

BROCK TRAVEL LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30TH SEPTEMBER 2004

Registered Number 1128484



BROCK TRAVEL LIMITED

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 30TH SEPTEMBER 2004

CONTENTS	Page
Directors' report	1 - 2
Auditors' report	3
Consolidated profit and loss account	4
Consolidated balance sheet	5
Company balance sheet	6
Notes to financial statements	7 - 12

BROCK TRAVEL LIMITED

DIRECTORS' REPORT

YEAR ENDED 30TH SEPTEMBER 2004

The directors present their annual report together with the audited financial statements for the year ended 30th September 2004.

REVIEW OF THE BUSINESS

The principal activity of the company throughout the year was that of a tour operator.

The level of turnover decreased to £2,660,370 (2003: £3,165,315) and the loss on ordinary activities before taxation was £129,709 in 2004 (2003: loss £68,197).

During the year, Special Places, a branch of the company, was sold.

The directors feel confident regarding future prospects having now completed the disposal of all non core activities.

RESULTS AND DIVIDENDS

The loss for the financial year was £130,881 (2003: loss £68,197). The directors recommend that no dividend be paid.

DIRECTORS AND THEIR INTERESTS IN THE COMPANY

The directors of the company during the year and their interests in its share capital were:

	Preference shares of £42,286.50 each		Ordinary shares of £1 each	
	2004	2003	2004	2003
B.G. Brocklehurst	6	-	16,000	16,000
B.M. Brocklehurst	6	-	15,000	15,000
H.C. Constantine	-	-	5,000	5,000

BROCK TRAVEL LIMITED

DIRECTORS' REPORT (continued)

YEAR ENDED 30TH SEPTEMBER 2004

DIRECTORS' RESPONSIBILITIES STATEMENT

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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

AUDITORS

A resolution reappointing haysmacintyre will be proposed at the AGM in accordance with S385(2) of the Companies Act 1985.

SIGNED ON BEHALF OF THE BOARD



B.M. BROCKLEHURST
Director

17th December 2004

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF

BROCK TRAVEL LIMITED

We have audited the financial statements of Brock Travel Limited for the year ended 30th September 2004 which comprise the Consolidated Profit and Loss Account, the Consolidated and the Company Balance Sheets and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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

We report to you our opinion as to whether the financial statements 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 financial statements, if the company 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 company 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.

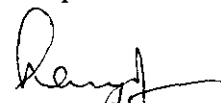
Basis of audit opinion

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 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 of 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 group's and the company's affairs as at 30th September 2004 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



haysmacintyre
Chartered Accountants
Registered Auditors

Fairfax House
15 Fulwood Place
London
WC1V 6AY

17th December 2004

BROCK TRAVEL LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT

YEAR ENDED 30TH SEPTEMBER 2004

	Continuing Operations £	Discontinued Activities £	2004 Total £	2003 £
TURNOVER	2,621,694	38,677	2,660,371	3,165,315
Cost of sales	(1,854,877)	(53,567)	(1,908,444)	(2,562,583)
GROSS PROFIT	766,817	(14,890)	751,927	602,732
Promotional costs	201,421	-	201,421	232,040
Administrative expenses	591,076	60,547	651,623	1,050,721
	792,497	60,547	853,044	1,282,761
Other income	4,643	-	4,643	6,288
(Loss)/profit on disposal of discontinued activities	-	(33,235)	(33,235)	605,544
LOSS BEFORE TAX	(21,037)	(108,672)	(129,709)	(68,197)
Taxation	-	-	-	-
RETAINED LOSS FOR THE YEAR	<u>£(21,037)</u>	<u>£(108,672)</u>	<u>£(129,709)</u>	<u>£(68,197)</u>

Notes

(i) Of the retained loss for the year, a loss of £130,881 (2003 loss £313,810) is dealt with in the books of the parent undertaking.

(ii) Note of Historical cost profits and losses

	2004 £	2003 £
Reported loss on ordinary activities before taxation	(129,709)	(68,197)
Difference between a historical cost depreciation charge and the actual depreciation charge of the year calculated on the relevant amount	10,000	10,000
Historical cost loss on ordinary activities before taxation	<u>£(119,709)</u>	<u>£(58,197)</u>
Historical cost loss for the year retained after taxation	<u>£(119,709)</u>	<u>£(58,197)</u>

