |               | <u>(6,521)</u> |
| Balance at 31 December 2015                             |               | <u>21,100</u>  |

### 14. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

| Number: | Class:     | Nominal value: | 2015           | 2014           |
|---------|------------|----------------|----------------|----------------|
|         |            |                | £              | £              |
| 74,000  | Ordinary A | £1             | 74,000         | 74,000         |
| 10,000  | Ordinary B | £1             | 10,000         | 10,000         |
| 10,000  | Ordinary C | £1             | 10,000         | 10,000         |
| 6,000   | Ordinary D | £1             | 6,000          | 6,000          |
|         |            |                | <u>100,000</u> | <u>100,000</u> |

### 15. RESERVES

|                     | Retained earnings |
|---------------------|-------------------|
|                     | £                 |
| At 1 January 2015   | 1,169,114         |
| Profit for the year | 401,209           |
| Dividends           | <u>(518,968)</u>  |
| At 31 December 2015 | <u>1,051,355</u>  |

The following reserves are included in the financial statements:

#### Profit and loss account

This reserve records retained earnings and accumulated losses.

**Kennedy Travel (Yorkshire) Limited**

**Notes to the Financial Statements - continued  
for the Year Ended 31 December 2015**

**16. PENSION COMMITMENTS**

During the year, £80,789 (2014: £123,901) has been recognised in the profit and loss account as an expense for defined contribution pension plans.

**17. RELATED PARTY DISCLOSURES**

During the year, total dividends of £518,968 (2014 - £598,968) were paid to the directors.

Key management personnel compensation during the year was £98,099 (2014: £170,939).

**18. ULTIMATE CONTROLLING PARTY**

The controlling party is Mrs C Button.

**19. FIRST YEAR ADOPTION**

The company has adopted FRS 102 for the year ended 31 December 2015. There are no alterations to the valuation techniques of any assets or liabilities and so no transition adjustments have been made.

**Kennedy Travel (Yorkshire) Limited**

**Reconciliation of Equity  
1 January 2014  
(Date of Transition to FRS 102)**

|                                                  | Notes | UK<br>GAAP<br>£         | Effect of<br>transition<br>to FRS 102<br>£ | FRS 102<br>£            |
|--------------------------------------------------|-------|-------------------------|--------------------------------------------|-------------------------|
| <b>FIXED ASSETS</b>                              |       |                         |                                            |                         |
| Intangible assets                                |       | 96,927                  | -                                          | 96,927                  |
| Tangible assets                                  |       | <u>1,138,215</u>        | <u>-</u>                                   | <u>1,138,215</u>        |
|                                                  |       | <u>1,235,142</u>        | <u>-</u>                                   | <u>1,235,142</u>        |
| <b>CURRENT ASSETS</b>                            |       |                         |                                            |                         |
| Debtors                                          |       | 967,448                 | -                                          | 967,448                 |
| Cash at bank and in hand                         |       | <u>1,381,339</u>        | <u>-</u>                                   | <u>1,381,339</u>        |
|                                                  |       | <u>2,348,787</u>        | <u>-</u>                                   | <u>2,348,787</u>        |
| <b>CREDITORS</b>                                 |       |                         |                                            |                         |
| Amounts falling due within one year              |       | <u>(2,155,675)</u>      | <u>-</u>                                   | <u>(2,155,675)</u>      |
| <b>NET CURRENT ASSETS</b>                        |       | <u>193,112</u>          | <u>-</u>                                   | <u>193,112</u>          |
| <b>TOTAL ASSETS LESS CURRENT<br/>LIABILITIES</b> |       | 1,428,254               | -                                          | 1,428,254               |
| <b>PROVISIONS FOR LIABILITIES</b>                |       | <u>(32,915)</u>         | <u>-</u>                                   | <u>(32,915)</u>         |
| <b>NET ASSETS</b>                                |       | <u><u>1,395,339</u></u> | <u><u>-</u></u>                            | <u><u>1,395,339</u></u> |
| <b>CAPITAL AND RESERVES</b>                      |       |                         |                                            |                         |
| Called up share capital                          |       | 100,000                 | -                                          | 100,000                 |
| Retained earnings                                |       | <u>1,295,339</u>        | <u>-</u>                                   | <u>1,295,339</u>        |
| <b>SHAREHOLDERS' FUNDS</b>                       |       | <u><u>1,395,339</u></u> | <u><u>-</u></u>                            | <u><u>1,395,339</u></u> |

