

ETON TRAVEL AGENCY LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2012



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
AUDITOR	Crowe Clark Whitehill LLP Aquis House 49 - 51 Blagrove Street Reading Berkshire RG1 1PL

ETON TRAVEL AGENCY LIMITED

CONTENTS

	Page
Directors' report	1 - 3
Independent auditor's report	4 - 5
Profit and loss account	6
Note of historical cost profits and losses	7
Balance sheet	8
Cash flow statement	9
Notes to the financial statements	10 - 23

ETON TRAVEL AGENCY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2012

The directors present their report and the financial statements for the year ended 30 September 2012

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 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.

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 2012

BUSINESS REVIEW

Trading for the year ended 30th September 2012 has been satisfactory, with our gross sales up by £0.5m, or 1.3%. Our Net profit before tax is up by £82,000 or 37.87% and the increase has arisen because of the gain of £98,000 shown in our accounts for our endowment policy which matured in March 2012.

We have made significant progress during the year with the implementation of the first part of our 'Standardisation Programme' with the installation of Travcom, our new front/back office accounting and management system installed on the 1st April 2012. This will improve our overall level of efficiency, productivity and quality of data.

We have also signed contracts with 7r OpenBook for their Management Reporting System and this is anticipated to be operational by the end of the 1st quarter of 2013.

DIVIDEND

A final dividend of £100,000 will be paid to Eton Travel Holdings Ltd, and this will be used to repay the Inter company loan.

RISK MANAGEMENT

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

- 1) A failure of our IT infrastructure, as it is critical that we have access to our data bases continually – this risk is mitigated by the fact that we are on the cloud. The cloud allows instant disaster recovery as we can access information from anywhere via the internet. The cloud also incorporates auto back up of data from the data centre's disaster recovery plan to other data sites. In addition the data belongs to Eton Travel, so any change of provider would be straight forward.
- 2) The Internet and the threat of our clients booking direct – we mitigate this risk by ensuring that we add value to the services offered. The web also allows us to access full content worldwide. We also have specialist agency tools to allow one entry searches all (speed fares), which is not available to normal web users, along with our own on-line tools for both the Corporate and Leisure Traveller offering competitive fares.
- 3) Terrorism and conflicts remains a threat to all aspects of our business – the impact of this is mitigated by our crisis management teams for onsite or online cover for any events.
- 4) Industrial disputes throughout Europe continue to disrupt our business- the impact of this is mitigated by Traveller Tracking, e-mail/SMS alerts (requires corporate sign up), pre trip/post trip reports for proactive advice, along with keeping travellers informed via the news page on our website, along with twitter accounts.

ETON TRAVEL AGENCY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2012

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £235,619 (2011 - £176,728)

The financial highlights for the year were -

- Gross sales up by £0.5m to £39.1m (2011 £38.6m)
- Operating profit of £249,754 (2011 £265,931)
- Net cash flow from operating activities was £637,057 (2011 £64,680)
- Closing positive cash balance of £982,054 (2011 £731,441)
- Capital expenditure in the year of £192,659 (2011 £105,793)
- Dividend payment for the year of £100,000 (2011 £163,629)

The freehold land and building at Eton, were professionally re-valued during 2005 on an existing use basis at £1.325m, approximately £489,000 above the figures in the financial statements. The Directors consider that the current value of the property is at least in line with the 2005 valuation.

