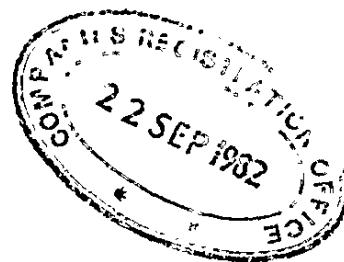


PENDLE TRAVEL SERVICES LIMITED

A C C O U N T S

FOR THE YEAR ENDED 30 SEPTEMBER 1981



DIRECTORS' REPORT FOR THE YEAR
ENDED 30 SEPTEMBER 1981

Activities: Travel Agents

Directors: D. Crossland
T. Trickett
S. Mbrimi (nee Bottomley)

THE DIRECTORS PRESENT THEIR REPORT FOR THE YEAR ENDED 30 SEPTEMBER 1981

1. The profit of the company before taxation amounted to £6,911 and is all attributable to the principal activity stated above.
2. Details of the changes in the company's fixed assets are appended in Notes to the Accounts. Depreciation has not been provided on either freehold or leasehold properties as the directors consider this to be neither a valid nor necessary charge against profits.
3. No dividend is payable during the year under review. (Year ended 30 September 1980 - none).

4. DIRECTORS' INTERESTS IN SHARES OF THE COMPANY

<u>Name of Director</u>	<u>Class of Share</u>	<u>Interest at Beginning of Year</u>	<u>Interest at End of Year</u>
D. Crossland	Ordinary	32,996	32,996
T. Trickett	Ordinary	16,998	16,998
S. Mbrimi	Ordinary	6	6

5. The company is a close company under the provisions of I.C.T.A. 1970.
6. The auditors, Messrs. Pennington Williams, having expressed their willingness to continue in office, will be reappointed under the provisions of Section 14, Companies Act 1976.

BY ORDER OF THE BOARD



T. TRICKETT
Secretary

1. FIXED ASSETS

	<u>Motor Vehicles</u>		<u>Freehold Property</u>		<u>Leasehold Property Alterations</u>		<u>Furniture & Equipment</u>		<u>Total</u>
	<u>1981</u>	<u>1980</u>							
<u>Cost</u>									
Cost at beginning of year	5,548	10,494	11,000	-	7,117	4,117	14,905	6,993	38,570
Additions	3,466	-	24,079	11,000	9,705	3,009	10,568	7,912	47,818
Disposal	-	(4,946)	-	-	-	-	-	-	(4,946)
Surplus on revaluation	-	-	7,500	-	-	-	-	-	7,500
<u>Cost or Valuation at End of Year</u>	<u>£9,014</u>	<u>5,548</u>	<u>42,579</u>	<u>11,000</u>	<u>16,822</u>	<u>7,117</u>	<u>25,473</u>	<u>14,905</u>	<u>93,888</u>
<u>Depreciation</u>									
Aggregate value at beginning of year	(3,069)	(7,063)	-	-	-	-	(6,118)	(4,568)	(9,187)
Disposals	-	4,646	-	-	-	-	-	-	4,646
Charge for the year	(1,487)	(652)	-	-	-	-	(3,870)	(1,550)	(5,357)
<u>Aggregate Value at End of Year</u>	<u>£(4,556)</u>	<u>(3,069)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(9,988)</u>	<u>(6,118)</u>	<u>(14,544)</u>
<u>Net Book Value 30.9.80</u>	<u>£2,479</u>		<u>11,000</u>		<u>7,117</u>		<u>8,787</u>		<u>29,323</u>
<u>Net Book Value 30.9.81</u>	<u>£4,458</u>		<u>42,579</u>		<u>16,822</u>		<u>15,485</u>		<u>79,344</u>
<u>Rate of Depreciation: Basis</u>	<u>25%</u>	<u>25%</u>	<u>WDV</u>		<u>20%</u>		<u>20%</u>		<u>Per Balance Sheet</u>

One of the company's freehold properties has been revalued following a professional valuation on 21 May 1981 on the basis of vacant possession. The surplus on revaluation amounting to £7,500 has been credited to General Reserve. The contingent liability to taxation on a disposal at this enhanced value would give rise to a tax liability approximating £2,250. It is not considered that there is any material difference between the book and market values of the remaining freehold properties.



2. <u>DIRECTORS' REMUNERATION</u>	<u>1981</u>	<u>1980</u>
	<u>£</u>	<u>£</u>
Total Emoluments & Fees per Profit & Loss Account	<u>76,994</u>	<u>28,701</u>
Highest Paid Director	<u>51,398</u>	<u>23,500</u>
Chairman's Emoluments	<u>51,398</u>	<u>23,500</u>

SCALE BRACKET

£ 0 - £ 5,000	-	-
£ 5,001 - £10,000	1	1
£10,001 - £15,000	-	-
£15,001 - £20,000	1	-
£20,001 - £25,000	-	1
£50,001 - £55,000	1	-

3. STOCK OF FOREIGN CURRENCY is valued at mid-market prices as at the Balance Sheet date. (1980 - same basis).
4. TAXATION - U.K. corporation tax is computed on current results at 40%.
5. TURNOVER for the year is exempt from disclosure.
6. INVESTMENT IN SUBSIDIARY COMPANY

The company owns 7,425 Ordinary £1 shares in A.I.R. Tours Limited, a company registered in England. This investment represents 99% of the issued share capital of the subsidiary.

