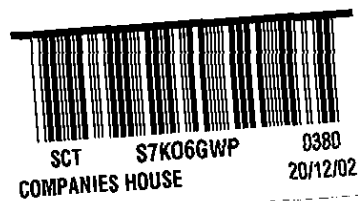


SC 84580

MURRAY TRAVEL LIMITED

A C C O U N T S

As at 28 February 2002



Auditors' Report to the Shareholders of MURRAY TRAVEL LIMITED

We have audited the financial statements on pages 3 to 7 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities, under the historical cost convention and the accounting policies set out on page 5.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards 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 whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

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 information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 28 February 2002 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Norman Gregor & Co

Norman Gregor & Co

Chartered Accountants and
Registered Auditor

McLeod House
119 Montgomery House
EDINBURGH
EH7 5EX

21 August 2002

MURRAY TRAVEL LIMITED

DIRECTORS' REPORT for the year ended 28 February 2002

The directors present their report and the financial statements for the year ended 28 February 2002.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which 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 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
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PRINCIPAL ACTIVITY

The company's principal activity continues to be that of travel agents.

DIRECTORS

The directors at 28 February 2002 and their interests in the share capital of the company were as follows:

	<u>At 28 February 2002</u>	<u>At 1 March 2001</u>
	Ordinary Shares	Ordinary Shares
D G Murray	50.000	50.000
M Wickers	50.000	50.000

AUDITORS

The auditors, Messrs Norman Gregor & Co., Chartered Accountants, will be proposed for reappointment in accordance with Section 385 of the Companies Act 1985.

SMALL COMPANY RULES

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities.

This report was approved by the Board on 21 August 2002 and signed on its behalf

.....
DAVID G MURRAY DIRECTOR

MURRAY TRAVEL LIMITED

PROFIT AND LOSS ACCOUNT
For the year ended 28 February 2002

	<u>Notes</u>	<u>2002</u> £	<u>2001</u> £
TURNOVER	1.2	750.537	1.298.323
Cost of Sales		697.521	1.213.624
GROSS PROFIT		<u>53.016</u>	<u>84.699</u>
Selling and Distribution Costs		(20.066)	(18.642)
Administrative Expenses		(62.667)	(65.769)
Profit (Loss) on Ordinary Activities before Interest	2	(29.717)	288
Interest Payable		(5.088)	(3.911)
Profit (Loss) on Ordinary Activities before Taxation		(34.805)	(3.623)
Taxation on Profit on Ordinary Activities	7	-	-
Profit (Loss) on Ordinary Activities after Taxation		(34.805)	(3.623)
Dividend	8	-	-
Retained Profit (Loss) for the Year		(34.805)	(3.623)
Retained Profit (Loss) Brought Forward		(53.699)	(50.076)
Retained Profit (Loss) Carried Forward		<u>(88.504)</u>	<u>(53.699)</u>

The notes on pages 5 to 7 form part of these financial statements

MURRAY TRAVEL LIMITED

BALANCE SHEET
As at 28 February 2002

	Notes	<u>2002</u>		<u>2001</u>
		£	£	£
FIXED ASSETS				
Tangible Assets	3		19.187	24.357
CURRENT ASSETS				
Debtors & Prepaid Charges	4	48.522		62.812
Cash in Hand		1.878		154
		<u>50.400</u>		<u>62.966</u>
CREDITORS				
Amounts falling due within one year	5	<u>52.138</u>		<u>29.760</u>
Net Current Assets/(Liabilities)			(1.738)	<u>33.206</u>
			17.449	57.563
Amounts falling due within more than one year				
HP Creditors	1.3		(5.953)	(11.262)
NET ASSETS			<u>11.496</u>	<u>46.301</u>
CAPITAL AND RESERVES				
Called Up Share Capital	6	100.000		100.000
Profit & Loss Account at Debit		(88.504)		(53.699)
SHAREHOLDERS' FUNDS			<u>11.496</u>	<u>46.301</u>

The financial statements which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, and in accordance with the Financial Reporting Standard for Smaller Entities were approved by the Board on 21 August 2002 and signed on its behalf.

