

Registration number 1385533

**Selwyns Travel Limited**  
**Directors' report and financial statements**  
**for the year ended 31 December 2007**

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## **Selwyns Travel Limited**

### **Company information**

Directors	S A Jones J M Jones J C Jones
Secretary	R E Williams
Company number	1385533
Registered office	Cavendish Farm Road Weston Runcorn Cheshire WA7 4LU
Auditors	Hurst & Company Accountants LLP Lancashire Gate 21 Tiviot Dale Stockport SK1 1TD
Business address	Cavendish Farm Road Weston Runcorn Cheshire WA7 4LU
Bankers	National Westminster Bank Plc 117 Main Street Frodsham Warrington WA6 7AG
Solicitors	Aaron & Partners Grosvenor Court Foregate Street Chester CH1 1HG

## **Selwyns Travel Limited**

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## **Selwyns Travel Limited**

### **Directors' report for the year ended 31 December 2007**

The directors present their report and the financial statements for the year ended 31 December 2007

#### **Principal activity and review of the business**

The principal activity of the company in the year under review was that of motor coach proprietors

The directors believe the company has had another successful year. Following the acquisition of Hardings Tours Limited and the subsequent hive up of the trade of that company at 31 December 2006, the company has achieved growth in gross profit of 13% and operating profits of 33%. The directors look forward to building on this success over the coming year.

The financial highlights of the company for the past three years are summarised below

	<b>2007</b>	<b>2006</b>	<b>2005</b>
Gross profit £'000	2,331	2,064	2,004
Operating profit £'000	602	452	371
Operating profit growth	33%	20%	36%

#### **Results and dividends**

The results for the year are set out on page 6

#### **Financial risk management objectives and policies**

The company's principal financial instruments comprise of bank balances, trade debtors, trade creditors and hire purchase agreements. The purpose of these instruments is to finance the company's continuing operations.

Due to the nature of the financial instruments used by the company there is no exposure to price risk. The company's approach to the management of other risks applicable to the financial instruments is as follows:

In respect of bank balances the liquidity risk is managed by maintaining a balance between the continuity of funding and maximising returns on deposits. Trade debtors are monitored for credit risk on a continuous basis.

Hire purchase agreements are utilised in order to fund the capital requirements of the company. Fixed and variable interest rates are utilised to hedge against movements in inflation and interest rates.

#### **Directors**

The directors who served during the year are as stated below:

S A Jones

J M Jones

J C Jones

# **Selwyns Travel Limited**

## **Directors' report for the year ended 31 December 2007**

continued

### **Charitable and Political Contributions**

During the year the company contributed £420 (2006 £695) to charities

### **Directors' responsibilities**

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that year. In preparing these financial statements the directors are required to

- select suitable accounting policies and 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.

In so far as the directors are aware

- there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

### **Auditors**

In accordance with Section 385 of the Companies Act 1985, a resolution proposing that Hurst & Company Accountants LLP be reappointed as auditors of the company will be put to the Annual General Meeting.

This report was approved by the Board on

12 May 2008

and signed on its behalf by

  
R E Williams  
Secretary

## **Selwyns Travel Limited**

### **Independent auditors' report to the shareholders of Selwyns Travel Limited**

We have audited the financial statements of Selwyns Travel Limited for the year ended 31 December 2007 which comprise the profit and loss account, the balance sheet, the cash flow statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's shareholders, 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 shareholders those matters we are required to state to them in an auditors' 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and the auditors**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions 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 International Standards on Auditing (UK and Ireland) 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.

