

Ramsay World Travel Limited

**Directors' report and accounts
for the year ended 31 October 2002**



Ramsay World Travel Limited

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Ramsay World Travel Limited

Company information

Directors	CB Ramsay JS Hughes
Secretary	CB Ramsay
Auditors	Henderson Loggie Chartered Accountants Royal Exchange Panmure Street Dundee DD1 1DZ
Solicitors	Blackadders 30 & 34 Reform Street Dundee DD1 1RJ
Registered office	14 Crichton Street Dundee
Registered number	89749

Ramsay World Travel Limited

Directors' report

The directors present their report and the accounts for the year ended 31 October 2002.

Results and dividends

The group trading profit for the year, after taxation, amounted to £185,000 (2001 - £235,000).

The directors recommend that a final dividend of £10,000 be paid, making a total dividend of £10,000. The retained profit of £175,000 (2001 - £225,000) is to be credited to reserves.

Principal activity and review of the business

The group's principal activity continues to be that of travel agents. The directors consider the turnover levels and results to be satisfactory.

Directors and their interests

The directors who served during the year and their beneficial interest in the company's issued ordinary share capital were as follows:

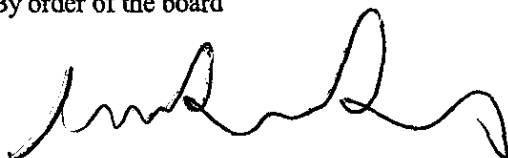
	2002	2001
CB Ramsay	65,000	65,000
JS Hughes	4,000	4,000

In accordance with the Articles of Association, all the directors retire annually and, being eligible, offer themselves for re-election.

Auditors

The auditors, Henderson Loggie, Chartered Accountants have expressed their willingness to continue to act and a resolution for their re-appointment will be submitted to the Annual General Meeting.

By order of the board



CB Ramsay
Secretary

20 December 2002

Ramsay World Travel Limited

Statement of directors' responsibilities

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the group and of the profit or loss of the group for that period. In preparing those accounts, 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 accounts on the going concern basis unless it is inappropriate to presume that the group 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 group and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Ramsay World Travel Limited

Independent auditors' report to the shareholders

We have audited the accounts of Ramsay World Travel Limited for the year ended 31 October 2002 on pages 5 to 16. These accounts have been prepared under the historical cost convention and the accounting policies set out on page 10.

Respective responsibilities of directors and auditors

As described in the directors' report, the company's directors are responsible for the preparation of the accounts in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the accounts, if the group 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 transactions with the group is not disclosed.

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

Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the group'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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the group and company as at 31 October 2002 and of its results for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.



Henderson Loggie
Chartered Accountants
Registered Auditors
Dundee

20 December 2002

Ramsay World Travel Limited

Consolidated profit and loss account for the year ended 31 October 2002

	Notes	2002 £	2001 £
Turnover	2	2,315,604	2,408,804
Cost of sales		(1,929,291)	(1,987,249)
Gross profit		386,313	421,555
Administrative expenses		(301,540)	(324,933)
Other operating income		7,731	7,470
Operating profit	3	92,504	104,092
Interest receivable		140,377	196,830
Interest payable		-	(15)
Profit on ordinary activities before taxation		232,881	300,907
Tax on profit on ordinary activities	5	(47,881)	(65,907)
Profit for the financial year		185,000	235,000
Dividends	6	(10,000)	(10,000)
Retained profit for the financial year	13	175,000	225,000

The group had no recognised gains other than those included in the profit and loss account.

The notes on pages 10 to 16 form part of these accounts.

