

100/06

PENDLE TRAVEL SERVICES LIMITED
AND ITS SUBSIDIARIES

A C C O U N T S

FOR THE YEAR ENDED 30 SEPTEMBER 1982



PENDLE TRAVEL SERVICES LIMITED



DIRECTORS' REPORT

The Directors present their report together with accounts for the year ended 30 September 1982.

1. Principal Activities

The group is principally engaged as travel agents and tour operators.

2. Results and dividends

The profit for the year before taxation items amounted to £175,267.

The Directors do not recommend the payment of a dividend for this year.

3. Directors

The directors in office at the end of the year are listed below. All served on the Board throughout the year.

D. Crossland
T. Trickett
S. Mbrimi

The beneficial and other interests of the directors and their families in the shares of the company and its subsidiaries at 30 September 1982 were as follows:

Director	1982	1981
	<u>Ordinary Shares</u>	
D. Crossland	70,348	32,996
T. Trickett	34,040	16,998
S. Mbrimi	12	6

4. Fixed Assets

The principal items of capital expenditure related to computer hardware and software at a cost of £85,000.

The net book value of fixed assets sold or scrapped during the year was £2,599.

Valuations

During the year certain freehold and leasehold properties were revalued. The revised values have been incorporated into the accounts. The surplus of £7,500 arising from the revaluation has been transferred to reserves.

PENDLE TRAVEL SERVICES LIMITED

DIRECTORS' REPORT (CONTINUED)



5. Share Capital

The Authorised Share Capital of the Company was increased during the year by Ordinary Resolution dated 1 February 1982 to 1,000,000 Ordinary £1 shares.

During the course of the year the Directors applied for, and were allotted at par, a further 26,500 Ordinary £1 shares 'pari passu' with their previous shareholdings. In addition a further 23,500 Ordinary £1 shares were issued by capitalising reserves. These shares were also allotted 'pari passu' and at par.

Upon the acquisition of the subsidiary Discovering Isle of Man Limited, a further 4,400 shares were issued in exchange for the whole of the Issued Share Capital of that Company; the underlying consideration being net assets received of £15,200.

The results of these issues are summarised in paragraph 3 above.

6. Auditors

The Auditors, Messrs. Pennington Williams offer themselves for re-appointment in accordance with Section 14(1) of the Companies Act, 1976.

BY ORDER OF THE BOARD

Secretary

J. Dickell

19 November 1982

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



We have audited the financial statements on pages 4 to 15 in accordance with approved auditing standards.

In our opinion the financial statements which have been prepared under the Historical Cost Convention, give a true and fair view of the statement of the Company's affairs at 30 September 1982 and of its profit and source and application of funds for the year then ended, and comply with the Companies Act 1948 to 1980.

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

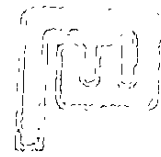
Pennington Williams

19 November 1982

PENNINGTON WILLIAMS
CHARTERED ACCOUNTANTS

	NOTE	£	1984 £	1983 £
<u>Revenue</u>			8,076,950	8,362,852
<u>Profit before taxation</u>			175,267	13,624
<u>After taking into account:</u>				
Investment Income		51,846		21,403
Directors' emoluments	(1)	239,263		88,392
Depreciation	(3)	25,219		7,190
Auditors' remuneration		11,283		3,090
Interest payable		10,974		2,295
<u>Taxation</u>	(2)		98,814	2,605
<u>Profit after taxation</u>			76,453	6,312
<u>Minority Interest</u>			238	68
<u>Pre-acquisition profits transferred to Goodwill on Consolidation</u>			76,215	5,951
			119	
Profit attributable to members of the company of which £52,528 is dealt with in the accounts of the company (1981 £1,170.).			76,096	5,951
<u>Dividends proposed</u>			-	-
<u>Retained Profit</u>	(6)		£ 76,096	£5,951
<u>Retained by:</u>				
The Company			52,528	1,170
Subsidiaries			23,568	4,781
			£ 76,096	£5,951

The notes on pages 10 to 15 form part of these accounts.