## **Selwyns Travel Limited**

### **Independent auditors' report to the shareholders of Selwyns Travel Limited continued**

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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2007 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements

*Hurst & Company Accountants LLP*

**Hurst & Company Accountants LLP**  
**Chartered Accountants and**  
**Registered Auditors**  
**Lancashire Gate**  
**21 Tiviot Dale**  
**Stockport**  
**SK1 1TD**

Date 5/6/08

# Selwyns Travel Limited

## Profit and loss account for the year ended 31 December 2007

		Continuing operations	
		2007	2006
	Notes	£	£
<b>Turnover</b>	<b>2</b>	9,387,518	8,347,097
Cost of sales		(7,055,564)	(6,283,060)
<b>Gross profit</b>		2,331,954	2,064,037
Administrative expenses		(1,730,218)	(1,611,544)
<b>Operating profit</b>	<b>3</b>	601,736	452,493
Other interest receivable and similar income	<b>4</b>	18,852	4,497
Interest payable and similar charges	<b>5</b>	(130,283)	(130,660)
<b>Profit on ordinary activities before taxation</b>		490,305	326,330
Tax on profit on ordinary activities	<b>8</b>	(131,605)	(63,613)
<b>Profit for the year</b>	<b>19</b>	<u>358,700</u>	<u>262,717</u>

There are no recognised gains or losses other than the profit or loss for the above two financial years

The notes on pages 9 to 21 form an integral part of these financial statements.



**Selwyns Travel Limited**

**Balance sheet  
as at 31 December 2007**

		2007		2006	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Intangible assets	9		95,000		125,000
Tangible assets	10		5,584,139		5,163,767
Investments	11		<u>1</u>		<u>1</u>
			5,679,140		5,288,768
<b>Current assets</b>					
Stocks	12	129,746		78,695	
Debtors	13	1,237,889		1,268,108	
Cash at bank and in hand		<u>471,353</u>		<u>404,034</u>	
		1,838,988		1,750,837	
<b>Creditors' amounts falling due within one year</b>	14	<u>(2,674,462)</u>		<u>(2,008,198)</u>	
<b>Net current</b>			<u>(835,474)</u>		<u>(257,361)</u>
<b>Total assets less current liabilities</b>			4,843,666		5,031,407
<b>Creditors: amounts falling due after more than one year</b>	15		(1,094,640)		(1,682,842)
<b>Provisions for liabilities</b>	16		<u>(719,110)</u>		<u>(605,349)</u>
<b>Net assets</b>			<u>3,029,916</u>		<u>2,743,216</u>
<b>Capital and reserves</b>					
Called up share capital	18		64,100		64,100
Revaluation reserve	19		21,710		21,710
Profit and loss account	19		<u>2,944,106</u>		<u>2,657,406</u>
<b>Shareholders' funds</b>	20		<u>3,029,916</u>		<u>2,743,216</u>

The financial statements were approved by the Board on

*12 May 2008*

and signed on its behalf by

.....  
S A Jones  
Director

The notes on pages 9 to 21 form an integral part of these financial statements.

# Selwyns Travel Limited

## Cash flow statement for the year ended 31 December 2007

	Notes	2007 £	2006 £
<b>Reconciliation of operating profit to net cash inflow from operating activities</b>			
Operating profit		601,736	452,493
Depreciation		594,223	718,180
(Increase) in stocks		(51,051)	54,329
Decrease in debtors		30,219	(157,679)
Increase in creditors		784,735	(17,780)
<b>Net cash inflow from operating activities</b>		<u>1,959,862</u>	<u>1,049,543</u>
<b>Cash flow statement</b>			
Net cash inflow from operating activities		1,959,862	1,049,543
Returns on investments and servicing of finance	24	(111,431)	(126,163)
Taxation	24	(6,009)	(32,847)
Capital expenditure	24	(542,261)	262,599
Acquisitions and disposals	24	-	(535,180)
		<u>1,300,161</u>	<u>617,952</u>
Equity dividends paid		(72,000)	-
		<u>1,228,161</u>	<u>617,952</u>
Financing	24	(1,160,842)	(441,519)
<b>Increase in cash in the year</b>		<u>67,319</u>	<u>176,433</u>
<b>Reconciliation of net cash flow to movement in net funds (Note 25)</b>			
<b>Increase in cash in the year</b>		67,319	176,433
Cash inflow from increase in debts and lease financing		1,160,842	961,519
Change in net funds resulting from cash flows		1,228,161	1,137,952
New finance leases and hire purchase contracts		(442,334)	(1,764,496)
<b>Movement in net funds in the year</b>		<u>785,827</u>	<u>(626,544)</u>
<b>Net debt at 1 January 2007</b>		<u>(2,120,580)</u>	<u>(1,494,036)</u>
<b>Net debt at 31 December 2007</b>		<u>(1,334,753)</u>	<u>(2,120,580)</u>

