

Registered number: 01732607

ETON TRAVEL AGENCY LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2011

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ETON TRAVEL AGENCY LIMITED

COMPANY INFORMATION

DIRECTORS	K J Thompson M A Boone C K Klinker
COMPANY SECRETARY	K J Thompson
COMPANY NUMBER	01732607
REGISTERED OFFICE	104 High Street Eton Berkshire SL4 6AF SL4 6AF
AUDITOR	Crowe Clark Whitehill LLP Aquis House 49 - 51 Blagrove Street Reading Berkshire RG1 1PL

ETON TRAVEL AGENCY LIMITED

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ETON TRAVEL AGENCY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2011

The directors present their report and the financial statements for the year ended 30 September 2011

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Directors' report 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 judgments 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 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.

PRINCIPAL ACTIVITIES

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.

ETON TRAVEL AGENCY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2011

BUSINESS REVIEW

Trading for the year ended 30th September 2011, has been good, with our gross sales up by £8.8m or 29.57%. This has partly been achieved by our acquisition of Bagshot Travel on the 4th January 2011. We acquired their Corporate Travel Clients and 4 staff members and placed the business at our Wokingham office and their contribution to our gross sales for the period amounted to £4.7m or 15.87%.

The breakdown of gross sales per division for the financial year, together with the performance against the previous year is summarised below -

Division	Gross Sales	Increase Over Previous Year
Business Travel Management	73%	31.46%
Groups & Conference	17%	39.37%
Leisure	10%	4.71%

RISK MANAGEMENT

The potential risks identified as relevant to our business for the coming financial year are detailed below -

- 1) The impact of the internet and therefore the threat of our clients booking direct, for both our corporate and leisure clients
- 2) Terrorism continues to remain a threat to all aspects of our business

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £176,728 (2010 - £2,468)

The financial highlights for the year were

- Gross sales up by 29.57% to £38.5m (2010 £29.7m)
- Operating profit of £265,931 (2010 £53,420)
- Net cash flow from operating activities was £64,680 (2010 £270,464)
- Closing positive cash balance of £731,441 (2010 £1,044,819)

The freehold land and buildings at Eton, were professionally revalued during 2005, on an existing use basis at £1.325m, approximately £473k above the figure in the financial statements. The Directors consider that the value of the property is at least in line with the 2005 valuation.

ETON TRAVEL AGENCY LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2011**

DIRECTORS

The directors who served during the year were

K J Thompson
M A Boone
C K Klinker

POLITICAL AND CHARITABLE CONTRIBUTIONS

During the year the company made donations totalling £2,085 (2010 £2,025)

PROVISION OF INFORMATION TO AUDITOR

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information

AUDITOR

The auditor, Crowe Clark Whitehill LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

This report was approved by the board on 12th December 2011 and signed on its behalf

Christopher Klinker

C K Klinker
Director

ETON TRAVEL AGENCY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ETON TRAVEL AGENCY LIMITED

We have audited the financial statements of Eton Travel Agency Limited for the year ended 30 September 2011, set out on pages 6 to 24. 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).

This report is made solely to the company's shareholders, 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 shareholders those matters we are required to state to them in an 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 and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' responsibilities statement, 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 Directors' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

UNQUALIFIED 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 30 September 2011 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

ETON TRAVEL AGENCY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ETON TRAVEL AGENCY 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



Ian Dale (Senior statutory auditor)

for and on behalf of
Crowe Clark Whitehill LLP

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

Date 13 December 2011

ETON TRAVEL AGENCY LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2011**

	Note	2011 £	2010 £
GROSS SALES		38,567,686	29,764,251
TURNOVER	1,2	6,894,611	5,353,305
Cost of sales		(3,485,293)	(2,442,299)
GROSS PROFIT		3,409,318	2,911,006
Distribution costs		(43,475)	(54,580)
Administrative expenses		(3,099,912)	(2,803,006)
OPERATING PROFIT	3	265,931	53,420
Interest receivable and similar income		1,058	266
Interest payable and similar charges	6	(49,676)	(47,336)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		217,313	6,350
Tax on profit on ordinary activities	7	(40,585)	(3,882)
PROFIT FOR THE FINANCIAL YEAR	18	176,728	2,468

