

Registration number 1385533

Selwyns Travel Limited

Abbreviated accounts

for the year ended 31 December 2002



Selwyns Travel Limited

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Selwyns Travel Limited

Directors' report for the year ended 31 December 2002

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

Principal activity and review of the business

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

Results and dividends

The results for the year are set out on page 4 - 5.

The directors do not recommend payment of a final dividend.

Directors and their interests

The directors who served during the year and their interests in the company are as stated below:

	Ordinary shares	
	31/12/02	01/01/02
S A Jones	51,280	51,280
J M Jones	4,810	4,810
K Jones	800	800

Charitable and Political Contributions

During the year the company contributed £1,630 to charities.

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which 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 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.

Selwyns Travel Limited

**Directors' report
for the year ended 31 December 2002**

Auditors

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

The directors recommend that Hurst & Company remain in office until further notice.

This report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies.

This report was approved by the Board on 22 August 2003 and signed on its behalf by



R E Williams
Secretary

**Independent auditors' report to Selwyns Travel Limited
under Section 247B of the Companies Act 1985**

We have examined the abbreviated accounts set out on pages 4 to 22 together with the financial statements of Selwyns Travel Limited for the year ended 31 December 2002 prepared under Section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

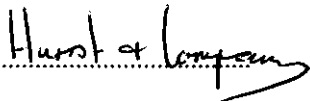
The directors are responsible for preparing abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with that provision and to report our opinion to you.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the Companies Act 1985 in respect of the year ended 31 December 2002, and the abbreviated accounts on pages 4 to 22 are properly prepared in accordance with that provision.



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

Date: 2nd September 2003

Selwyns Travel Limited

Abbreviated profit and loss account for the year ended 31 December 2002

		Continuing operations	
		2002	2001
	Notes	£	£
Gross profit		1,769,924	1,585,152
Administrative expenses		(1,252,933)	(1,223,339)
Operating profit	2	<u>516,991</u>	<u>361,813</u>
Profit \ (Loss) on sale of fixed assets	3	<u>(30,000)</u>	<u>-</u>
Profit on ordinary activities before interest		486,991	361,813
Other interest receivable and similar income	4	1,750	546
Interest payable and similar charges	5	<u>(136,759)</u>	<u>(122,324)</u>
Profit on ordinary activities before taxation		351,982	240,035
Tax on profit on ordinary activities	8	<u>(46,082)</u>	<u>(85,317)</u>
Retained profit for the year		<u><u>305,900</u></u>	<u><u>154,718</u></u>

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

The notes on pages 8 to 22 form an integral part of these financial statements.

Selwyns Travel Limited

Note of historical cost profits and losses

	2002	2001
Profit on ordinary activities before taxation	351,982	240,035
Realisation of property revaluation gains from previous years	113,659	-
Difference between an historical cost depreciation charge and the actual depreciation charge of the year calculated on the revalued amount	790	3,000
Historical cost profit on ordinary activities before taxation	<u>466,431</u>	<u>243,035</u>
Historic cost profit for the year retained after taxation and dividends	<u>420,349</u>	<u>157,718</u>

The notes on pages 8 to 22 form an integral part of these financial statements.

Selwyns Travel Limited

Abbreviated balance sheet as at 31 December 2002

	Notes	2002		2001	
		£	£	£	£
Fixed assets					
Intangible assets	9		-		18,750
Tangible assets	10		4,573,412		4,393,326
Investments	11		41		41
			<u>4,573,453</u>		<u>4,412,117</u>
Current assets					
Stocks	12	101,262		80,245	
Debtors	13	1,380,210		750,420	
Cash at bank and in hand		115,843		6,134	
		<u>1,597,315</u>		<u>836,799</u>	
Creditors: amounts falling due within one year	14	(2,263,964)		(2,178,184)	
Net current liabilities			<u>(666,649)</u>		<u>(1,341,385)</u>
Total assets less current liabilities			3,906,804		3,070,732
Creditors: amounts falling due after more than one year	15		(1,662,276)		(1,162,795)
Provisions for liabilities and charges	16		<u>(411,962)</u>		<u>(381,271)</u>
Net assets			<u>1,832,566</u>		<u>1,526,666</u>
Capital and reserves					
Called up share capital	18		64,100		64,100
Revaluation reserve	19		24,850		139,299
Profit and loss account	19		1,743,616		1,323,267
Equity shareholders' funds	20		<u>1,832,566</u>		<u>1,526,666</u>

The abbreviated accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to medium-sized companies .

The abbreviated accounts were approved by the Board on 22 August 2003 and signed on its behalf by


.....
S A Jones
Director

The notes on pages 8 to 22 form an integral part of these financial statements.