BROCK TRAVEL LIMITED

CONSOLIDATED BALANCE SHEET

AS AT 30TH SEPTEMBER 2004

	Notes	2004 £	2003 £
FIXED ASSETS			
Tangible assets	8	66,066	113,515
CURRENT ASSETS			
Debtors	11	711,354	722,837
Cash at bank and in hand		249,883	114,349
		<u>961,237</u>	<u>837,186</u>
CREDITORS: Amounts falling due within one year			
Creditors	12	73,018	206,087
Deferred income	14	624,153	639,333
		<u>697,171</u>	<u>845,420</u>
NET CURRENT ASSETS/ (LIABILITIES)		<u>264,066</u>	<u>(8,234)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>330,132</u>	<u>105,281</u>
CREDITORS: amounts falling due after one year			
Directors loans	13	(461,282)	(359,000)
NET LIABILITIES		<u>£(131,150)</u>	<u>£(253,719)</u>
CAPITAL AND RESERVES			
Equity called up share capital	15	303,719	50,000
Revaluation reserve	16	48,357	154,520
Profit and loss account	17	(483,226)	(458,239)
Attributable to equity shareholders		<u>£(131,150)</u>	<u>£(253,719)</u>

Approved by the Board of directors on 17th December 2004 and signed on their behalf by:



B.M. BROCKLEHURST
Director

BROCK TRAVEL LIMITED

COMPANY BALANCE SHEET

AS AT 30TH SEPTEMBER 2004

	Notes	£	2004 £	£	2003 £
FIXED ASSETS					
Tangible assets	8		66,066		113,515
Investment in group undertakings	10		-		-
			<u>66,066</u>		<u>113,515</u>
CURRENT ASSETS					
Debtors	11	711,354		722,837	
Cash at bank		249,883		114,349	
		<u>961,237</u>		<u>837,186</u>	
CREDITORS: Amounts falling due within one year					
Creditors	12	73,018		206,087	
Deferred income	14	624,153		639,333	
		<u>697,171</u>		<u>845,420</u>	
NET CURRENT ASSETS/(LIABILITIES)			<u>264,066</u>		<u>(8,234)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>330,132</u>		<u>105,281</u>
CREDITORS: amounts falling due after one year					
Directors loans	13		(461,282)		(359,000)
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Attributable to equity shareholders			<u>£(131,150)</u>		<u>£(253,719)</u>

Approved by the Board of directors on 17th December 2004 and signed on their behalf by:



B.M.BROCKLEHURST
Director

BROCK TRAVEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 30TH SEPTEMBER 2004

1. ACCOUNTING POLICIES

a) Basis of accounting

The financial statements have been prepared on the historical cost basis as modified by the revaluation of certain fixed assets and in accordance with applicable accounting standards.

b) Basis of consolidation

The group financial statements comprise the financial statements of the parent company and all its subsidiaries. Each company made up its financial statements to 30th September 2004. No profit and loss account is presented for Brock Travel Limited as provided by S230 of the Companies Act 1985.

c) Depreciation

Depreciation is calculated to write off the cost of fixed assets over their estimated useful lives by equal annual instalments at varying rates between 2% and 25%.

d) Goodwill

Goodwill on acquisition of subsidiary undertaking is written off directly to reserves.

e) Deferred taxation

Provision is made for deferred taxation using the liability method in respect of all material timing differences other than those which are expected to continue for the foreseeable future.

f) Going concern

The financial statements have been prepared on the going concern basis due to the continuing financial support that the company is receiving from the directors.

2. TURNOVER AND LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

Group turnover represents the value of all goods and services charged by the parent undertaking and its trading subsidiary.

	2004		2003	
	Turnover £	(Loss) £	Turnover £	(Loss) £
Contributed by area of activity				
Tour operating	2,660,370	(129,709)	2,762,971	(4,387)
Magazine publishing	-	-	402,344	(63,810)
	<u>£2,660,370</u>	<u>£(129,709)</u>	<u>£3,165,315</u>	<u>£(68,197)</u>
Contributed by geographical area				
British Isles	<u>£2,660,370</u>	<u>£(129,709)</u>	<u>£3,165,315</u>	<u>£(68,197)</u>

BROCK TRAVEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 30TH SEPTEMBER 2004

3. LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION	2004 £	2003 £
Loss on ordinary activities before taxation is stated after charging:		
Directors' remuneration (note 5)	89,275	179,088
Depreciation	10,713	20,908
Auditors' remuneration	9,620	11,500
Operating lease rentals	3,009	3,009
Profit on sale of subsidiary	-	594,346
	<u> </u>	<u> </u>
4. EMPLOYEES		
Staff costs:-		
Wages and salaries	278,967	457,445
Social security costs	27,226	42,058
Pension contributions	14,672	9,824
Redundancies	-	15,274
	<u> </u>	<u> </u>
	£320,865	£524,601
	<u> </u>	<u> </u>
The average number of employees during the year was:	13	16
	<u> </u>	<u> </u>
5. DIRECTORS' REMUNERATION		
Emoluments (including benefits-in-kind)	83,263	177,066
Pension contributions	6,012	2,012
	<u> </u>	<u> </u>
	£89,275	£179,078
	<u> </u>	<u> </u>
Emoluments of the highest paid director	£39,000	£59,818
	<u> </u>	<u> </u>
Four directors have benefits accruing to money purchase schemes.		
6. OTHER INCOME		
Bank interest receivable	£4,643	£6,288
	<u> </u>	<u> </u>
7. TAXATION ON LOSS ON ORDINARY ACTIVITIES		
The taxation charge which is based on profits for the year is made up as follows:		
Corporation tax	£ -	£ -
	<u> </u>	<u> </u>