All amounts relate to continuing operations

There were no recognised gains and losses for 2011 or 2010 other than those included in the Profit and loss account

The notes on pages 10 to 24 form part of these financial statements

ETON TRAVEL AGENCY LIMITED

**NOTE OF HISTORICAL COST PROFITS AND LOSSES
FOR THE YEAR ENDED 30 SEPTEMBER 2011**

	2011 £	2010 £
REPORTED PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	217,313	6,350
Realisation of valuation gains of previous periods	2,440	2,440
HISTORICAL COST PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	219,753	8,790
HISTORICAL PROFIT FOR THE YEAR AFTER TAXATION	179,168	4,908

The notes on pages 10 to 24 form part of these financial statements

ETON TRAVEL AGENCY LIMITED
REGISTERED NUMBER: 01732607

BALANCE SHEET
AS AT 30 SEPTEMBER 2011

	Note	2011 £	2010 £
FIXED ASSETS			
Intangible assets	8	76,000	-
Tangible assets	9	1,053,142	1,032,948
Investments	10	-	188,029
		<u>1,129,142</u>	<u>1,220,977</u>
CURRENT ASSETS			
Stocks	11	-	7,195
Debtors	12	2,877,831	2,033,945
Investments	13	198,945	3,098
Cash at bank and in hand		731,441	1,044,819
		<u>3,808,217</u>	<u>3,089,057</u>
CREDITORS , amounts falling due within one year	14	<u>(2,959,651)</u>	<u>(2,154,442)</u>
NET CURRENT ASSETS		<u>848,566</u>	<u>934,615</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,977,708</u>	<u>2,155,592</u>
CREDITORS , amounts falling due after more than one year	15	<u>(571,657)</u>	<u>(762,640)</u>
NET ASSETS		<u><u>1,406,051</u></u>	<u><u>1,392,952</u></u>
CAPITAL AND RESERVES			
Called up share capital	17	198,000	198,000
Revaluation reserve	18	88,270	90,710
Profit and loss account	18	1,119,781	1,104,242
SHAREHOLDERS' FUNDS	19	<u><u>1,406,051</u></u>	<u><u>1,392,952</u></u>

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

12th December 2011

Christopher Klinker

C K Klinker
Director

K J Thompson
Director

The notes on pages 10 to 24 form part of these financial statements

ETON TRAVEL AGENCY LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2011**

	Note	2011 £	2010 £
Net cash flow from operating activities	21	64,680	270,464
Returns on investments and servicing of finance	22	(48,618)	(47,070)
Taxation		(6,085)	(882)
Capital expenditure and financial investment	22	(78,165)	(61,777)
Equity dividends paid		(163,629)	-
CASH (OUTFLOW)/INFLOW BEFORE FINANCING		(231,817)	160,735
Financing	22	(81,561)	(83,788)
(DECREASE)/INCREASE IN CASH IN THE YEAR		(313,378)	76,947

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
FOR THE YEAR ENDED 30 SEPTEMBER 2011**

	2011 £	2010 £
(Decrease)/Increase in cash in the year	(313,378)	76,947
Cash outflow from decrease in debt and lease financing	81,561	83,788
CHANGE IN NET DEBT RESULTING FROM CASH FLOWS	(231,817)	160,735
New finance lease	(57,445)	(18,555)
Other non-cash changes	195,844	-
MOVEMENT IN NET DEBT IN THE YEAR	(93,418)	142,180
Net funds at 1 October 2010	205,677	63,497
NET FUNDS AT 30 SEPTEMBER 2011	112,259	205,677

The notes on pages 10 to 24 form part of these financial statements

ETON TRAVEL AGENCY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2011

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. They continue to believe the going concern basis of accounting appropriate in preparing the annual financial statements

1.2 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts

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

1.3 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the Profit and loss account over its estimated economic life

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Freehold property	-	Straight line over 50 years
Leasehold improvements	-	Straight line over the term of the lease
Motor vehicles	-	Straight line over 4 years
Fixtures & fittings	-	Straight line over 5 to 7 years

1.5 Revaluation of tangible fixed assets

As permitted by the transitional provisions of FRS 15 Tangible Fixed Assets the company has elected not to adopt a policy of revaluation of tangible fixed assets. The company will retain the book value of land and buildings, previously revalued at 31 May 2001 and will not update that valuation

1.6 Investments

Investments held as fixed assets are shown at cost less provision for impairment

ETON TRAVEL AGENCY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2011

1 ACCOUNTING POLICIES (continued)

1.7 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.8 Operating leases

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

1.10 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

1.11 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements.

