

Co Hg.

(COMPANY NUMBER: 1732607) → T9

ETON TRAVEL AGENCY LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 SEPTEMBER 2007

THURSDAY



A32

A2BR2W1D

03/01/2008

144

COMPANIES HOUSE

**ETON TRAVEL AGENCY LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2007**

CONTENTS	PAGE NUMBER
Company Information	1
Directors' Report	2 - 3
Statement of Directors' Responsibilities	4
Independent Auditors' Report	5 - 6
Profit and Loss Account	7
Historical Cost Profit Statement	8
Balance Sheet	9
Cash Flow Statement	10
Notes to the Financial Statements	11 - 20

ETON TRAVEL AGENCY LIMITED
COMPANY INFORMATION

DIRECTORS	K J Thompson M A Boone C K Klinker
SECRETARY	L A Butler
COMPANY NUMBER	1732607
REGISTERED OFFICE	104 High Street Eton Windsor Berkshire SL4 6AF
AUDITORS	Horwath Clark Whitehill LLP Aquis House 49-51 Blagrove Street Reading Berkshire RG1 1PL

ETON TRAVEL AGENCY LIMITED

DIRECTORS' REPORT

The directors present their report and financial statements for the year ended 30 September 2007

PRINCIPAL ACTIVITY

The principal activities of the company continued to be that of business travel management, together with a groups and conference division and leisure travel. Our market and clients come mainly from the pharmaceutical and IT sectors, however, we do service the travel requirements of all industry sectors.

RESULTS AND DIVIDENDS

The financial highlights for the year were

- Revenue growth of 4.9% to £32.3m (2006: £30.8m)
- Operating profit of £231,855 (2006: £170,357)
- Net cash flow from operating activities was £495,673 (2006: £297,483)
- Closing positive cash balance of £932,611 (2006: £715,830)
- Dividend paid of £110,000 (2006: £55,000)

£41,252 of the dividend payment was made to Eton Travel Holdings Ltd, for the buy back of its own shares, these being 20,626 £1 'B' ordinary shares.

The final dividend payment of £68,748 was made to Eton Travel Holdings Ltd and used by them to commence repayment of the amounts owed to group undertakings.

The freehold land and buildings at Eton, which had been professionally revalued during 2005, on an existing use basis at £1.325m, approximately £410k above the figure disclosed in the financial statements.

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

Our strategy of promoting and marketing all divisions of the company continues to provide a solid base for opportunities from both new and existing customers across all divisions of our business.

For the financial year, the breakdown of revenues per division, together with the performance against the previous year is summarised below -

Division	% Total Revenue	Increase (Decrease) Previous Year
Business Travel Management	64%	3.2%
Groups and Conference	25%	10.7%
Leisure	11%	(1.0)%

The Directors view the start of the current financial year to 30 September 2008, with caution, however, with new business won and due to commence trading in the first quarter of 2008, the prospects for the remainder of the financial year look brighter.

The potential risks identified as relevant to our business come from two major areas, these being -

- 1) The impact of direct bookings via the internet with most households and business having access to the internet. Therefore, surfing the web for cheaper holidays and airfares is now always a threat.
- 2) Terrorism these days is always a threat to our business and in the event of a future attack against western targets this would have a major effect across all divisions of our company.

ETON TRAVEL AGENCY LIMITED
DIRECTORS' REPORT (CONTINUED)

CHARITABLE DONATIONS

During the year the company made donations totalling £1,670 (2006 £1,885)

DIRECTORS' AND THEIR INTERESTS

The directors during the year were

K J Thompson
M A Boone
C K Klinker

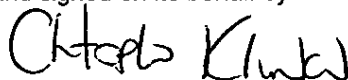
All of the directors have an indirect interest in Eton Travel Agency Limited through the holding company, Eton Travel Holdings Limited, as shown in the accounts of that company

No right to subscribe for shares in, or debentures of, the entity was granted to, or exercised by, any of the directors during the year

AUDITORS

Horwath Clark Whitehill LLP have expressed their willingness to continue in office as auditors and a resolution proposing their reappointment will be submitted to the forthcoming Annual General Meeting

Approved by the Board on 19th December 2007
and signed on its behalf by



C K KLINKER
DIRECTOR

ETON TRAVEL AGENCY LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

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

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to assume 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 or other irregularities