	NOTE	£	1997	£	1998	£
<u>Assets employed</u>						
Fixed Assets	(3)		246,668			246,668
Goodwill on Consolidation	(7)		20,542			20,542
<u>Current Assets</u>						
Stocks		9,729				9,729
Debtors		253,328				253,328
Short term deposits		598,000				598,000
Bank balances and cash		417,117				417,117
		<u>1,278,174</u>				<u>1,278,174</u>
<u>Deduct:</u>						
<u>Current Liabilities</u>						
Creditors		870,447				870,447
Bank Overdraft (secured)		190,094				190,094
Directors' Current Accounts		31,443				31,443
Taxation	(2)	45,627				45,627
		<u>1,137,611</u>				<u>1,137,611</u>
<u>Net current assets</u>						
			140,563			140,563
			<u>£407,773</u>			<u>£407,773</u>
<u>Financed by</u>						
Share capital	(5)		104,400			104,400
Reserves	(6)		117,027			117,027
<u>Total share capital and reserves</u>						
			221,427			221,427
Loans	(8)		129,167			129,167
Deferred taxation	(9)		56,781			56,781
Minority interests			398			398
			<u>£407,773</u>			<u>£407,773</u>

Reviewed
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Sanchez
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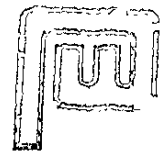
	NOTE	£	1982	£	1981	£
<u>Assets employed</u>						
Fixed assets	(3)		241,017		20,394	
Interest in subsidiary companies	(4)		27,056		11,896	
<u>Current assets</u>						
Stock		9,729		2,410		
Debtors		251,692		62,467		
Short term deposits		598,000				
Bank balances and cash		416,182		22,724		
		<u>1,275,603</u>		<u>88,601</u>		
<u>Deduct</u>						
<u>Current liabilities:</u>						
Creditors		866,038		194,042		
Bank Overdraft (secured)		181,530				
Inter Group Balances		75,407		16,989		
Taxation	(2)	22,759		2,385		
Directors Current Accounts		24,251				
		<u>1,169,985</u>		<u>213,416</u>		
<u>Net Current Assets</u>			<u>105,618</u>		<u>75,185</u>	
			<u>£373,691</u>		<u>£168,302</u>	
<u>Financed by:</u>						
Share capital	(5)	104,400		50,000		
Reserves	(6)	83,343		23,589		
<u>Total Share Capital and Reserves</u>		<u>187,743</u>		<u>73,589</u>		
Loans	(8)	129,167		94,713		
Deferred taxation	(9)	56,781				
		<u>£373,691</u>		<u>£168,302</u>		

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DIRECTORS

LEADLE TRAVEL SERVICES LIMITED AND ITS SUBSIDIARIES
 GROUP STATEMENT OF SOURCE AND APPLICATION OF FUNDS
 FOR THE YEAR ENDED 30 SEPTEMBER 1982



SOURCE OF FUNDS	£	1982	1981
		£	£
Profit before tax		175,267	13,624
Less: Minority interest		(238)	-
Transfers to goodwill on consolidation		(119)	-
		174,910	13,624
Adjustments for items not involving the movement of funds:			
Minority interests in the retained profits of the year	238		
Depreciation	25,119		
Loss on sale of fixed assets	849		
		26,206	
<u>TRANSFERRED FROM OPERATIONS</u>		201,116	20,774
<u>FUNDS FROM OTHER SOURCES</u>			
Shares issued in consideration of the acquisition of subsidiary	10,800		
Issue of share capital	30,900		
Sale of fixed assets	1,750		
Long term loans	54,167		
		97,617	
<u>APPLICATION OF FUNDS</u>		298,733	73,060
Taxation paid	1,337		
Purchase of fixed assets	168,670		
Purchase of Subsidiary	12,443		
Repayment of long term loans	26,352		
		(208,802)	(39,266)
<u>INCREASE/(DECREASE) IN WORKING CAPITAL</u>		£ 89,931	£ 13,614
Increase/(decrease) in stocks	7,319		
Increase/(decrease) in debtors	186,555		
(Increase)/decrease in creditors	(705,161)		
		(511,287)	
Movement in net liquid funds			
Increase/(decrease) in cash and bank balances	3,218		
Increase in short-term deposits	598,000		
		£ 89,931	£ 13,614

The notes on pages 13 to 15 form part of these accounts.