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 £523 (2011 £2,085)

PROVISION OF INFORMATION TO AUDITOR

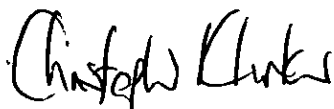
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- 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 20th December 2012 and signed on its behalf



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 2012, set out on pages 6 to 23. 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 2012 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 *20 October 2012*

ETON TRAVEL AGENCY LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2012**

	Note	2012 £	2011 £
GROSS SALES		39,051,516	38,567,686
TURNOVER	1,2	5,711,205	6,894,611
Cost of sales		(2,141,432)	(3,485,293)
GROSS PROFIT		3,569,773	3,409,318
Distribution costs		(47,631)	(43,475)
Administrative expenses		(3,276,852)	(3,099,912)
OPERATING PROFIT	3	245,290	265,931
Profit on disposal of investments		98,328	-
Interest receivable and similar income		1,168	1,058
Interest payable and similar charges	6	(45,167)	(49,676)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		299,619	217,313
Tax on profit on ordinary activities	7	(64,000)	(40,585)
PROFIT FOR THE FINANCIAL YEAR	16	235,619	176,728

All amounts relate to continuing operations

There were no recognised gains and losses for 2012 or 2011 other than those included in the Profit and loss account

The notes on pages 10 to 23 form part of these financial statements

ETON TRAVEL AGENCY LIMITED

**NOTE OF HISTORICAL COST PROFITS AND LOSSES
FOR THE YEAR ENDED 30 SEPTEMBER 2012**

	2012 £	2011 £
REPORTED PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	299,619	217,313
Realisation of valuation gains of previous periods	2,440	2,440
HISTORICAL COST PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	302,059	219,753
HISTORICAL PROFIT FOR THE YEAR AFTER TAXATION	238,059	179,168

The notes on pages 10 to 23 form part of these financial statements

ETON TRAVEL AGENCY LIMITED
REGISTERED NUMBER 01732607

BALANCE SHEET
AS AT 30 SEPTEMBER 2012

	Note	2012 £	2011 £
FIXED ASSETS			
Intangible assets	8	48,336	76,000
Tangible assets	9	1,131,589	1,053,142
		<u>1,179,925</u>	<u>1,129,142</u>
CURRENT ASSETS			
Debtors	10	2,534,370	2,877,831
Investments	11	3,098	198,945
Cash at bank and in hand		982,054	731,441
		<u>3,519,522</u>	<u>3,808,217</u>
CREDITORS: amounts falling due within one year	12	<u>(2,696,964)</u>	<u>(2,959,651)</u>
NET CURRENT ASSETS		<u>822,558</u>	<u>848,566</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,002,483</u>	<u>1,977,708</u>
CREDITORS amounts falling due after more than one year	13	<u>(460,813)</u>	<u>(571,657)</u>
NET ASSETS		<u>1,541,670</u>	<u>1,406,051</u>
CAPITAL AND RESERVES			
Called up share capital	15	198,000	198,000
Revaluation reserve	16	85,830	88,270
Profit and loss account	16	1,257,840	1,119,781
SHAREHOLDERS' FUNDS	17	<u>1,541,670</u>	<u>1,406,051</u>

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

20th December 2012

Christopher Klinker

C K Klinker
Director

K. J. Thompson

K J Thompson
Director

The notes on pages 10 to 23 form part of these financial statements

ETON TRAVEL AGENCY LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2012**

	Note	2012 £	2011 £
Net cash flow from operating activities	19	632,593	64,680
Returns on investments and servicing of finance	20	(43,999)	(48,618)
Taxation		(39,357)	(6,085)
Capital expenditure and financial investment	20	(148,611)	(70,347)
Equity dividends paid		(100,000)	(163,629)
CASH INFLOW/(OUTFLOW) BEFORE MANAGEMENT OF LIQUID RESOURCES AND FINANCING		300,626	(223,999)
Management of liquid resources	20	294,174	(7,818)
Financing	20	(344,187)	(81,561)
INCREASE/(DECREASE) IN CASH IN THE YEAR		250,613	(313,378)

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
FOR THE YEAR ENDED 30 SEPTEMBER 2012**