So far as each of the directors is aware at the time the report is approved

- there is no relevant audit information of which the company's auditors are unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

INDEPENDENT AUDITORS REPORT TO THE SHAREHOLDERS OF ETON TRAVEL AGENCY LIMITED

We have audited the financial statements of Eton Travel Agency Limited for the year ended 30 September 2007 which comprise of Profit and Loss Account, Historical Cost Profit Statement, Balance Sheet, Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's shareholders, as a body, in accordance with Section 235 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 opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, the financial statements are properly prepared in accordance with the Companies Act 1985 and the information given in the directors' report is consistent with the financial statements. We also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Annual report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

**INDEPENDENT AUDITORS REPORT
TO THE SHAREHOLDERS OF ETON TRAVEL AGENCY LIMITED (CONTINUED)**

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of the information in the financial statements.

UNQUALIFIED OPINION

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 30 September 2007 and of the profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information provided in the directors' report is consistent with the financial statements

Horwath Clark Whitehill LLP

HORWATH CLARK WHITEHILL LLP
Chartered Accountants and
Registered Auditors

Aquis House
49-51 Blagrove Street
Reading
Berkshire
RG1 1PL

20 December 2007

ETON TRAVEL AGENCY LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2007

	Note	2007 £	2006 £
GROSS SALES	2	<u>32,315,729</u>	<u>30,806,355</u>
Turnover		5,509,912	4,997,617
Cost of sales		<u>(2,667,935)</u>	<u>(2,374,750)</u>
GROSS PROFIT		2,841,977	2,622,867
Distribution costs		(66,735)	(76,557)
Administrative expenses		<u>(2,543,387)</u>	<u>(2,375,953)</u>
OPERATING PROFIT	3	231,855	170,357
Other interest receivable and similar income		16,449	7,983
Interest payable and similar charges	6	<u>(34,184)</u>	<u>(52,671)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		214,120	125,669
Tax on profit on ordinary activities	7	<u>(49,937)</u>	<u>(25,257)</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		<u>164,183</u>	<u>100,412</u>

The profit and loss account contains all the gains and losses recognised in the year and represents the only movement in shareholders' funds. All operations are continuing.

The notes on pages 11 to 20 form part of these financial statements

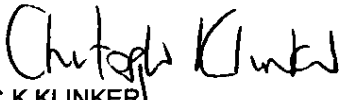
ETON TRAVEL AGENCY LIMITED
HISTORICAL COST PROFIT STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2007

	2007 £	2006 £
REPORTED PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	214,120	125,669
Difference between the historical cost depreciation charge and the actual depreciation charge of the year calculated on the revalued amount	<u>2,440</u>	<u>2,440</u>
HISTORICAL COST PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	<u>£ 216,560</u>	<u>£ 128,109</u>
HISTORICAL COST PROFIT FOR THE YEAR RETAINED AFTER TAXATION	<u>£ 166,623</u>	<u>£ 102,852</u>

ETON TRAVEL AGENCY LIMITED
BALANCE SHEET
30 SEPTEMBER 2007

	Notes	2007 £	2006 £
FIXED ASSETS			
Tangible assets	8	1,054,926	1,109,875
Investments	9	<u>164,144</u>	<u>156,169</u>
		1,219,070	1,266,044
CURRENT ASSETS			
Stocks	10	7,500	7,990
Debtors	11	2,195,330	2,804,219
Investments	12	3,098	3,098
Cash at bank and in hand		<u>932,611</u>	<u>715,830</u>
		3,138,539	3,531,137
CREDITORS. Amounts falling due within one year	13	<u>(2,125,101)</u>	<u>(2,552,014)</u>
NET CURRENT ASSETS		<u>1,013,438</u>	<u>979,123</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,232,508	2,245,167
CREDITORS. Amounts falling due after more than one year	14	<u>(914,174)</u>	<u>(981,016)</u>
NET ASSETS		<u>£ 1,318,334</u>	<u>£ 1,264,151</u>
CAPITAL AND RESERVES			
Called up share capital	16	198,000	198,000
Revaluation reserve	17	98,030	100,470
Profit and loss account	17	<u>1,022,304</u>	<u>965,681</u>
SHAREHOLDERS' FUNDS (EQUITY)	19	<u>£ 1,318,334</u>	<u>£ 1,264,151</u>