PENKLE TRAVEL SERVICES LIMITED AND ITS SUBSIDIARIES
30 SEPTEMBER 1982



STATEMENT OF ACCOUNTING POLICIES

The following are the main accounting policies of the group which have remained unchanged from the previous year.

(a) Historical cost convention

The accounts are prepared under the historical cost convention, which takes no account of the effect of inflation except in the following instances:

Certain freehold and leasehold properties are shown at their revalued amounts.

(b) Basis of consolidation

The group accounts consolidate the accounts of the company and subsidiaries listed on pages 13 and which are made up to a date co-terminous with the financial year of the parent company.

Profit and Loss Account

The profits and losses of subsidiaries are incorporated on the following basis:

The basis of consolidation stated below relates to both existing subsidiaries and to associated companies acquired during the year.

The total profits and losses for the period are included, the proportion attributable to outside shareholders' interests and to the period prior to acquisition being deducted in arriving at the profit attributable to ordinary shareholders of the company. The profit of the associated company acquired during the year has not been consolidated for reasons stated on Page 13 of the Notes to the Accounts.

Trading Profit

Trading profit reflects the profits and losses arising from the trading activities of the year. All unrealised internal profits are eliminated on consolidation.

(c) Turnover

Turnover is the total amount receivable by the group in the ordinary course of business to outside customers for services provided.

(d) Depreciation

Depreciation is calculated on the reducing balance method and aims to write down the cost (or valuation) of all fixed assets over their expected useful lives:

The rates/periods generally are:-

Freehold	Rate:	2% over 50 years
Leasehold premises	Rate:	Period of lease
Fixtures, Fittings & Equipment	Rate:	10% over 10 years
Motor Vehicles	Rate:	25% over 4 years

No depreciation has been provided on freehold property for the year in question since this property was acquired at the Balance Sheet date.



(e) Brochure Cost

The cost incurred in the preparation of the Tour Operator brochure is charged to profits in the year in which the cost was incurred.

(f) Deferred Taxation

Deferred taxation represents the taxation attributable to timing differences arising on the differing treatment of income and expenditure for accounting and for taxation purposes. Transfers to deferred taxation are calculated on the timing differences set out below at the rate of Corporation Tax ruling at the end of the financial period in which the transfer is made. Transfers from the account are made at the rate at which the original transfer was made.

The timing differences mentioned above can be expressed as the excess of the net book value of the assets eligible for tax allowances over the corresponding tax written down values; from which may be deducted any advanced corporation tax paid and payable in respect of dividends paid and proposed where there is reasonable certainty of its recovery in future periods.

(g) Foreign currencies

Assets and liabilities in foreign currencies are converted to sterling at the rates of exchange ruling at the balance sheet date. Realised differences arising from changes in exchange rates on trading transactions are dealt with through the profit and loss account.

(h) Stock

Stock is stated at the lower of cost or net realisable value.

PENDLE TRAVEL SERVICES LIMITED AND SUBSIDIARIES

NOTES TO THE ACCOUNTS
30 SEPTEMBER 1982



	<u>1982</u> £	<u>1981</u> £
1. <u>Directors Remuneration</u>		
Directors Remuneration	239,263	88,392

The Directors' emoluments, excluding pension contributions were:

	<u>1982</u> £	<u>1981</u> £
Chairman (also highest paid Director)	150,000	51,398

The emoluments of the other Directors were in the following ranges:

	<u>Number</u>	<u>Number</u>
£ 0 - £ 5,000	-	-
£ 5,001 - £10,000	1	1
£10,001 - £15,000	-	-
£15,001 - £20,000	-	-
£20,001 - £25,000	1	1

2. Taxation

Profit and Loss Account

The taxation charge is based upon the profit for the year and is made up as follows:-

	<u>1982</u> £	<u>1981</u> £
United Kingdom Corporation Tax @ 52% (1981 40%)	42,033	7,605
Deferred taxation	56,781	-
	<u>£98,814</u>	<u>£7,605</u>

Note 2 continued.