## **Selwyns Travel Limited**

### **Notes to the financial statements for the year ended 31 December 2007**

continued

#### **1. Accounting policies**

##### **1.1. Accounting convention**

The financial statements are prepared under the historical cost convention modified to include the revaluation of certain fixed assets and comply with financial reporting standards of the Accounting Standards Board

##### **1.2. Turnover**

Turnover represents the total invoice value, excluding value added tax, of sales made during the year

##### **1.3. Goodwill**

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 10 years

##### **1.4. Tangible fixed assets and depreciation**

Depreciation is provided at rates calculated to write off the cost or valuation less residual value of each asset over its expected useful life, as follows

Leasehold properties	-	Straight line over the life of the lease
Plant and machinery	-	Over asset life of 3-10 years
Fixtures, fittings and equipment	-	10%-35% on a reducing balance basis
Motor vehicles	-	25% on a reducing balance basis

Motor coaches less than five years old are written down to 50% of their new value at year five. The depreciation rate will take into account the date of acquisition. The remaining depreciation is provided at rates to ensure the motor coaches are depreciated on a systematic basis over their estimated useful economic lives

##### **1.5. Leasing and hire purchase commitments**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. 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 constant periodic rates of charge on the net obligations outstanding in each period

Rentals payable under operating leases are charged against income on a straight line basis over the lease term

##### **1.6. Investments**

Fixed asset investments are stated at cost less provision for permanent diminution in value

## **Selwyns Travel Limited**

### **Notes to the financial statements for the year ended 31 December 2007**

#### **1.7. Stock**

Stock is valued at the lower of cost and net realisable value

#### **1.8. Pensions**

The company operates a defined pension contribution pension scheme. Contributions payable to this scheme are charged to the profit and loss account in the period to which they relate. These contributions are invested separately from the company's assets.

#### **1.9. Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions.

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold,

Provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable,

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

#### **1.10. Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Profit and Loss account.

#### **1.11. Group accounts**

The company is entitled to the exemption under Section 248 of the Companies Act 1985 from the obligation to prepare group accounts.

#### **2. Turnover**

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the UK.

**Selwyns Travel Limited**

**Notes to the financial statements  
for the year ended 31 December 2007**

continued

<b>3. Operating profit</b>	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Operating profit is stated after charging		
Depreciation and other amounts written off intangible assets	30,000	-
Depreciation and other amounts written off tangible assets	551,408	658,021
Loss on disposal of tangible fixed assets	12,815	34,601
Operating lease rentals		
- Land and buildings	56,743	60,159
Auditors' remuneration	18,055	19,753
Auditors' remuneration from non-audit work	5,565	8,563
	<u>          </u>	<u>          </u>
and after crediting		
Net foreign exchange gain	-	(139)
 <b>4. Interest receivable and similar income</b>	 <b>2007</b>	 <b>2006</b>
	<b>£</b>	<b>£</b>
Bank interest	18,852	4,497
	<u>          </u>	<u>          </u>
 <b>5. Interest payable and similar charges</b>	 <b>2007</b>	 <b>2006</b>
	<b>£</b>	<b>£</b>
Interest payable on loans	2,038	1,784
Interest payable on director's loan accounts	1,881	168
Hire purchase interest	126,364	128,708
	<u>130,283</u>	<u>130,660</u>