The financial statements were approved and authorised for issue by the board on 19th December 2007 and signed on its behalf by


C K KLINKER
DIRECTOR


K J THOMPSON
DIRECTOR

ETON TRAVEL AGENCY LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2007

	Notes	£	2007 £	2006 £
CASH FLOW STATEMENT				
Net cash inflow from operating activities	23		489,895	297,483
Returns on investments and servicing of finance				
Interest received		16,449		7,983
Interest paid		(34,184)		(52,671)
Net cash outflow for returns on investments and servicing of finance			(17,735)	(44,688)
Taxation				
Corporation tax paid		(24,858)		(33,257)
			(24,858)	(33,257)
Capital expenditure and financial investment				
Proceeds from sale of tangible fixed assets		8,832		6,800
Payments to acquire tangible fixed assets		(18,169)		(60,095)
Payments to acquire investments		(7,975)		(7,974)
Net cash outflow for capital expenditure			(17,312)	(61,269)
Equity dividends paid				
Dividends paid			(110,000)	(55,000)
Net cash inflow/(outflow) before management of liquid resources and financing			319,990	103,269
FINANCING				
Repayment of bank loans		(56,460)		(857,800)
New bank loans		-		1,015,611
Capital element of hire purchase contracts		(46,757)		(55,692)
Net cash inflow/(outflow) from financing			(103,217)	102,119
INCREASE IN CASH IN THE YEAR	25		£ 216,773	£ 205,388

The notes on pages 11 to 20 form part of these financial statements

ETON TRAVEL AGENCY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2007

1 ACCOUNTING POLICIES

a) Basis of accounting

The financial statements have been prepared under the historical cost convention as modified by the revaluation of Freehold Land and Buildings and in accordance with applicable accounting standards

b) Turnover

Turnover consists of the margin in air tickets, hotel reservations and other travel services. Service fees charged to customers are also included within turnover.

Gross sales represent the gross income in respect of travel arrangements made for customers during the period and are disclosed on the profit and loss account as it reflects the gross cash flows of the company.

c) Depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land.

Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost or valuation of those assets less estimated residual value of each asset over their expected useful life, as follows:

Freehold buildings	Straight line over fifty years
Fixtures, fittings and equipment	Straight line over 5 – 7 years
Motor vehicles	Straight line over 4 years

d) Leased assets

Where the company has entered into finance leases, the obligations to the lessor are shown as part of borrowings and the rights in the corresponding assets are treated in the same way as owned fixed assets. Leases are regarded as finance leases where their terms transfer to the lessee substantially all the benefits and burdens of ownership other than the right to legal title.

Rentals payable under operating leases are charged to the profit and loss account in a straight line over the period of the lease.

e) Investments

Fixed asset investments comprise contributions to an endowment fund and are stated at cost.

Current asset investments are stated at the lower of cost and net realisable value.

f) Stock

Stock is valued at the lower of cost and net realisable value.

ETON TRAVEL AGENCY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2007

1 ACCOUNTING POLICIES (continued)

g) Pensions

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

h) 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 will result in an obligation to pay more, or a right to pay less tax, with the following exceptions -

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 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 substantially enacted at the balance sheet date

2 GROSS SALES

The turnover and profit before tax is wholly attributable to the company's sole activity, which is carried out entirely in the United Kingdom

3. OPERATING PROFIT

	2007 £	2006 £
Operating profit is stated after charging		
Depreciation of tangible assets - on owned assets	49,528	36,168
- on leased assets	28,100	37,688
Operating lease rentals - plant and machinery	9,189	9,189
- land and buildings	30,000	29,063
Auditors' remuneration - audit	12,600	12,000
- other services	<u>4,745</u>	<u>2,196</u>

4 EMPLOYMENT COSTS

The average monthly number of employees (including directors) during the year was -

	2007 No	2006 No
Directors	3	3
Administration	14	14
Travel operatives	61	51
Drivers and cleaner	<u>3</u>	<u>3</u>
	<u>81</u>	<u>71</u>