PENDLE TRAVEL SERVICES LTD AND ITS SUBSIDIARIES
30 SEPTEMBER 1982



Note 2 - Taxation (Continued)

Balance Sheet

The amount shown under current liabilities represents:

	<u>The Group</u>		<u>The Company</u>	
	<u>1982</u>	<u>1981</u>	<u>1982</u>	<u>1981</u>
	£	£	£	£
U.K. Corporation Tax payable:-				
1.10.83	-	4,931	-	2,385
	21,826	-	21,712	-
	1,047	-	1,047	-
1.1.83	1,864	-	-	-
1.1.84	20,890	-	-	-
	<u>£45,627</u>	<u>£4,931</u>	<u>£22,759</u>	<u>£2,385</u>

Income and Corporation Taxes Act, 1970

The Company is a close company as defined by Section 282 of the Income and Corporation Taxes Act, 1970.

Finance Act, 1980

The directors are advised that technically the investment income of the company may fall to be apportioned under Schedule 9 to the Finance Act 1980. Although the matter has not yet been agreed with the Inland Revenue the directors believe that no apportionment is likely to be made.

3. Fixed Assets

	<u>Total</u>		<u>Properties</u>		<u>Office Equip't</u>	<u>Motor Vehicles</u>
	<u>Free-hold</u>	<u>Leasehold</u>	<u>Long Term</u>	<u>Short Term</u>		
	£	£	£	£	£	£
<u>The Group</u>						
Cost (or valuation)						
At 1 October 1981	104,709	-	42,579	16,822	31,147	14,161
Surplus on revaluation	7,500	-	7,500	-	-	-
Additions	161,382	-	2,020	38,146	101,163	20,053
Disposals	(3,466)	-	-	-	-	(3,466)
Transfer from subsidiary	20,286	19,514	-	-	772	-
At 30 September 1982	<u>290,411</u>	<u>19,514</u>	<u>52,099</u>	<u>54,968</u>	<u>133,082</u>	<u>30,748</u>

PENDLE TRAVEL SERVICES LTD AND ITS SUBSIDIARIES
30 SEPTEMBER 1982



Note 3 Fixed Assets (Continued)

	Total	Free- hold	Properties Leasehold Long Term	Short Term	Office Equip't	Motor Vehicles
	£	£	£	£	£	£
<u>Depreciation</u>						
At 1 October 1981	18,919	-	-	-	11,387	7,532
Charge for year	25,119	-	-	7,006	12,092	6,021
Transfer from Subsidiary	572	-	-	-	572	-
Disposals	(867)	-	-	-	-	(867)
At 30 September 1982	£43,743	-	-	7,006	24,051	12,686
<u>Net Book Value</u>						
At 30 September 1981	85,790	-	42,579	16,822	19,760	6,629
At 30 September 1982	£246,668	19,514	52,099	47,962	109,031	18,062

The assets stated above are at cost with the exception of the freehold property and the long leasehold property.

During the year the freehold property and leasehold properties were revalued by Chartered Surveyors at an open market value of £26,000 on an existing use basis.

The Company

Cost (or valuation)

At 1 October 1981	93,888	-	42,579	16,822	25,473	9,014
Surplus on revaluation	7,500	-	7,500	-	-	-
Additions	161,187	-	2,020	38,146	100,968	20,053
Disposals	(3,466)	-	-	-	-	(3,466)
Transfer from Subsidiary	20,286	19,514	-	-	772	-
At 30 September 1982	£279,395	19,514	52,099	54,968	127,213	25,601

Depreciation

At 1 October 1981	14,544	-	-	-	9,988	4,556
Charge for year	24,129	-	-	7,006	11,645	5,478
Transfer from subsidiary	572	-	-	-	572	-
Disposals	(867)	-	-	-	-	(867)
At 30 September 1982	£38,378	-	-	7,006	22,205	9,167

Net Book Value

At 30 September 1981	79,344	-	42,579	16,822	15,485	4,458
At 30 September 1982	£241,017	19,514	52,099	47,962	109,031	16,434

PENDLE TRAVEL SERVICES LIMITED AND ITS SUBSIDIARIES
30 SEPTEMBER 1982



Note 3 Fixed Assets (Continued)

The assets stated above are at cost with the exception of the freehold property and the long leasehold property.