Ramsay World Travel Limited

Company profit and loss account for the year ended 31 October 2002

	Notes	2002 £	2001 £
Turnover	2	2,315,604	2,250,899
Cost of sales		(1,924,115)	(1,980,503)
Gross profit		<u>391,489</u>	<u>270,396</u>
Administrative expenses		(301,246)	(324,188)
Other operating income		7,731	7,470
Operating profit/(loss)	3	<u>97,974</u>	<u>(46,322)</u>
Interest receivable		140,321	196,482
Dividends received		133,585	-
Profit on ordinary activities before taxation		<u>371,880</u>	<u>150,160</u>
Tax on profit on ordinary activities		(47,906)	(35,683)
Profit for the financial year		<u>323,974</u>	<u>114,477</u>
Dividends paid	6	(10,000)	(10,000)
Retained profit for the financial year	13	<u><u>313,974</u></u>	<u><u>104,477</u></u>

The company had no recognised gains other than those included in the profit and loss account.

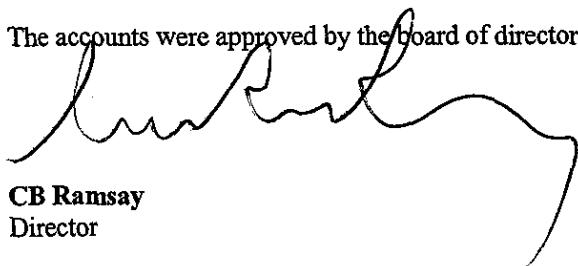
The notes on pages 10 to 16 form part of these accounts.

Ramsay World Travel Limited

Consolidated balance sheet at 31 October 2002

	Notes	£	2002 £	£	2001 £
Fixed assets					
Tangible assets	7		139,766		151,341
Investments	8		2,240		2,240
			<u>142,006</u>		<u>153,581</u>
Current assets					
Debtors	9	320,789		333,504	
Cash at bank and in hand		2,792,849		2,730,599	
		<u>3,113,638</u>		<u>3,064,103</u>	
Deferred assets					
Deferred taxation asset	10	5,565		21,572	
		<u>3,119,203</u>		<u>3,085,675</u>	
Creditors					
Amounts falling due within one year	11	1,759,051		1,912,098	
Net current assets			<u>1,360,152</u>		<u>1,173,577</u>
Total assets less current liabilities			<u><u>1,502,158</u></u>		<u><u>1,327,158</u></u>
Capital and reserves					
Called up share capital	12		100,000		100,000
Profit and loss account	13		1,402,158		1,227,158
Shareholders' funds including non-equity interests	14		<u><u>1,502,158</u></u>		<u><u>1,327,158</u></u>

The accounts were approved by the board of directors on 20 December 2002 and signed on its behalf by



CB Ramsay
Director

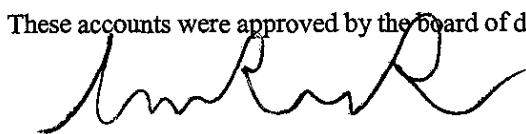
The notes on pages 10 to 16 form part of these accounts.

Ramsay World Travel Limited

Company balance sheet at 31 October 2002

	Notes	£	2002 £	£	2001 £
Fixed assets					
Tangible assets	7		139,766		151,341
Investments	8		74,240		74,240
			<u>214,006</u>		<u>225,581</u>
Current assets					
Debtors	9	320,789		333,504	
Cash at bank and in hand		2,790,098		2,722,435	
		<u>3,110,887</u>		<u>3,055,939</u>	
Deferred asset					
Deferred taxation asset	10	5,565		21,572	
		<u>3,116,452</u>		<u>3,077,511</u>	
Creditors					
Amounts falling due within one year	11	1,856,402		2,143,010	
			<u>1,260,050</u>		<u>934,501</u>
Net current assets					
			<u>1,474,056</u>		<u>1,160,082</u>
Total assets less current liabilities					
			<u>1,474,056</u>		<u>1,160,082</u>
Capital and reserves					
Called up share capital	12		100,000		100,000
Profit and loss account	13		1,374,056		1,060,082
Shareholders' funds including non-equity interests	14		<u>1,474,056</u>		<u>1,160,082</u>

These accounts were approved by the board of directors on 20 December 2002 and signed on its behalf by



CB Ramsay
Director

The notes on pages 10 to 16 form part of these accounts.