A net deferred tax asset is recognised only if it can be regarded as 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

ETON TRAVEL AGENCY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2011**

1. ACCOUNTING POLICIES (continued)

1 12 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction

Exchange gains and losses are recognised in the Profit and loss account

2. TURNOVER

All turnover arose within the United Kingdom

3. OPERATING PROFIT

The operating profit is stated after charging

	2011	2010
	£	£
Amortisation - intangible fixed assets	37,750	-
Depreciation of tangible fixed assets		
- owned by the company	57,129	59,584
- held under finance leases	25,635	25,837
Auditors' remuneration	15,150	14,550
Auditors' remuneration - non-audit	7,535	5,841
Operating lease rentals		
- plant, machinery and motor vehicles	-	2,355
- Land and buildings	45,897	39,585
Difference on foreign exchange	-	1,001

ETON TRAVEL AGENCY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2011**

4. EMPLOYMENT COSTS

Staff costs, including directors' remuneration, were as follows

	2011 £	2010 £
Wages and salaries	2,088,777	1,969,087
Social security costs	202,450	188,498
Other pension costs	16,579	15,466
	<u>2,307,806</u>	<u>2,173,051</u>

The average monthly number of employees, including the directors, during the year was as follows

	2011 No.	2010 No
Directors	3	3
Administration	14	14
Travel operatives	62	57
Drivers and cleaners	3	3
	<u>82</u>	<u>77</u>

ETON TRAVEL AGENCY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2011

5. DIRECTORS EMOLUMENTS

	2011 £	2010 £
Emoluments	<u>237,875</u>	<u>235,718</u>
Company pension contributions to defined contribution pension schemes	<u>3,811</u>	<u>3,795</u>

During the year retirement benefits were accruing to 3 directors (2010 - 3) in respect of defined contribution pension schemes

The highest paid director received remuneration of £100,813 (2010 - £97,831)

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £825 (2010 - £818)

6. INTEREST PAYABLE

	2011 £	2010 £
On bank loans and overdrafts	46,640	44,001
On finance leases and hire purchase contracts	3,036	3,335
	<u>49,676</u>	<u>47,336</u>

7. TAXATION

	2011 £	2010 £
Analysis of tax charge in the year		
UK corporation tax charge on profit for the year	39,500	5,000
Adjustments in respect of prior periods	1,085	(1,118)
	<u>40,585</u>	<u>3,882</u>
Tax on profit on ordinary activities		

ETON TRAVEL AGENCY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2011

7 TAXATION (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2010 - *lower than*) the standard rate of corporation tax in the UK of 20.5% (2010 - 21.0%). The differences are explained below

	2011 £	2010 £
Profit on ordinary activities before tax	217,313	6,350
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.5% (2010 - 21.0%)	44,549	1,334
Effects of		
Non-tax deductible amortisation of goodwill and impairment	1,016	2,801
Capital allowances for year in excess of/(less than) depreciation	(7,160)	(71)
Depreciation on non-qualifying assets	171	3,662
Other	924	(2,726)
Adjustments to tax charge in respect of prior periods	1,085	(1,118)
Current tax charge for the year (see note above)	40,585	3,882

Factors that may affect future tax charges

There were no factors that may affect future tax charges

ETON TRAVEL AGENCY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2011**

8 INTANGIBLE FIXED ASSETS

	Goodwill £
Cost	
At 1 October 2010	-
Additions	113,750
At 30 September 2011	113,750
Amortisation	
At 1 October 2010	-
Charge for the year	37,750
At 30 September 2011	37,750
Net book value	
At 30 September 2011	76,000
At 30 September 2010	-

Goodwill arose on the acquisition of the trade and assets of Bagshot Travel on 4 January 2011. It is being amortised over its estimated useful life of three years.