	2012 £	2011 £
Increase/(Decrease) in cash in the year	250,613	(313,378)
Cash (inflow)/outflow from (increase)/decrease in liquid resources	(294,174)	7,818
Cash outflow from decrease in debt and lease financing	344,187	81,561
CHANGE IN NET DEBT RESULTING FROM CASH FLOWS	300,626	(223,999)
New finance lease	(39,509)	-
Other non-cash changes	98,328	-
MOVEMENT IN NET DEBT IN THE YEAR	359,445	(223,999)
Net funds at 1 October 2011	112,261	336,260
NET FUNDS AT 30 SEPTEMBER 2012	471,706	112,261

The notes on pages 10 to 23 form part of these financial statements

ETON TRAVEL AGENCY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2012

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. Goodwill arising on the purchase of Bagshot Travel is amortised over its estimated useful economic life of three years

1.4 Tangible fixed assets and depreciation

Freehold land is not depreciated. Other 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, 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 2012

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 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.

1.10 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.

2 TURNOVER

All turnover arose within the United Kingdom.

ETON TRAVEL AGENCY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2012**

3. OPERATING PROFIT

The operating profit is stated after charging

	2012	2011
	£	£
Amortisation - intangible fixed assets	27,664	37,750
Depreciation of tangible fixed assets		
- owned by the company	69,081	57,129
- held under finance leases	44,881	25,635
Auditor's remuneration	15,600	15,150
Auditor's remuneration - non-audit	5,962	7,535
Operating lease rentals		
- plant, machinery and motor vehicles	3,647	2,052
- Land and buildings	50,250	43,845

4. EMPLOYMENT COSTS

Staff costs, including directors' remuneration, were as follows

	2012	2011
	£	£
Wages and salaries	2,141,731	2,088,777
Social security costs	207,832	202,450
Other pension costs	18,332	16,579
	2,367,895	2,307,806

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

	2012	2011
	No.	No
Directors	3	3
Administration	15	14
Travel operatives	59	62
Drivers and cleaners	3	3
	80	82

ETON TRAVEL AGENCY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2012

5. DIRECTORS EMOLUMENTS

	2012 £	2011 £
Emoluments	<u>192,123</u>	<u>237,875</u>
Company pension contributions to defined contribution pension schemes	<u>4,025</u>	<u>3,811</u>

During the year retirement benefits were accruing to 3 directors (2011 - 3) in respect of defined contribution pension schemes

The highest paid director received remuneration of £76,033 (2011 - £100,813)

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £900 (2011 - £825)

6. INTEREST PAYABLE

	2012 £	2011 £
On bank loans and overdrafts	41,412	46,640
On finance leases and hire purchase contracts	3,755	3,036
	<u>45,167</u>	<u>49,676</u>

7. TAXATION

	2012 £	2011 £
Analysis of tax charge in the year		
UK corporation tax charge on profit for the year	64,000	39,500
Adjustments in respect of prior periods	-	1,085
	<u>64,000</u>	<u>40,585</u>
Tax on profit on ordinary activities		

ETON TRAVEL AGENCY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2012

7 TAXATION (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2011 - *lower than*) the standard rate of corporation tax in the UK of 25 0% (2011 - 20 5%) The differences are explained below

	2012 £	2011 £
Profit on ordinary activities before tax	299,619	217,313
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 25 0% (2011 - 20 5%)	74,905	44,549
Effects of		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	273	1,016
Capital allowances for year in excess of/(less than) depreciation	27	(7,160)
Depreciation on non-qualifying assets	-	171
Other	673	924
Adjustments to tax charge in respect of prior periods	-	1,085
Marginal relief	(11,878)	-
Current tax charge for the year (see note above)	64,000	40,585

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 2012**

8. INTANGIBLE FIXED ASSETS

	Goodwill £
Cost	
At 1 October 2011 and 30 September 2012	113,750
Amortisation	
At 1 October 2011	37,750
Charge for the year	27,664
At 30 September 2012	65,414
Net book value	
At 30 September 2012	48,336
At 30 September 2011	76,000