Ramsay World Travel Limited

Consolidated cash flow statement for the year ended 31 October 2002

	Notes	2002 £	2001 £
Net cash inflow from operating activities	15	17,734	3,030
Returns on investments and servicing of finance			
Interest received		140,377	196,815
Taxation			
Tax paid		(72,849)	(34,104)
Capital expenditure and financial investment			
Purchase of tangible assets		(13,012)	(15,783)
Equity dividends paid		(10,000)	(10,000)
Increase in cash in year		<u>62,250</u>	<u>139,958</u>
Analysis of changes in net funds:			
	At 31 October 2001 £	Cash flow £	At 31 October 2002 £
Cash in hand, at bank	<u>2,730,599</u>	<u>62,250</u>	<u>2,792,849</u>

Ramsay World Travel Limited

Notes to the accounts

1 Accounting policies

Basis of accounting

The accounts have been prepared under the historical cost convention and have been prepared in accordance with applicable Accounting Standards.

Basis of consolidation

The group accounts consolidate the accounts of Ramsay World Travel Limited and its subsidiary undertakings up to 31 October each year.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life as follows:

Property	-	over 50 years
Fixtures and fittings	-	over 3-5 years
Office equipment	-	over 3 years
Motor vehicles	-	over 4 years
Lease premium	-	over remaining length of the lease

Operating lease

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.

Taxation

The charge for taxation is based on the profit or loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

This is a change in accounting policy following the implementations of FRS19. The adoption of the standard has not required a prior period adjustment, as deferred taxation was fully provided.

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.

Ramsay World Travel Limited

Notes to the accounts (continued)

2 Turnover

Turnover is attributable to continuing activities and represents principally commission received in respect of services provided within the United Kingdom as a travel agent (stated net of value added tax) and income received in respect of services provided within the United Kingdom under the group's ATOL licence.

3 Operating profit

	Group		Company	
	2002	2001	2002	2001
	£	£	£	£
The operating profit is stated after charging:				
Depreciation	24,587	25,175	24,587	25,175
Directors' remuneration (fees - £nil)	336,944	399,701	336,944	399,701
Directors' pension costs	110,000	90,000	110,000	90,000
Auditors' remuneration	11,000	11,000	11,000	10,295
Operating lease – other	70,240	97,123	70,240	97,123

The emoluments excluding pension contributions of the highest paid director were £273,658 (2001 - £305,476) and pension contributions were £100,000 (2001 - £80,000).

4 Employees

	Group		Company	
	2002	2001	2002	2001
	£	£	£	£
Wages and salaries	1,126,606	1,086,115	1,126,606	1,086,115
Social security costs	99,500	124,663	99,500	124,663
Other pension costs	110,000	90,000	110,000	90,000
	<u>1,336,106</u>	<u>1,300,778</u>	<u>1,336,106</u>	<u>1,300,778</u>

Ramsay World Travel Limited

Notes to the accounts (continued)

5	Taxation			2002	2001
				£	£
	Corporation taxation				
	Current year			31,915	73,002
	Prior year			(41)	-
				<u>31,874</u>	<u>73,002</u>
	Deferred taxation				
	Current year			16,007	(7,095)
				<u>47,881</u>	<u>65,907</u>
		Group	Company		
		2002	2001	2002	2001
		£	£	£	£
	<i>Factors affecting tax charge for year</i>				
	Profit for the year before tax	<u>232,881</u>	<u>300,907</u>	<u>238,295</u>	<u>150,160</u>
	Tax thereon at 30%	69,864	90,272	71,488	45,048
	Effects of:				
	Disallowed expenses	1,319	1,107	1,319	1,107
	Capital allowances in excess of depreciation	3,429	1,630	3,429	1,630
	Marginal relief	269	(29,007)	337	(14,007)
	Pension accrual	(27,000)	9,000	(27,000)	9,000
	Utilisation of loss	-	-	(1,667)	-
		<u>47,881</u>	<u>73,002</u>	<u>47,906</u>	<u>42,778</u>
6	Dividends			2002	2001
				£	£
	Final dividend proposed			<u>10,000</u>	<u>10,000</u>