.....
DAVID G MURRAY DIRECTOR

The notes on pages 5 to 7 form part of these financial statements

MURRAY TRAVEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
As at 28 February 2002

1 ACCOUNTING POLICIES

Accounting Convention

The accounts are prepared under the historical cost convention.

1) Tangible Fixed Assets and Depreciation

Depreciation is provided on all Fixed Assets on a reducing balance basis at the following rates calculated to write off the costs, less estimated residual value, over their expected useful lives:

Furniture & Fittings	-	15%
Leasehold Improvements	-	10%
Motor Vehicle	-	25%

2) Turnover

Turnover is represented by travel and holidays sold, net of VAT.

3) Leasing and Hire Purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by financial 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 assured 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 to each period.

4) Operating Leases

Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged to profit and loss account as incurred.

5) Pensions

The company operates a defined contribution pension scheme, Murray Travel Ltd Pension Scheme, and the pension charge represents the amounts payable by the company to the fund in respect of that year.

2 OPERATING LOSS

Operating Loss is stated after charging:

	<u>2002</u>	<u>2001</u>
	£	£
Depreciation of Tangible Fixed Assets (held under HP)	4.149	5.532
Depreciation of Tangible Fixed Assets (owned)	1.021	1.183
Bank Interest	5.088	3.911
Directors' Remuneration	37.182	37.946
Auditors' and Accountants' Remuneration	1.800	1.800
Leasing & HP Costs	1.580	1.339
Pension Costs	1.200	1.200
	<u> </u>	<u> </u>

MURRAY TRAVEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
As at 28 February 2002

3 **FIXED ASSETS**

Tangible Assets

	<u>Furniture & Fittings</u>	<u>Leasehold Improvements</u>	<u>Motor Vehicles</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Cost at 1.3.2001	15.496	10.209	29.505	55.210
Sales	-	-	-	-
Additions	-	-	-	-
Cost at 28.2.2002	<u>15.496</u>	<u>10.209</u>	<u>29.505</u>	<u>55.210</u>
Depreciation at 1.3.2001	10.589	7.356	12.908	30.853
Sales	-	-	-	-
Charge for Year	<u>736</u>	<u>285</u>	<u>4.149</u>	<u>5.170</u>
Depreciation at 28.2.2002	<u>11.325</u>	<u>7.641</u>	<u>17.057</u>	<u>36.023</u>
Net Book Value at 28.2.2002	<u>4.171</u>	<u>2.568</u>	<u>12.448</u>	<u>19.187</u>
Net Book Value at 28.2.2001	<u>4.907</u>	<u>2.853</u>	<u>16.597</u>	<u>24.357</u>

Included above are assets held under finance leases or hire purchase contracts amounting to £12.448 (2001 - £16.597).

4 **DEBTORS**

Amounts falling due within one year

	<u>2002</u>	<u>2001</u>
	<u>£</u>	<u>£</u>
Prepayments	3.121	1.167
Trade Debtors	37.126	58.097
Other Debtors	<u>8.275</u>	<u>3.548</u>
	<u>48.522</u>	<u>62.812</u>

MURRAY TRAVEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
As at 28 February 2002

5 CREDITORS

Amounts falling due within one year

	<u>2002</u>	<u>2001</u>
	<u>£</u>	<u>£</u>
Trade Creditors	4.125	4.862
Bank Overdraft	35.350	13.381
Accruals	1.800	1.800
PAYE, NIC & VAT	5.553	4.407
HP Creditors	5.310	5.310
	<u>52.138</u>	<u>29.760</u>

The Bank Overdraft is secured by a Bond and Floating Charge held by the Bank of Scotland over the Company's assets and by guarantees from Directors.

6 CALLED UP SHARE CAPITAL

	<u>2002</u>	<u>2001</u>
	<u>£</u>	<u>£</u>
<u>Authorised</u>		
100,000 Ordinary Shares of £1 each	<u>100.000</u>	<u>100.000</u>
<u>Allotted and Fully Paid</u>		
100,000 Ordinary Shares of £1 each	<u>100.000</u>	<u>100.000</u>

7 TAXATION

No taxation is payable due to the effect of losses. The company is a close company within the meaning of the Income and Corporation Taxes Act 1985.

8 DIVIDEND

No dividend was paid during the year.