9. TANGIBLE FIXED ASSETS

	Freehold property £	S/Term Leasehold Property £	Motor vehicles £	Fixtures & fittings £
Cost or valuation				
At 1 October 2010	1,221,872	30,606	124,278	282,284
Additions	-	-	57,447	48,346
Disposals	-	-	(4,000)	-
At 30 September 2011	1,221,872	30,606	177,725	330,630
Depreciation				
At 1 October 2010	354,199	7,651	103,481	160,761
Charge for the year	15,937	7,651	9,632	49,544
On disposals	-	-	(1,165)	-
At 30 September 2011	370,136	15,302	111,948	210,305
Net book value				
At 30 September 2011	851,736	15,304	65,777	120,325
At 30 September 2010	867,673	22,955	20,797	121,523

ETON TRAVEL AGENCY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2011**

9. TANGIBLE FIXED ASSETS (continued)

	Total £
Cost or valuation	
At 1 October 2010	1,659,040
Additions	105,793
Disposals	(4,000)
At 30 September 2011	<u>1,760,833</u>
Depreciation	
At 1 October 2010	626,092
Charge for the year	82,764
On disposals	(1,165)
At 30 September 2011	<u>707,691</u>
Net book value	
At 30 September 2011	<u><u>1,053,142</u></u>
At 30 September 2010	<u><u>1,032,948</u></u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows

	2011 £	2010 £
Motor vehicles	65,528	16,714
Furniture, fittings and equipment	34,443	51,444
	<u><u>99,971</u></u>	<u><u>68,158</u></u>

The land and buildings were revalued on 31 May 2001 on an open market existing use basis

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

ETON TRAVEL AGENCY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2011**

9 TANGIBLE FIXED ASSETS (continued)

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows

	2011 £	2010 £
Cost	1,074,872	1,074,872
Accumulated depreciation	(313,406)	(299,909)
Net book value	<u>761,466</u>	<u>774,963</u>

10 FIXED ASSET INVESTMENTS

	Other fixed asset investments £
Cost or valuation	
At 1 October 2010	188,029
Additions	7,818
Transfer to current asset investments	(195,847)
At 30 September 2011	<u>-</u>

11 STOCKS

	2011 £	2010 £
Finished goods and goods for resale	<u>-</u>	<u>7,195</u>

12. DEBTORS

	2011 £	2010 £
Trade debtors	2,473,062	1,524,966
Amounts owed by group undertakings	100,000	263,629
Other debtors	272,151	200,504
Prepayments and accrued income	32,618	44,846
	<u>2,877,831</u>	<u>2,033,945</u>

ETON TRAVEL AGENCY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2011

13. CURRENT ASSET INVESTMENTS

	2011 £	2010 £
Listed investments	598	598
Unlisted investments	198,347	2,500
	<u>198,945</u>	<u>3,098</u>

Listed investments

The market value of the listed investments at 30 September 2011 was £2,290 (2010 - £1,293)

Unlisted investments

Included within unlisted investments is an endowment policy due to mature in March 2012. It is included at cost of £195,847 and was previously held as a fixed asset investment. The market value of the investment at 30 September 2011 is £265,111 (2010 £261,688).

This endowment policy will be used to repay the variable rate loan included within creditors due within one year, and which is also repayable in March 2012.

14. CREDITORS:
Amounts falling due within one year

	2011 £	2010 £
Bank loans and overdrafts	300,000	50,000
Net obligations under finance leases and hire purchase contracts	30,673	29,600
Trade creditors	2,414,917	1,943,912
Corporation tax	39,500	5,000
Social security and other taxes	58,474	60,004
Other creditors	19,259	12,552
Accruals and deferred income	96,828	53,374
	<u>2,959,651</u>	<u>2,154,442</u>

ETON TRAVEL AGENCY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2011

15. CREDITORS

Amounts falling due after more than one year

	2011 £	2010 £
Bank loans	450,000	750,000
Net obligations under finance leases and hire purchase contracts	37,452	12,640
Other creditors	84,205	-
	<u>571,657</u>	<u>762,640</u>

Included within the above are amounts falling due as follows

	2011 £	2010 £
Between one and two years		
Bank loans	<u>50,000</u>	<u>50,000</u>
Between two and five years		
Bank loans	<u>400,000</u>	<u>700,000</u>

Obligations under finance leases and hire purchase contracts, included above, are payable as follows

	2011 £	2010 £
Between one and five years	<u>37,452</u>	<u>12,640</u>

Bank loans are made up of -

A revolving variable rate loan accruing interest at 3% above base rate. The loan is repayable by annual instalments of £50,000, with the balance repayable on 31 December 2014,

A business variable rate loan which is repayable by one bullet instalment on 31 March 2012 upon the draw down of an endowment policy held by the company

There is also a related swap contract with the above loans with interest fixed at 5.95% until the 31 December 2015

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

ETON TRAVEL AGENCY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2011**

16. 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 £16,580 (2010 £15,465).