Ramsay World Travel Limited

Notes to the accounts (continued)

7 Tangible fixed assets

<i>Group</i>	Property £	Fixtures & fittings £	Office equipment £	Motor vehicles £	Total £
Cost					
At 31 October 2001	129,952	124,010	73,146	32,250	359,358
Additions	8,472	800	3,740	-	13,012
At 31 October 2002	138,424	124,810	76,886	32,250	372,370
Depreciation					
At 31 October 2001	18,492	104,815	68,584	16,126	208,017
Charge for year	2,969	9,706	3,849	8,063	24,587
At 31 October 2002	21,461	114,521	72,433	24,189	232,604
Net book values					
At 31 October 2002	<u>116,963</u>	<u>10,289</u>	<u>4,453</u>	<u>8,061</u>	<u>139,766</u>
At 31 October 2001	<u>111,460</u>	<u>19,195</u>	<u>4,562</u>	<u>16,124</u>	<u>151,341</u>

Included in property is a lease premium of £10,000 which is depreciated over the term of the lease.

<i>Company</i>	Property £	Fixtures & fittings £	Office equipment £	Motor vehicles £	Total £
Cost					
At 31 October 2001	125,852	95,718	55,658	32,250	309,478
Additions	8,472	800	3,740	-	13,012
At 31 October 2002	134,324	96,518	59,398	32,250	322,490
Depreciation					
At 31 October 2001	14,392	76,523	51,096	16,126	158,137
Charge for year	2,969	9,706	3,849	8,063	24,587
At 31 October 2002	17,361	86,229	54,945	24,189	182,724
Net book values					
At 31 October 2002	<u>116,963</u>	<u>10,289</u>	<u>4,453</u>	<u>8,061</u>	<u>139,766</u>
At 31 October 2001	<u>111,460</u>	<u>19,195</u>	<u>4,562</u>	<u>16,124</u>	<u>151,341</u>

Ramsay World Travel Limited

Notes to the accounts (continued)

8 Investments

	2002 £	2001 £
Group		
Investment in unlisted company	<u>2,240</u>	<u>2,240</u>

Company

	Group undertakings £	Other investments £	Total £
Cost			
At 1 November 2001 and 31 October 2002	<u>72,000</u>	<u>2,240</u>	<u>74,240</u>

The investment in group undertakings represents:

Name	Ordinary shareholding	Preference shareholding	Country of registration
Ramsay World Travel (Perth) Ltd	100%	100%	Scotland
Robertson World Travel Ltd	100%	100%	Scotland
Ramsay World Travel (Stirling) Ltd	100%	62½%	Scotland

9 Debtors

	Group		Company	
	2002 £	2001 £	2002 £	2001 £
Trade debtors	259,188	242,841	259,188	242,841
Other debtors	7,731	7,469	7,731	7,469
Prepayments and accrued income	53,870	83,194	53,870	83,194
	<u>320,789</u>	<u>333,504</u>	<u>320,789</u>	<u>333,504</u>

10 Deferred taxation asset

Deferred taxation provided in the accounts is as follows:

	Group		Company	
	2002 £	2001 £	2002 £	2001 £
Depreciation in advance of capital allowances	5,565	3,572	5,565	3,572
Other timing differences	-	18,000	-	18,000
	<u>5,565</u>	<u>21,572</u>	<u>5,565</u>	<u>21,572</u>

Ramsay World Travel Limited

Notes to the accounts (continued)