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 2011	1,221,872	30,606	177,725	71,653
Additions	-	-	39,509	93,550
Disposals	-	-	(42,995)	-
At 30 September 2012	1,221,872	30,606	174,239	165,203
Depreciation				
At 1 October 2011	370,136	15,302	111,948	53,259
Charge for the year	15,937	7,651	27,880	16,430
On disposals	-	-	(42,745)	-
At 30 September 2012	386,073	22,953	97,083	69,689
Net book value				
At 30 September 2012	835,799	7,653	77,156	95,514
At 30 September 2011	851,736	15,304	65,777	18,394

ETON TRAVEL AGENCY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2012**

9. TANGIBLE FIXED ASSETS (continued)

	Office equipment £	Total £
Cost or valuation		
At 1 October 2011	258,977	1,760,833
Additions	59,600	192,659
Disposals	-	(42,995)
	<u>318,577</u>	<u>1,910,497</u>
At 30 September 2012		
Depreciation		
At 1 October 2011	157,046	707,691
Charge for the year	46,064	113,962
On disposals	-	(42,745)
	<u>203,110</u>	<u>778,908</u>
At 30 September 2012		
Net book value		
At 30 September 2012	<u>115,467</u>	<u>1,131,589</u>
At 30 September 2011	<u>101,931</u>	<u>1,053,142</u>

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

	2012 £	2011 £
Motor vehicles	77,158	65,528
Furniture, fittings and equipment	17,442	34,443
	<u>94,600</u>	<u>99,971</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 2012**

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

	2012 £	2011 £
Cost	1,074,872	1,074,872
Accumulated depreciation	(326,903)	(313,406)
Net book value	<u>747,969</u>	<u>761,466</u>

10. DEBTORS

	2012 £	2011 £
Trade debtors	2,330,612	2,473,062
Amounts owed by group undertakings	-	100,000
Other debtors	161,898	272,152
Prepayments and accrued income	41,860	32,617
	<u>2,534,370</u>	<u>2,877,831</u>

11. CURRENT ASSET INVESTMENTS

	2012 £	2011 £
Listed investments	598	598
Unlisted investments	2,500	198,347
	<u>3,098</u>	<u>198,945</u>

Listed investments

The market value of the listed investments at 30 September 2012 was £2,746 (2011 £2,290)

Unlisted investments

An endowment policy that was previously included within unlisted investments matured on 16 March 2012, with a profit on disposal of £98,328 being recognised. In the prior year it had been included at cost of £195,847 with a market value of £265,111

This endowment policy was used to repay the variable rate loan previously included within creditors due within one year which was repayable on the same date as the maturity of the endowment policy

ETON TRAVEL AGENCY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2012**

12 CREDITORS:

Amounts falling due within one year

	2012 £	2011 £
Bank loans and overdrafts	50,000	300,000
Net obligations under finance leases and hire purchase contracts	32,636	30,673
Trade creditors	2,376,292	2,414,917
Corporation tax	64,143	39,500
Social security and other taxes	47,916	58,474
Other creditors	34,067	19,259
Accruals and deferred income	91,910	96,828
	<u>2,696,964</u>	<u>2,959,651</u>

13. CREDITORS:

Amounts falling due after more than one year

	2012 £	2011 £
Bank loans	400,000	450,000
Net obligations under finance leases and hire purchase contracts	30,810	37,452
Other creditors	30,003	84,205
	<u>460,813</u>	<u>571,657</u>

Included within the above are amounts falling due as follows

	2012 £	2011 £
Between one and two years		
Bank loans	<u>50,000</u>	<u>50,000</u>
Between two and five years		
Bank loans	<u>350,000</u>	<u>400,000</u>

ETON TRAVEL AGENCY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2012**

13 CREDITORS:
Amounts falling due after more than one year (continued)

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

	2012	2011
	£	£
Between one and five years	30,810	37,452

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,

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 2012

14 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 £18,332 (2011 £16,579).

Contributions totalling £3,053 (2011 £3,825) were payable to the fund at the balance sheet date and are included in creditors.