# Selwyns Travel Limited

## Notes to the financial statements for the year ended 31 December 2007

continued

### 6. Employees

<b>Number of employees</b>	<b>2007</b>	<b>2006</b>
The average monthly numbers of employees (including the directors) during the year were		
Drivers and maintenance	155	166
Sales and administration	33	36
	<u>188</u>	<u>202</u>

<b>Employment costs</b>	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Wages and salaries	3,440,458	3,349,842
Social security costs	320,560	313,505
Pension costs	2,733	6,928
	<u>3,763,751</u>	<u>3,670,275</u>

<b>6.1. Directors' emoluments</b>	<b>2007</b>	<b>2006</b>
	<b>£</b>	<b>£</b>
Remuneration and other emoluments	108,386	66,816
Pension contributions	280	4,475
	<u>108,666</u>	<u>71,291</u>
	<b>Number</b>	<b>Number</b>
Number of directors to whom retirement benefits are accruing under a money purchase scheme	<u>1</u>	<u>1</u>

### 7. Pension costs

The company operates a defined contribution pension scheme. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £2,733 (2006 - £6,928).

# Selwyns Travel Limited

## Notes to the financial statements for the year ended 31 December 2007

continued

### 8. Tax on profit on ordinary activities

Analysis of charge in period	2007 £	2006 £
<b>Current tax</b>		
UK corporation tax	18,222	6,387
Adjustments in respect of previous periods	(378)	6
	<u>17,844</u>	<u>6,393</u>
Total current tax charge	<u>17,844</u>	<u>6,393</u>
<b>Deferred tax</b>		
Timing differences, origination and reversal	113,761	57,220
Total deferred tax	<u>113,761</u>	<u>57,220</u>
Tax on profit on ordinary activities	<u>131,605</u>	<u>63,613</u>

### Factors affecting tax charge for period

The tax assessed for the period is higher than the standard rate of corporation tax in the UK (20 per cent). The differences are explained below

	2007 £	2006 £
Profit on ordinary activities before taxation	<u>490,305</u>	<u>326,330</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (31 December 2006 19%)	98,061	62,003
<b>Effects of:</b>		
Expenses not deductible for tax purposes	1,117	2,008
Capital allowances for period in excess of depreciation	(112,611)	(56,984)
Adjustments to tax charge in respect of previous periods	(378)	6
Capital assets expensed	-	(640)
Changes in tax rate	31,655	-
Current tax charge for period	<u>17,844</u>	<u>6,393</u>

**Selwyns Travel Limited**

**Notes to the financial statements  
for the year ended 31 December 2007**

continued

**9. Intangible fixed assets**

	<b>Goodwill £</b>	<b>Total £</b>
<b>Cost</b>		
At 1 January 2007	150,000	150,000
At 31 December 2007	<u>150,000</u>	<u>150,000</u>
<b>Provision for diminution in value</b>		
At 1 January 2007	25,000	25,000
Charge for year	<u>30,000</u>	<u>30,000</u>
At 31 December 2007	<u>55,000</u>	<u>55,000</u>
<b>Net book values</b>		
At 31 December 2007	<u>95,000</u>	<u>95,000</u>
At 31 December 2006	<u><u>125,000</u></u>	<u><u>125,000</u></u>



# Selwyns Travel Limited

## Notes to the financial statements for the year ended 31 December 2007

continued

10. Tangible fixed assets	Long leasehold property £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
<b>Cost/revaluation</b>					
At 1 January 2007	16,764	154,537	138,238	7,569,400	7,878,939
Additions	2,920	10,052	24,830	1,395,987	1,433,789
Disposals	-	(2,000)	-	(745,151)	(747,151)
At 31 December 2007	19,684	162,589	163,068	8,220,236	8,565,577
<b>Depreciation</b>					
At 1 January 2007	9,613	60,494	105,969	2,539,096	2,715,172
On disposals	-	-	-	(285,142)	(285,142)
Charge for the year	3,363	15,012	14,378	518,655	551,408
At 31 December 2007	12,976	75,506	120,347	2,772,609	2,981,438
<b>Net book values</b>					
At 31 December 2007	6,708	87,083	42,721	5,447,627	5,584,139
At 31 December 2006	7,151	94,043	32,269	5,030,304	5,163,767