11 Creditors

	Group		Company	
	2002	2001	2002	2001
	£	£	£	£
Amounts falling due within one year:				
Trade creditors	969,755	928,042	969,755	868,994
Corporation tax	31,915	72,890	31,915	42,666
Other taxes and social security costs	89,000	83,413	89,000	83,413
Accruals	658,381	817,753	658,290	817,042
Proposed dividend	10,000	10,000	10,000	10,000
Amounts owed to group undertakings	-	-	97,442	320,895
	<u>1,759,051</u>	<u>1,912,098</u>	<u>1,856,402</u>	<u>2,143,010</u>

12 Called up share capital

	2002	2001
	£	£
Authorised		
Ordinary shares of £1 each	<u>200,000</u>	<u>200,000</u>
Allotted, called up and fully paid		
Ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>

13 Profit and loss account

	Group		Company	
	2002	2001	2002	2001
	£	£	£	£
Balance at 1 November 2001	1,227,158	1,002,158	1,060,082	955,605
Profit retained for the year	175,000	225,000	313,974	104,477
Balance at 31 October 2002	<u>1,402,158</u>	<u>1,227,158</u>	<u>1,374,056</u>	<u>1,060,082</u>

14 Reconciliation of shareholders' funds

Profit for the financial year	185,000	235,000	323,974	114,477
Dividend	10,000	10,000	10,000	10,000
	<u>175,000</u>	<u>225,000</u>	<u>313,974</u>	<u>104,477</u>
Shareholders' funds at 31 October 2001	1,327,158	1,102,158	1,160,082	1,055,605
Shareholders' funds at 31 October 2002	<u>1,502,158</u>	<u>1,327,158</u>	<u>1,474,056</u>	<u>1,160,082</u>

Ramsay World Travel Limited

Notes to the accounts (continued)

15	Reconciliation of trading profit to cash flow	2002	2001
		£	£
	Trading profit	92,504	104,092
	Depreciation	24,587	25,175
	Decrease/(increase) in debtors	12,715	206,064
	(Decrease)/increase in creditors	(112,072)	(332,301)
	Net cash inflow from operating activities	17,734	3,030

16 Other commitments

At 31 October 2002 the company had annual commitments under non cancellable operating leases as follows:

	Land & buildings	
	2002	2001
	£	£
Expiry date:		
Between two and five years	<u>70,195</u>	<u>82,779</u>

17 Pension commitments

The company has a defined contribution pension scheme for its present directors. Premiums in respect of this scheme during the year amounted to £110,000 (2001 - £90,000).

Ramsay World Travel Limited

Group detailed profit and loss account for the year ended 31 October 2002

	2002	2001
	£	£
Sales		
Commission	2,315,604	2,408,804
Cost of sales		
ATOL gross up adjustment	273,121	371,603
Salaries and bonuses	1,226,106	1,210,778
Pension fund	110,000	90,000
Telephone	74,721	56,694
Advertising	166,972	135,341
Coaches	4,600	(5,667)
Holiday insurance	73,771	128,500
	<u>1,929,291</u>	<u>1,987,249</u>
Gross profit	386,313	421,555
Other income		
KWT management charge	7,731	7,470
Bank interest received	140,377	196,773
Other interest received	-	57
	<u>148,108</u>	<u>204,300</u>
Administrative expenses		
Rent and rates	144,684	138,611
Insurance	7,263	7,205
Heat and light	8,938	8,672
Repairs and maintenance	12,609	12,066
Overseas property expenses	8,269	1,200
Postage and stationery	30,677	45,007
Vehicle expenses	569	3,791
Legal and professional fees	52,217	53,610
Bank and credit card charges	(3,253)	12,217
Other interest	-	-
Bad debts	278	986
Sundry expenses	11,549	10,931
Trade subscriptions	3,153	5,462
Depreciation	24,587	25,175
	<u>301,540</u>	<u>324,933</u>
	<u>232,881</u>	<u>300,922</u>
Interest		
Interest payable	-	15
	<u>232,881</u>	<u>300,907</u>