During the year the freehold property and leasehold properties were revalued by Chartered Surveyors at an open market value of £ 26,000 on an existing use basis.

No provision has been made for the estimated corporation tax which would be payable on disposal at this valuation since, in the opinion of the directors this asset is unlikely to be disposed of in the foreseeable future.

4. Interest in Subsidiaries

	<u>1982</u> <u>£</u>	<u>1981</u> <u>£</u>
Shares at cost	27,056	11,856

During the year the company acquired the ordinary share capital of the following company which became a subsidiary with effect from the date stated:

<u>Company</u>	<u>Date</u>
Discovering Isle of Man Limited	30 September 1982

The results of this company for the period from 1 July 1981 to 30 September 1982 have not been consolidated into the group profit and loss account since the profit of that company had been earned prior to acquisition.

The profits earned prior to acquisition have been deducted from Goodwill on consolidation.

The following are the subsidiaries of the company:

<u>Name of Company</u>	<u>Class of Capital</u>	<u>Total issued Capital</u>	<u>% of share Capital owned</u>
A.I.R. Tours Limited	Ordinary	£7,500	99
Discovering Isle of Man Limited	Ordinary	£ 100	100

Both of the above subsidiaries ceased trading on 30 September 1982; the trade of both companies being transferred to the holding company as from that date.

5. Share Capital

	<u>1982</u>		<u>1981</u>	
	<u>Authorised</u> <u>£</u>	<u>Issued and fully paid</u> <u>£</u>	<u>Authorised</u> <u>£</u>	<u>Issued and fully paid</u> <u>£</u>
Ordinary shares of £1 each	1,000,000	104,400	50,000	50,000

PENDLE TRAVEL SERVICES LTD AND ITS SUBSIDIARIES
30 SEPTEMBER 1982



<u>5. Reserves</u>	Total	Retained Profits	Share Premium	Asset Revaluation Reserve
	£	£	£	£
<u>The Group</u>				
<u>At 1.10.81</u>	33,705	33,705	-	-
Retained profit for year	76,096	76,096	-	-
Surplus on revaluation of property	19,926	-	-	19,926
Issue of Share Capital	10,800	-	10,800	-
Transfer to Share Capital	(23,500)	(23,500)	-	-
<u>At 30.9.82</u>	<u>£117,027</u>	<u>£86,301</u>	<u>£10,800</u>	<u>£19,926</u>

<u>The Company</u>				
<u>At 1.10.81</u>	23,589	23,589	-	-
Retained Profit for year	52,528	52,528	-	-
Surplus on revaluation of property	19,926	-	-	19,926
Issue of Share Capital	10,800	-	10,800	-
Transfer to Share Capital	(23,500)	(23,500)	-	-
<u>At 30.9.82</u>	<u>£83,343</u>	<u>£52,617</u>	<u>£10,800</u>	<u>£19,926</u>

7. Goodwill on Consolidation

	£
<u>At 1 October 1981</u>	8,099
Cost of Acquisition of subsidiary	15,200
	<u>23,299</u>
Less: Pre-acquisition reserves	(2,657)
Pre-acquisition capital	(100)
	<u>£20,542</u>
<u>At 30 September 1982</u>	

PENDLE TRAVEL SERVICES LTD AND ITS SUBSIDIARIES

30 SEPTEMBER 1982



8. Loans

The Group

Secured loan repayable in 60 equal instalments over a period ended in December 1987.

Unsecured loan with no fixed repayment date. The loan will not be repaid without the written authority of the Civil Aviation Authority.

1982	1981
£	£
54,167	-
75,000	101,352
<u>£129,167</u>	<u>£101,352</u>

The Company

Secured loan repayable in 60 equal instalments over a period ended in December 1987.

Unsecured loan with no fixed repayment date. The loan will not be repaid without the written authority of the Civil Aviation Authority.

54,167	-
75,000	94,713
<u>£129,167</u>	<u>£94,713</u>

9. Deferred Taxation

The provision for deferred taxation is made up as follows:

The Group and Company

Accelerated capital allowances

1982	1981
£	£
<u>36,781</u>	<u>-</u>