BROCK TRAVEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 30TH SEPTEMBER 2004

8. TANGIBLE FIXED ASSETS	Overseas Freehold Property £	Motor Vessels £	Motor Vehicles £	Computers, Furniture and Fittings £	Total £
a) GROUP AND COMPANY					
COST OR REVALUATION					
At 1st October 2003	50,000	60,000	28,417	54,114	192,531
Additions	-	-	-	17,598	17,598
Disposal	-	(60,000)	(17,917)	-	(77,917)
At 30th September 2004	50,000	-	10,500	71,712	132,212
DEPRECIATION					
At 1st October 2003	20,000	20,000	14,083	24,933	79,016
Amount provided	1,000	-	-	9,713	10,713
Eliminated	-	(20,000)	(3,583)	-	(23,583)
At 30th September 2004	21,000	-	10,500	34,646	66,146
NET BOOK VALUE					
At 30th September 2004	£29,000	£ -	£ -	£37,066	£66,066
At 30th September 2003	£30,000	£40,000	£14,334	£29,181	£113,515

Under historical cost accounting the balance sheet value for motor vessels would be as follows:

	Motor Vessel £
COST	
At 1st October 2003 and 30th September 2004	95,629
DEPRECIATION	
At 1st October 2003	95,629
Charge for year	-
At 30th September 2004	95,629
NET BOOK VALUE	
At 30th September 2004	£ -
At 30th September 2003	£ -

BROCK TRAVEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 30TH SEPTEMBER 2004

9. OPERATING LEASES

The annual commitment under operating leases is as follows:

	2004		2003	
	Land and buildings £	Other £	Land and Buildings £	Other £
Operating leases which expire:				
In the second to fifth years inclusive	<u>£ -</u>	<u>£3,009</u>	<u>£ -</u>	<u>£8,200</u>

10. INVESTMENT IN SUBSIDIARIES

Company
£

Cost and net book value at 30th September 2003 and 2004

£-

	Nature Of Business	Country of Incorporation/ Registration	Share capital and reserves at 30.9.04	Loss for year ended 30.9.04
At 30th September 2004				
Brock Travel Limited has a 100% direct interest in the following subsidiaries:-				
Cricketer Holidays Limited (dormant)	Travel	England	£2,000	-
Special Places Limited (dormant)	Travel	England	£2	-
T.T.P. Limited (dormant)	Travel	Isle of Man		
Paul Gelling Travel Limited (dormant)	Travel	Isle of Man		

All the above subsidiaries are included in the consolidation.

The cumulative amount of goodwill which arose on the acquisition of the above subsidiaries and which has been written off to consolidated reserves is £32,617.

11. DEBTORS

	Group		Company	
	2004 £	2003 £	2004 £	2003 £
Trade debtors	567,438	592,987	567,438	592,987
Other debtors	13,798	17,684	13,798	17,684
Prepayments and deferred expenditure	130,118	112,166	130,118	112,166
	<u>£711,354</u>	<u>£722,837</u>	<u>£711,354</u>	<u>£722,837</u>

BROCK TRAVEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 30TH SEPTEMBER 2004

12. CREDITORS: Amounts falling due within one year	Group		Company	
	2004 £	2003 £	2004 £	2003 £
Trade creditors	62,477	106,668	62,477	106,668
Loans	-	83,000	-	83,000
Other creditors	-	2,909	-	1,468
Other taxes and social security payments	5,541	10,951	5,541	10,951
Accruals	5,000	4,000	5,000	4,000
	<u>£73,018</u>	<u>£207,528</u>	<u>£73,018</u>	<u>£206,087</u>

13. CREDITORS: Amounts falling due after one year				
Loans	<u>£461,282</u>	<u>£359,000</u>	<u>£461,282</u>	<u>£359,000</u>

These amounts are subordinated loans made by the directors of the company.

14. DEFERRED INCOME				
Deferred income – due within a year	<u>£624,153</u>	<u>£639,333</u>	<u>£624,153</u>	<u>£639,333</u>

15. EQUITY CALLED UP SHARE CAPITAL	Authorised		Issued and full paid	
	2004 £	2003 £	2004 £	2003 £
Ordinary shares of £1 each	50,000	50,000	50,000	50,000
Redeemable preference shares of £42,286.50 each	253,719	-	253,719	-
	<u>£303,719</u>	<u>£50,000</u>	<u>£303,719</u>	<u>£50,000</u>

On 12th March 2004, the authorised share capital was increased from £50,000 to £303,719. On that day 6 redeemable preference shares of £42,286.50 each were issued at par.