ETON TRAVEL AGENCY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2007

4 EMPLOYMENT COSTS (continued)

	£	£
Wages and salaries	1,803,104	1,642,484
Social security costs	175,053	170,777
Other pension costs	<u>20,490</u>	<u>19,039</u>
	<u>£ 1,998,647</u>	<u>£ 1,832,300</u>

5 DIRECTORS EMOLUMENTS

	2007 £	2006 £
Emoluments for qualifying services	238,069	256,812
Company pension contributions to money purchase schemes	<u>3,679</u>	<u>3,432</u>
	<u>£ 241,748</u>	<u>£ 260,244</u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 3 (2006 3)

In respect of the highest paid director his aggregate remuneration totalled £98,595 (2006 £104,224) and company pension contributions to the money purchase scheme amounted to £794 (2006 £741)

6 INTEREST PAYABLE

	2007 £	2006 £
Bank and commercial loans	29,377	45,702
Hire purchase contracts	<u>4,807</u>	<u>6,969</u>
	<u>£ 34,184</u>	<u>£ 52,671</u>

7 TAX ON PROFIT ON ORDINARY ACTIVITIES

a) The taxation charge comprises -

	2007 £	2006 £
Current tax		
UK corporation tax at 19.5% (2006 19%)	51,579	26,500
Overprovision from previous years	<u>(1,642)</u>	<u>(1,243)</u>
Total current tax (note 8b)	<u>£ 49,937</u>	<u>£ 25,257</u>

ETON TRAVEL AGENCY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2007

7 TAX ON PROFIT ON ORDINARY ACTIVITIES (continued)

b) Reconciliation of current tax charge

Profit on ordinary activities before tax	<u>£ 214,120</u>	<u>£ 125,669</u>
Profit on ordinary activities multiplied by marginal rate of corporation tax in the UK of 19.5% (2006 19%)	41,753	23,878
Effects of		
Expenses not deductible for tax purposes	1,711	503
Depreciation on non-qualifying assets	4,394	3,028
Capital allowances in excess of depreciation	2,076	(964)
Over provision in prior years	(1,642)	(1,243)
Other	<u>1,645</u>	<u>55</u>
	<u>£ 49,937</u>	<u>£ 25,257</u>

8. TANGIBLE FIXED ASSETS

	Freehold land & buildings £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
COST OR VALUATION				
At 1 October 2006	1,221,872	584,009	116,677	1,922,558
Additions	-	16,276	16,788	33,064
Disposals	-	-	(23,737)	(23,737)
At 30 September 2007	<u>1,221,872</u>	<u>600,285</u>	<u>109,728</u>	<u>1,931,885</u>
DEPRECIATION				
At 1 October 2006	290,451	462,557	59,675	812,683
Charge for the year	15,937	33,591	28,100	77,628
Disposals	-	-	(13,352)	(13,352)
At 30 September 2007	<u>306,388</u>	<u>496,148</u>	<u>74,423</u>	<u>876,959</u>
NET BOOK VALUES				
At 30 September 2007	<u>£ 915,484</u>	<u>£ 104,137</u>	<u>£ 35,305</u>	<u>£1,054,926</u>
At 30 September 2006	<u>£ 931,421</u>	<u>£ 121,452</u>	<u>£ 57,002</u>	<u>£1,109,875</u>

ETON TRAVEL AGENCY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2007

8. TANGIBLE FIXED ASSETS (Continued)

Comparable historical cost for the land and buildings included at valuation

	£
COST	
At 1 October 2006 and 30 September 2007	<u>1,074,872</u>
DEPRECIATION BASED ON COST	
At 1 October 2006	245,921
Charge for the year	<u>13,497</u>
At 30 September 2007	<u>259,418</u>
NET BOOK VALUES	
At 30 September 2007	<u>£ 815,454</u>
At 30 September 2006	<u>£ 828,951</u>

A professional valuation of the land and buildings was carried out on the 31 May 2001 on an existing use basis as included in the accounts. A new valuation was carried out during 2005 on an existing use basis of £1,325,000. As allowed by FRS15, this increase in the value of the company's freehold land and buildings has not been reflected in the company's accounts.