15 SHARE CAPITAL

	2012 £	2011 £
Allotted, called up and fully paid		
198,000 Ordinary Shares shares of £1 each	<u>198,000</u>	<u>198,000</u>

16. RESERVES

	Revaluation reserve £	Profit and loss account £
At 1 October 2011	88,270	1,119,781
Profit for the year		235,619
Dividends Equity capital		(100,000)
Transfer	(2,440)	2,440
	<u>85,830</u>	<u>1,257,840</u>
At 30 September 2012		

17 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2012 £	2011 £
Opening shareholders' funds	1,406,051	1,392,952
Profit for the year	235,619	176,728
Dividends (Note 18)	(100,000)	(163,629)
	<u>1,541,670</u>	<u>1,406,051</u>
Closing shareholders' funds		

18 DIVIDENDS

	2012 £	2011 £
Dividends paid on equity capital	<u>100,000</u>	<u>163,629</u>

ETON TRAVEL AGENCY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2012**

19. NET CASH FLOW FROM OPERATING ACTIVITIES

	2012 £	2011 £
Operating profit	245,290	265,931
Amortisation of intangible fixed assets	27,664	37,750
Depreciation of tangible fixed assets	113,962	82,764
(Profit)/loss on disposal of tangible fixed assets	(4,289)	834
Decrease in stocks	-	7,195
Decrease/(increase) in debtors	243,463	(1,007,517)
Decrease in amounts owed by group undertakings	100,000	163,629
(Decrease)/increase in creditors	(93,497)	514,094
Net cash inflow from operating activities	632,593	64,680

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

	2012 £	2011 £
Returns on investments and servicing of finance		
Interest received	1,168	1,058
Interest paid	(41,412)	(46,640)
Hire purchase interest	(3,755)	(3,036)
Net cash outflow from returns on investments and servicing of finance	(43,999)	(48,618)
	2012 £	2011 £
Capital expenditure and financial investment		
Purchase of intangible fixed assets	-	(24,001)
Purchase of tangible fixed assets	(153,150)	(48,347)
Sale of tangible fixed assets	4,539	2,001
Net cash outflow from capital expenditure	(148,611)	(70,347)
	2012 £	2011 £
Management of liquid resources		
Purchase of short term unlisted investments	(3,258)	(7,818)
Sale of short term unlisted investments	297,432	-
Net cash inflow/(outflow) from management of liquid resources	294,174	(7,818)

ETON TRAVEL AGENCY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2012**

20 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT (continued)

	2012 £	2011 £
Financing		
Repayment of loans	(300,000)	(50,000)
Repayment of finance leases	(44,187)	(31,561)
Net cash outflow from financing	<u>(344,187)</u>	<u>(81,561)</u>

21. ANALYSIS OF CHANGES IN NET DEBT

	1 October 2011 £	Cash flow £	Other non-cash changes £	30 September 2012 £
Cash at bank and in hand	731,441	250,613	-	982,054
Liquid resources:				
Current asset investments	198,945	(294,174)	98,327	3,098
Debt:				
Finance leases	(68,125)	44,187	(39,508)	(63,446)
Debts due within one year	(300,000)	300,000	(50,000)	(50,000)
Debts falling due after more than one year	(450,000)	-	50,000	(400,000)
Net funds	<u>112,261</u>	<u>300,626</u>	<u>58,819</u>	<u>471,706</u>

22. CAPITAL COMMITMENTS

At 30 September 2012 the company had capital commitments as follows

	2012 £	2011 £
Contracted for but not provided in these financial statements	<u>13,379</u>	<u>46,700</u>

ETON TRAVEL AGENCY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2012**

23. OPERATING LEASE COMMITMENTS

At 30 September 2012 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings		Other	
	2012	2011	2012	2011
	£	£	£	£
Expiry date				
Within 1 year	-	12,500	-	-
Between 2 and 5 years	58,000	30,000	5,285	2,052

24. ULTIMATE PARENT UNDERTAKING

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