Included within motor vehicles are cherished number plates valued by Elite Registrations at £14,600 (2006 £14,600) during December 2000, on the basis of open market value

Included above are assets held under finance leases or hire purchase contracts as follows

Asset description	2007		2006	
	Net book value £	Depreciation charge £	Net book value £	Depreciation charge £
Plant and machinery	35,588	5,820	41,408	6,936
Motor vehicles	2,803,593	453,039	3,667,508	328,108
	<u>2,839,181</u>	<u>458,859</u>	<u>3,708,916</u>	<u>335,044</u>

**Selwyns Travel Limited**

**Notes to the financial statements**  
**for the year ended 31 December 2007**

continued

<b>11. Fixed asset investments</b>	<b>Subsidiary undertakings shares £</b>	<b>Total £</b>
<b>Cost</b>		
At 1 January 2007		
At 31 December 2007	1	1
<b>Net book values</b>		
At 31 December 2007	1	1
At 31 December 2006	1	1

**11.1. Holdings of 20% or more**

The company holds 20% or more of the share capital of the following companies

<b>Company</b>	<b>Country of registration or incorporation</b>	<b>Nature of business</b>	<b>Shares held class</b>	<b>Proportion of shares held</b>
<b>Subsidiary undertaking</b>				
Hardings Tours Limited	England & Wales	Dormant	Ordinary	100%

<b>12. Stocks</b>	<b>2007 £</b>	<b>2006 £</b>
Raw materials and consumables	129,746	78,695
<b>13. Debtors</b>	<b>2007 £</b>	<b>2006 £</b>
Trade debtors	791,783	815,779
Amount owed by connected companies	-	5,358
Other debtors	95,237	116,690
Prepayments and accrued income	350,869	330,281
	1,237,889	1,268,108

# Selwyns Travel Limited

## Notes to the financial statements for the year ended 31 December 2007

continued

<b>14. Creditors: amounts falling due within one year</b>	<b>2007 £</b>	<b>2006 £</b>
Net obligations under finance leases and hire purchase contracts	711,466	841,772
Trade creditors	485,829	621,957
Corporation tax	18,222	6,387
Other taxes and social security costs	111,154	109,458
Directors' accounts	25,388	2,269
Other creditors	84,214	88,383
Deferred income	260,161	224,060
Accruals	978,028	113,912
	<u>2,674,462</u>	<u>2,008,198</u>

Finance lease and hire purchase agreements are secured on the assets to which they relate

<b>15. Creditors: amounts falling due after more than one year</b>	<b>2007 £</b>	<b>2006 £</b>
Net obligations under finance leases and hire purchase contracts	<u>1,094,640</u>	<u>1,682,842</u>
<b>Net obligations under finance leases and hire purchase contracts</b>		
Repayable within one year	711,466	841,772
Repayable between one and five years	<u>1,094,640</u>	<u>1,682,842</u>
	<u>1,806,106</u>	<u>2,524,614</u>

**Selwyns Travel Limited**

**Notes to the financial statements  
for the year ended 31 December 2007**

continued

**16. Provisions for liabilities**

	<b>Deferred taxation (Note 17) £</b>	<b>Total £</b>
At 1 January 2007	605,349	605,349
Movements in the year	113,761	113,761
At 31 December 2007	<u>719,110</u>	<u>719,110</u>

**17. Provision for deferred taxation**

	<b>2007 £</b>	<b>2006 £</b>
Accelerated capital allowances	719,110	605,349
Provision for deferred tax	<u>719,110</u>	<u>605,349</u>
Provision at 1 January 2007	605,349	
Deferred tax charge in profit and loss account	113,761	
Provision at 31 December 2007	<u>719,110</u>	