Included above are assets held under finance leases or hire purchase contracts as follows -

	Motor vehicles £	Total £
NET BOOK VALUES		
At 30 September 2007	<u>£ 35,305</u>	<u>£ 35,305</u>
DEPRECIATION CHARGE FOR THE YEAR		
At 30 September 2007	<u>£ 28,100</u>	<u>£ 28,100</u>

9. FIXED ASSET INVESTMENTS

	Unlisted investments £
COST	
At 1 October 2006	156,169
Additions	<u>7,975</u>
At 30 September 2007	<u>£ 164,144</u>

The market value of investments at 30 September 2007 is £257,562 (2006 £205,719)

ETON TRAVEL AGENCY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2007

10 STOCKS

	2007 £	2006 £
Finished goods and goods for resale	<u>£ 7,500</u>	<u>£ 7,990</u>

11 DEBTORS

	2007 £	2006 £
Trade debtors	1,706,467	2,155,833
Amounts owed by parent company	321,629	390,167
Other debtors	137,576	218,439
Prepayments and accrued income	<u>29,658</u>	<u>39,780</u>
	<u>£ 2,195,330</u>	<u>£ 2,804,219</u>

12 CURRENT ASSET INVESTMENTS

	2007 £	2006 £
Listed investments	598	598
Unlisted investments	<u>2,500</u>	<u>2,500</u>
	<u>£ 3,098</u>	<u>£ 3,098</u>

13. CREDITORS: Amounts falling due within one year

	2007 £	2006 £
Bank loans	55,661	56,485
Net obligations under hire purchase contracts	20,105	40,753
Trade creditors	1,831,547	2,264,298
Corporation tax	51,579	26,500
Other taxes and social security costs	61,641	63,625
Other creditors	88,683	84,927
Accruals and deferred income	<u>15,885</u>	<u>15,426</u>
	<u>£ 2,125,101</u>	<u>£ 2,552,014</u>

14 CREDITORS. Amounts falling due after more than one year

	2007 £	2006 £
Bank loans	903,523	959,151
Net obligations under hire purchase contracts	<u>10,651</u>	<u>21,865</u>
	<u>£ 914,174</u>	<u>£ 981,016</u>

ETON TRAVEL AGENCY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2006

14. CREDITORS Amounts falling due after more than one year (Continued)

LOAN MATURITY ANALYSIS

Bank loans falling due in more than 1 year are repayable thus -

	2007 £	2006 £
In more than one year but less than two years	53,523	56,733
In more than two years but less than five years	150,000	152,418
In more than five years	<u>700,000</u>	<u>750,000</u>
	<u>£ 903,523</u>	<u>£ 959,151</u>

Bank loans are made up of -

- A revolving loan, accruing interest at 1.75% over the base rate, with a base rate swap capped at 5.95% until 31 December 2015, and repayable by annual instalments of £50,000,
- A business loan accruing interest at 1.75% over the base rate, with a base rate swap capped at 5.95% until 31 December 2015 and repayable by one bullet instalment

All bank loans are subject to a fixed and floating charge over the assets of the company

NET OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS

	2007 £	2006 £
Repayable within one year	22,601	45,875
Repayable between one and five years	<u>11,936</u>	<u>24,228</u>
	34,537	70,103
Finance charges and interest allocated to future accounting years	<u>(3,781)</u>	<u>(7,486)</u>
	30,756	62,617
Included liabilities falling due within one year	(20,105)	(40,752)
Included liabilities falling due between one and five years	<u>(10,651)</u>	<u>(21,865)</u>
	<u>£ -</u>	<u>£ -</u>

ETON TRAVEL AGENCY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2007

15. PENSION COSTS

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £20,490 (2006 £19,039)

16. SHARE CAPITAL

	2007 £	2006 £
Authorised		
500,000 ordinary shares of £1 each	<u>£ 500,000</u>	<u>£ 500,000</u>
Allotted, called up and fully paid:		
198,000 ordinary shares of £1 each	<u>£ 198,000</u>	<u>£ 198,000</u>

17. STATEMENT OF MOVEMENTS ON RESERVES

	Profit and Loss Account £	Revaluation Reserve £	Total £
Balance at 1 October 2006	965,681	100,470	1,066,151
Retained profit for the year	164,183	-	164,183
Dividends	(110,000)	-	(110,000)
Transfer from revaluation reserve to profit and loss account	<u>2,440</u>	<u>(2,440)</u>	<u>-</u>
Balance at 30 September 2007	<u>£ 1,022,304</u>	<u>£ 98,030</u>	<u>£ 1,120,334</u>