16. REVALUATION RESERVE	Group £	Company £
Balance at 1st October 2003	154,520	154,520
Transfer to profit and loss account	(106,163)	(106,163)
Balance at 30th September 2004	<u>£48,357</u>	<u>£48,357</u>

17. PROFIT AND LOSS ACCOUNT		
Balance at 1st October 2003	(459,680)	458,239
Retained loss for the year	(129,709)	(129,709)
Transfer from revaluation reserve	106,163	106,163
	<u>£(483,226)</u>	<u>£(483,226)</u>

BROCK TRAVEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 30TH SEPTEMBER 2004

18. PENSION COSTS

The company contributes to various pension schemes for its own employees and those of its subsidiary. Retirement benefits are based on money purchase plans. The premiums are charged to the profit and loss account as they fall due and are shown in note 4.

19. CAA BOND

The directors decided that for the period of the Travel Bond provided to CAA from 1st April 2004 to 31st March 2004 that half of this Bond should be provided through Insurance Market and half through cash held on deposit.

20. POST BALANCE SHEET EVENT

On 9th December 2004, 4 redeemable reference shares of £42,286.50 each were issued at par. This resulted in the long term loan being reduced by £169,146.

BROCK TRAVEL LIMITED
DETAILED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30TH SEPTEMBER 2004

BROCK TRAVEL LIMITED**DETAILED TRADING AND PROFIT AND LOSS ACCOUNT****YEAR ENDED 30TH SEPTEMBER 2004**

	Schedule	2004 £	2003 £
HOLIDAY REVENUE			
Licensed		2,660,371	2,762,971
DEDUCT: DIRECT EXPENSES		(1,908,444)	(2,247,883)
GROSS PROFIT		751,927	515,088
DEDUCT: LOSS ON SALE OF DISCONTINUED ACTIVITIES		(33,235)	-
ADD: SUNDRY INCOME AND INVESTMENT INCOME	1	4,643	302,409
		723,335	817,497
DEDUCT: INDIRECT EXPENSES			
Administrative expenses	2	641,716	886,403
Sales Tax – Margin Scheme VAT		9,907	40,986
Promotional costs	3	201,421	203,918
		853,044	1,131,307
LOSS BEFORE TAXATION		(129,709)	(313,810)
TAXATION CREDIT		-	-
LOSS FOR THE YEAR		£(129,709)	£(313,810)

Approved by the Board of Directors on 17th December 2004 and signed on their behalf

**B.M. BROCKLEHURST**
Director

BROCK TRAVEL LIMITED

SCHEDULE TO TRADING AND PROFIT AND LOSS ACCOUNT

YEAR ENDED 30TH SEPTEMBER 2004

	2004 £	2003 £
1. SUNDRY INCOME		
Bank interest receivable	4,643	6,288
Profit From Sale Of Subsidiary	-	296,121
	<u>£4,643</u>	<u>£302,409</u>
2. ADMINISTRATIVE EXPENSES		
Directors' remuneration	89,275	179,088
Salaries and wages	222,941	320,415
Travel and subsistence	11,138	41,100
Pension and life assurance	8,650	9,824
Telephone and postage	18,994	36,658
Insurance	12,794	19,061
Audit Fee	9,620	11,500
Legal and professional	55,929	26,265
Printing and stationery	6,123	9,319
Maps and guides	5,398	1,136
Rent and rates	26,113	22,025
Heat and light	10,714	8,411
Computer costs	8,985	15,938
Entertaining	-	1,956
Tax fees and financial advice	-	7,000
Repairs and maintenance	1,156	234
Bank charges	13,236	15,515
Research costs	12,733	15,993
Depreciation Fixtures & Fittings	9,713	7,325
Motor vehicle depreciation	-	8,583
Freehold depreciation	-	5,000
Cleaning & Other Office Cost	1,995	4,905
Sundries:- Foreign exchange (profit)/loss	-	3,006
Licences – CAA/ABTA	23,499	29,396
Credit card charges	18,355	20,137
Sundry expenses	5,001	11,811
Office Move	-	2,471
Motor expenses	5,307	11,353
Airport representation	12,003	7,343
Redundancy	-	15,274
Debt Write Off	-	12,913
Investment write off	-	5,448
Interest payable	52,044	-
	<u>£641,716</u>	<u>£886,403</u>
3. PROMOTION COSTS		
Travel bags/wallets	-	4,400
Advertising	26,884	26,196
Brochure costs	174,537	173,322
	<u>£201,421</u>	<u>£203,918</u>