# Selwyns Travel Limited

## Notes to the financial statements for the year ended 31 December 2007

continued

18. Share capital	2007 £	2006 £
<b>Authorised equity</b>		
64,095 Ordinary shares of £1 each	64,095	64,095
1 'A' Ordinary shares of 1 each	1	1
4 'B' Ordinary shares of 1 each	4	4
	<u>64,100</u>	<u>64,100</u>
<b>Allotted, called up and fully paid</b>		
64,095 Ordinary shares of £1 each	64,095	64,095
1 'A' Ordinary shares of 1 each	1	1
4 'B' Ordinary shares of 1 each	4	4
	<u>64,100</u>	<u>64,100</u>

All classes of share rank pari passu in all material respects

19. Equity Reserves	Revaluation reserve £	Profit and loss account £	Total £
<b>At 1 January 2007</b>	21,710	2,657,406	2,679,116
Profit for the year	-	358,700	358,700
Equity Dividends	-	(72,000)	(72,000)
<b>At 31 December 2007</b>	<u>21,710</u>	<u>2,944,106</u>	<u>2,965,816</u>

20. Reconciliation of movements in shareholders' funds	2007 £	2006 £
Profit for the year	358,700	262,717
Dividends	(72,000)	-
	<u>286,700</u>	<u>262,717</u>
Opening shareholders' funds	2,743,212	2,480,495
Closing shareholders' funds	<u>3,029,912</u>	<u>2,743,212</u>

# Selwyns Travel Limited

## Notes to the financial statements for the year ended 31 December 2007

continued

### 21. Financial commitments

At 31 December 2007 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings		Other	
	2007	2006	2007	2006
	£	£	£	£
<b>Expiry date:</b>				
Within one year	6,000	-	-	-
Between one and five years	-	6,000	-	1,520
In over five years	42,000	42,000	-	-
	<u>48,000</u>	<u>48,000</u>	<u>-</u>	<u>1,520</u>

### 22. Transactions with directors

A) The balances on the directors' loan accounts are as follows S A Jones £11,098 (2006 £21,206 overdrawn), J M Jones £5,508 (2006 £2,139) and J C Jones £8,782 (2006 £130)

B) Interest has been paid by the company at a commercial rate on the loan balances Net interest credited to the directors' loan accounts of S A Jones, J M Jones and J C Jones was £822 (2006 £Nil), £408 (2006 £158) and £651 (2006 £10) respectively

C) During the year, the company paid rent of £42,000 (2006 £42,000) to S A Jones, a director of the company This is in respect of the main trading premises and is equivalent to market rent

D) During the year a motor vehicle was gifted to S A Jones in recognition of service

### 23. Controlling interest

The company is under the ultimate control of S A Jones who has a majority holding of the issued share capital

# Selwyns Travel Limited

## Notes to the financial statements for the year ended 31 December 2007

continued

### 24. Gross cash flows

	2007 £	2006 £
<b>Returns on investments and servicing of finance</b>		
Interest received	18,852	4,497
Interest paid	(130,283)	(130,660)
	<u>(111,431)</u>	<u>(126,163)</u>
<b>Taxation</b>		
Corporation tax paid	<u>(6,009)</u>	<u>(32,847)</u>
<b>Capital expenditure</b>		
Payments to acquire tangible assets	(991,455)	(66,920)
Receipts from sales of tangible assets	449,194	329,519
	<u>(542,261)</u>	<u>262,599</u>
<b>Acquisitions and disposals</b>		
Payments on acquisition of group interests	-	(535,180)
Capital element of finance leases and hire purchase contracts	<u>(1,160,842)</u>	<u>(961,519)</u>

### 25. Analysis of changes in net funds

	Opening balance £	Cash flows £	Other changes £	Closing balance £
Cash at bank and in hand	404,034	67,319		471,353
Finance leases and hire purchase contracts	(2,524,614)	1,160,842	(442,334)	(1,806,106)
<b>Net funds</b>	<u>(2,120,580)</u>	<u>1,228,161</u>	<u>(442,334)</u>	<u>(1,334,753)</u>