Contributions totalling £3,825 (2010 £Nil) were payable to the fund at the balance sheet date and are included in creditors.

17. SHARE CAPITAL

	2011 £	2010 £
Allotted, called up and fully paid		
198,000 Ordinary Shares shares of £1 each	<u>198,000</u>	<u>198,000</u>

18. RESERVES

	Revaluation reserve £	Profit and loss account £
At 1 October 2010	90,710	1,104,242
Profit for the year		176,728
Dividends Equity capital		(163,629)
Transfer	(2,440)	2,440
	<u>88,270</u>	<u>1,119,781</u>
At 30 September 2011		

19. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2011 £	2010 £
Opening shareholders' funds	1,392,952	1,390,484
Profit for the year	176,728	2,468
Dividends (Note 20)	(163,629)	-
	<u>1,406,051</u>	<u>1,392,952</u>
Closing shareholders' funds		

20. DIVIDENDS

	2011 £	2010 £
Dividends paid on equity capital	<u>163,629</u>	<u>-</u>

ETON TRAVEL AGENCY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2011**

21 NET CASH FLOW FROM OPERATING ACTIVITIES

	2011 £	2010 £
Operating profit	265,931	53,420
Amortisation of intangible fixed assets	37,750	-
Depreciation of tangible fixed assets	82,764	85,421
Loss on disposal of tangible fixed assets	834	-
Decrease in stocks	7,195	-
Increase in debtors	(1,007,517)	(129,717)
Decrease in amounts owed by group undertakings	163,629	-
Increase in creditors	514,094	261,340
Net cash inflow from operating activities	64,680	270,464

22. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2011 £	2010 £
Returns on investments and servicing of finance		
Interest received	1,058	266
Interest paid	(46,640)	(44,001)
Hire purchase interest	(3,036)	(3,335)
Net cash outflow from returns on investments and servicing of finance	(48,618)	(47,070)
	2011 £	2010 £
Capital expenditure and financial investment		
Purchase of intangible fixed assets	(24,001)	-
Purchase of tangible fixed assets	(48,347)	(53,841)
Sale of tangible fixed assets	2,001	-
Purchase of unlisted and other investments	(7,818)	(7,936)
Net cash outflow from capital expenditure	(78,165)	(61,777)
	2011 £	2010 £
Financing		
Repayment of loans	(50,000)	(50,000)
Repayment of finance leases	(31,561)	(33,788)
Net cash outflow from financing	(81,561)	(83,788)

ETON TRAVEL AGENCY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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23. ANALYSIS OF CHANGES IN NET DEBT

	1 October 2010 £	Cash flow £	Other non-cash changes £	30 September 2011 £
Cash at bank and in hand	1,044,819	(313,378)	-	731,441
Liquid resources.				
Current asset investments	3,098	-	195,847	198,945
Debt.				
Finance leases	(42,240)	31,561	(57,446)	(68,125)
Debts due within one year	(50,000)	50,000	(300,002)	(300,002)
Debts falling due after more than one year	(750,000)	-	300,000	(450,000)
Net funds	<u>205,677</u>	<u>(231,817)</u>	<u>138,399</u>	<u>112,259</u>

24. 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.

25. CAPITAL COMMITMENTS

At 30 September 2011 the company had capital commitments as follows

	2011 £	2010 £
Contracted for but not provided in these financial statements	<u>46,700</u>	<u>-</u>

ETON TRAVEL AGENCY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2011**

26. OPERATING LEASE COMMITMENTS

At 30 September 2011 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings		Other	
	2011	2010	2011	2010
	£	£	£	£
Expiry date:				
Within 1 year	12,500	-	-	-
Between 2 and 5 years	30,000	51,500	2,052	-

27. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

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

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