REPORT OF THE AUDITORS TO THE MEMBERS OF PENDLE TRAVEL SERVICES LIMITED

We have audited, in accordance with approved auditing standards, the financial statements on pages 1 - 5. These have been prepared under the historical cost convention. Subject to the fact that they do not comply with S.S.A.P. 12, in respect of the provision for depreciation on freehold and leasehold properties, in our opinion, they together give under the accounting convention stated above, and so far as concerns the members of Pendle Travel Services Limited, a true and fair view of the state of affairs as at 30 September 1981 and of the profit and source and application of funds for the year ended on that date, and comply with the Companies Acts 1948 to 1980.

47a/49 Allport Lane,
Bromborough,
Wirral,
Merseyside L62 7HH.

PENNINGTON WILLIAMS
CHARTERED ACCOUNTANTS

16 November 1981

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 1981

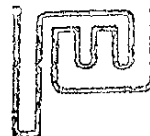
				<u>Y/E 30.9.80</u>	
	<u>NOTE</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
<u>TRADING PROFIT FOR THE YEAR</u>			84,790		31,088
<u>Before Charging:-</u>					
Depreciation of Fixed Assets		5,357		2,202	
Directors' Remuneration	2	76,994		28,701	
Auditors' Remuneration		2,400		1,650	
Bank Interest		2,760		2,752	
Equipment & Vehicle Leasing		11,791		5,879	
			99,302		41,184
			(14,512)		(9,296)
<u>and Before Crediting:-</u>					
Interest Received			21,423		19,133
<u>NET PROFIT BEFORE TAXATION</u>			6,911		9,837
<u>U.K. Taxation:</u>					
Current	4	331		1,173	
Underprovision in Previous Years		5,312		-	
Interest on Overdue Taxation		98		-	
			5,741		1,175
<u>NET PROFIT AFTER TAXATION</u>			1,170		8,662
<u>UNAPPROPRIATED PROFITS BROUGHT FORWARD</u>			14,919		6,257
			16,089		14,919
<u>SURPLUS ON REVALUATION OF FREEHOLD PROPERTY</u>	1		7,500		-
<u>AMOUNT TRANSFERRED TO GENERAL RESERVE</u>			£23,589		£14,919

BALANCE SHEET AS AT 30 SEPTEMBER 1981

						30.9.80	
	NOTE	£	£	£	£	£	£
<u>FIXED ASSETS</u>	1			79,344			29,383
<u>INVESTMENT IN SUBSIDIARY COMPANY</u>	6			11,856			11,856
<u>CURRENT ASSETS</u>							
Stock of Foreign Currency	3	2,410			7,959		
Debtors & Prepayments		62,467			22,679		
Cash at Building Society		-			13,254		
Cash at Bank		224,142			85,105		
Cash in Hand		1,499			627		
			290,518			129,624	
<u>Less: CURRENT LIABILITIES</u>							
Creditors & Accruals		194,042			63,194		
Amount due to Subsidiary Company		16,989			368		
Current Taxation	4	2,385			836		
			213,416			64,398	
<u>TOTAL NET CURRENT ASSETS</u>				77,102			65,226
<u>TOTAL NET ASSETS</u>				168,302			106,465
<u>Represented By:-</u>							
<u>SHARE CAPITAL & RESERVES</u>							
Share Capital: Authorised		£50,000			£50,000		
Issued & Fully Paid 50,000 Ordinary Shares of £1 each			50,000			50,000	
Revenue Reserve			23,589			14,919	
Directors' Loan Account			94,713			41,546	
				£168,302			£106,465

PENDEL TRAVEL SERVICES LIMITED

STATEMENT OF SOURCE & APPLICATION OF FUNDS
FOR THE YEAR ENDED 30 SEPTEMBER 1981



					<u>Y/E 30.9.80</u>		
	<u>NOTE</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
<u>SOURCE OF FUNDS</u>							
Profit before Taxation				6,911			9,837
Adjustment for Items not Involving the Movement of Funds:							
Depreciation		5,357			2,202		
Profit on Sale of Fixed Assets		-			(1,450)		
				5,357			752
<u>FUNDS GENERATED FROM OPERATIONS</u>				12,268			10,589
<u>Other Sources</u>							
Sales of Fixed Assets		-			1,750		
Increase in Directors'					-		
Loan Account		53,167					
Increase in Share Capital		-			25,000		
				53,167			26,750
				65,435			37,339
<u>APPLICATION OF FUNDS</u>							
Acquisition of Fixed Assets		47,818			21,912		
Taxation	4	5,741			1,175		
Decrease in Directors'							
Loan Accounts		-			23,305		
				53,559			46,392
				11,876			(9,053)
<u>MOVEMENT IN WORKING CAPITAL</u>							
Stocks of Foreign Currency		(5,549)			5,077		
Debtors		39,788			406		
Creditors		(130,848)			(35,393)		
Amount due to Subsidiary							
Company		(16,621)			278		
Taxation		(1,549)			3,616		
				(114,779)			(26,016)
<u>MOVEMENT IN NET LIQUID FUNDS</u>							
<u>Increase/(Decrease) In:-</u>							
Cash Balance		872			21		
Bank Balance		139,037			6,068		
Building Society Balance		(13,254)			10,874		
				126,655			16,963
				£11,876			£(9,053)