18. DIVIDENDS

	2007 £	2006 £
Interim	41,252	55,000
Final	<u>68,748</u>	<u>-</u>
	<u>£ 110,000</u>	<u>£ 55,000</u>

19. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2007 £	2006 £
Profit for the financial year	164,183	100,412
Dividends	<u>(110,000)</u>	<u>(55,000)</u>
	54,183	45,412
Opening shareholders' funds	<u>1,264,151</u>	<u>1,218,739</u>
CLOSING SHAREHOLDERS' FUNDS	<u>£ 1,318,334</u>	<u>£ 1,264,151</u>

ETON TRAVEL AGENCY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2007

20 CONTINGENT LIABILITIES

The long term investment endowment policy is valued at the cost of the premiums paid, on the assumption that the premiums will continue to be paid in accordance with the terms of the policy. Should the policy be surrendered before the maturity date, the surrender value may be less than the cost of the premiums paid. No provision has been made in the financial statements for any loss which could arise from early surrender of the policy as the directors consider that all future premiums will be paid as they fall due.

The company is subject to a cross guarantee with Eton Travel Holdings Limited in respect of all borrowings with Lloyds TSB.

21. FINANCIAL COMMITMENTS

At 30 September 2007 the company had annual commitments in respect of non-cancellable operating leases as follows:

	Land and buildings		Other	
	2007	2006	2007	2006
	£	£	£	£
Expiry date				
Within one year	-	-	1,670	-
Between one and five years	<u>30,000</u>	<u>30,000</u>	<u>7,981</u>	<u>11,327</u>
	<u>£ 30,000</u>	<u>£ 30,000</u>	<u>£ 9,651</u>	<u>£ 11,327</u>

22. ULTIMATE PARENT UNDERTAKING

Eton Travel Holdings Limited, a company incorporated in England and Wales, is regarded as the Ultimate parent undertaking.

Transactions with Eton Travel Holdings Limited have not been disclosed by virtue of the fact that the company's results are consolidated with group accounts produced by the parent.

23 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2007	2006
	£	£
Operating profit	231,855	170,357
Depreciation of tangible assets	77,628	73,856
Decrease/(increase) in stock	490	-
Decrease/(increase) in debtors	540,351	(336,433)
(Decrease)/increase in creditors within one year	(430,520)	388,135
Decrease/(increase) in amounts owed by group companies	68,538	(275)
Loss on disposal of fixed assets	<u>1,553</u>	<u>1,843</u>
Net cash inflow from operating activities	<u>£ 489,895</u>	<u>£ 297,483</u>

ETON TRAVEL AGENCY LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2007

24. ANALYSIS OF NET DEBT

	2006 £	Cash flow £	Non cash transactions £	2007 £
Cash at bank and in hand	715,830	216,781	-	932,611
Bank overdraft	<u>(25)</u>	<u>(8)</u>	<u>-</u>	<u>(33)</u>
	715,805	216,773	-	932,578
Liquid resources				
Short-term investments	<u>3,098</u>	<u>-</u>	<u>-</u>	<u>3,098</u>
Hire purchase agreements	(62,618)	46,757	(14,895)	(30,756)
Debts falling due within one year	(56,460)	56,460	(55,628)	(55,628)
Debts falling due after one year	<u>(959,151)</u>	<u>-</u>	<u>55,628</u>	<u>(903,523)</u>
	<u>(1,078,229)</u>	<u>103,217</u>	<u>(14,895)</u>	<u>(989,907)</u>
Net debt	<u>£ (359,326)</u>	<u>£ 319,990</u>	<u>£ (14,895)</u>	<u>£ (54,231)</u>

25. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2007 £	2006 £
Increase in cash in the year	216,773	205,388
Cash outflow/(inflow) from decrease/(increase) in debt and lease financing	<u>103,217</u>	<u>(102,119)</u>
Change in net debt resulting from cash flows	319,990	103,269
New hire purchase agreements	<u>(14,895)</u>	<u>(27,626)</u>
Movement in debt in the year	305,095	75,643
Opening net debt	<u>(359,326)</u>	<u>(434,969)</u>
Closing net debt	<u>£ (54,231)</u>	<u>£ (359,326)</u>