The notes form part of these financial statements

**Kennedy Travel (Yorkshire) Limited**

**Reconciliation of Equity - continued**  
**31 December 2014**

|                                              | Notes | UK<br>GAAP<br>£    | Effect of<br>transition<br>to FRS 102<br>£ | FRS 102<br>£       |
|----------------------------------------------|-------|--------------------|--------------------------------------------|--------------------|
| <b>FIXED ASSETS</b>                          |       |                    |                                            |                    |
| Intangible assets                            |       | 77,542             | -                                          | 77,542             |
| Tangible assets                              |       | <u>1,069,148</u>   | <u>-</u>                                   | <u>1,069,148</u>   |
|                                              |       | <u>1,146,690</u>   | <u>-</u>                                   | <u>1,146,690</u>   |
| <b>CURRENT ASSETS</b>                        |       |                    |                                            |                    |
| Debtors                                      |       | 891,686            | -                                          | 891,686            |
| Cash at bank and in hand                     |       | <u>1,931,539</u>   | <u>-</u>                                   | <u>1,931,539</u>   |
|                                              |       | <u>2,823,225</u>   | <u>-</u>                                   | <u>2,823,225</u>   |
| <b>CREDITORS</b>                             |       |                    |                                            |                    |
| Amounts falling due within one year          |       | <u>(2,673,180)</u> | <u>-</u>                                   | <u>(2,673,180)</u> |
| <b>NET CURRENT ASSETS</b>                    |       | <u>150,045</u>     | <u>-</u>                                   | <u>150,045</u>     |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       | 1,296,735          | -                                          | 1,296,735          |
| <b>PROVISIONS FOR LIABILITIES</b>            |       | <u>(27,621)</u>    | <u>-</u>                                   | <u>(27,621)</u>    |
| <b>NET ASSETS</b>                            |       | <u>1,269,114</u>   | <u>-</u>                                   | <u>1,269,114</u>   |
| <b>CAPITAL AND RESERVES</b>                  |       |                    |                                            |                    |
| Called up share capital                      |       | 100,000            | -                                          | 100,000            |
| Retained earnings                            |       | <u>1,169,114</u>   | <u>-</u>                                   | <u>1,169,114</u>   |
| <b>SHAREHOLDERS' FUNDS</b>                   |       | <u>1,269,114</u>   | <u>-</u>                                   | <u>1,269,114</u>   |

**Notes to the reconciliation of equity**  
There are no transition adjustments.

The notes form part of these financial statements

**Kennedy Travel (Yorkshire) Limited**

**Reconciliation of Profit  
for the Year Ended 31 December 2014**

|                                                          | <b>UK<br/>GAAP<br/>£</b> | <b>Effect of<br/>transition<br/>to FRS 102<br/>£</b> | <b>FRS 102<br/>£</b>  |
|----------------------------------------------------------|--------------------------|------------------------------------------------------|-----------------------|
| <b>TURNOVER</b>                                          | 21,225,239               | -                                                    | 21,225,239            |
| Cost of sales                                            | <u>(17,951,419)</u>      | <u>-</u>                                             | <u>(17,951,419)</u>   |
| <b>GROSS PROFIT</b>                                      | 3,273,820                | -                                                    | 3,273,820             |
| Distribution costs                                       | (326,940)                | -                                                    | (326,940)             |
| Administrative expenses                                  | <u>(2,350,499)</u>       | <u>-</u>                                             | <u>(2,350,499)</u>    |
| <b>OPERATING PROFIT</b>                                  | 596,381                  | -                                                    | 596,381               |
| Interest receivable and similar income                   | <u>17,691</u>            | <u>-</u>                                             | <u>17,691</u>         |
| <b>PROFIT ON ORDINARY ACTIVITIES<br/>BEFORE TAXATION</b> | 614,072                  | -                                                    | 614,072               |
| Tax on profit on ordinary activities                     | <u>(141,329)</u>         | <u>-</u>                                             | <u>(141,329)</u>      |
| <b>PROFIT FOR THE FINANCIAL YEAR</b>                     | <u><u>472,743</u></u>    | <u><u>-</u></u>                                      | <u><u>472,743</u></u> |

**Notes to the reconciliation of profit or loss**  
There are no transition adjustments.

The notes form part of these financial statements