Selwyns Travel Limited

Cash flow statement for the year ended 31 December 2002

	Notes	2002 £	2001 £
Reconciliation of operating profit to net cash outflow from operating activities			
Operating profit		516,991	361,813
Depreciation		612,739	475,664
Profit/loss on disposal of tangible fixed assets		841	1,377
(Increase) in stocks		(21,017)	866
(Increase) in debtors		(629,790)	(56,179)
(Decrease) in creditors		(49,194)	425,848
Net cash outflow from operating activities		<u>430,570</u>	<u>1,209,389</u>
Cash flow statement			
Net cash outflow from operating activities		430,570	1,209,389
Returns on investments and servicing of finance	26	(135,009)	(121,778)
Taxation	26	-	(2,671)
Capital expenditure	26	403,474	(400,917)
		<u>699,035</u>	<u>684,023</u>
Financing	26	(550,935)	(683,199)
Increase in cash in the year		<u>148,100</u>	<u>824</u>
Reconciliation of net cash flow to movement in net debt (Note 27)			
Increase in cash in the year		148,100	824
Cash outflow from increase in debts and lease financing		550,935	683,199
Change in net funds resulting from cash flows		699,035	684,023
New finance leases and hire purchase contracts		(1,564,721)	(1,325,117)
Movement in net debt in the year		<u>(865,686)</u>	<u>(641,094)</u>
Net debt at 1 January 2002		<u>(1,991,699)</u>	<u>(1,350,605)</u>
Net debt at 31 December 2002		<u>(2,857,385)</u>	<u>(1,991,699)</u>

Selwyns Travel Limited

Notes to the abbreviated financial statements for the year ended 31 December 2002

1. Accounting policies

1.1. Accounting convention

The accounts are prepared under the historical cost convention modified to include the revaluation of certain fixed assets .

1.2. Turnover

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

1.3. Goodwill

Acquired goodwill has been fully written down to reflect it's current net realisable value and economic life.

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 Improvements -	Straight line over 3 years
Computer equipment -	straight line over 3 years
Fixtures, fittings, plant & machinery and equipment-	10% on a reducing balance basis
Motor cars -	20% 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 15% on a reducing balance method.

No depreciation was charged on freehold land and buildings

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 diminution in value.

1.7. Stock

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

Selwyns Travel Limited

Notes to the abbreviated financial statements for the year ended 31 December 2002

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

In accordance with FRS19, deferred taxation is provided using the full provision method for deferred tax assets and liabilities arising from timing differences between the recognition of gains and losses in the financial statements and their recognition for corporation tax purposes.

Deferred tax assets are only recognised to the extent that they are regarded as recoverable.

Deferred tax has been calculated at the current rate of tax being the best estimate of the rate which is likely to be applicable when it is anticipated that the timing differences will reverse.

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.

2. Operating profit

	2002	2001
	£	£
Operating profit is stated after charging:		
Depreciation and other amounts written off intangible assets	18,750	3,000
Depreciation and other amounts written off tangible assets	593,989	472,664
Loss on disposal of tangible fixed assets	841	1,377
Loss on foreign currencies	1,541	(55)
Operating lease rentals		
- Plant and machinery	2,772	884
- Land and buildings	10,149	10,149
Auditors' remuneration	10,000	9,000

3. Loss on sale of fixed assets

On 31st December 2002, the company sold the premises from which it operates at Cavendish Road West, Runcorn for £375,000. This was the open market valuation at that time. Further details are provided in note 24.

Selwyns Travel Limited

**Notes to the abbreviated financial statements
for the year ended 31 December 2002**

4. Interest receivable and similar income	2002	2001
	£	£
Bank interest	1,750	546
	<u> </u>	<u> </u>
5. Interest payable and similar charges	2002	2001
	£	£
On bank loans and overdrafts	8,707	9,883
Other interest	20,160	7,146
Hire purchase interest	107,892	105,295
	<u> </u>	<u> </u>
	<u>136,759</u>	<u>122,324</u>
6. Employees		
Number of employees		
The average monthly numbers of employees (including the directors) during the year were:	2002	2001
Drivers and maintenance	120	119
Sales	6	6
Administration	17	16
	<u> </u>	<u> </u>
	<u>143</u>	<u>141</u>
Employment costs	2002	2001
	£	£
Wages and salaries	2,708,734	2,341,372
Social security costs	236,169	207,662
Other pension costs	18,299	29,069
	<u> </u>	<u> </u>
	<u>2,963,202</u>	<u>2,578,103</u>

Selwyns Travel Limited

Notes to the abbreviated financial statements for the year ended 31 December 2002

6.1. Directors' emoluments	2002	2001
	£	£
Remuneration and other emoluments	194,183	258,921
Pension contributions	10,500	13,724
	<u>204,683</u>	<u>272,645</u>
	Number	Number
Number of directors to whom retirement benefits are accruing under a money purchase scheme	<u>2</u>	<u>2</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 £18,299 (2001 - £29,069).

Selwyns Travel Limited

Notes to the abbreviated financial statements for the year ended 31 December 2002

8. Tax on profit on ordinary activities

Analysis of charge in period	2002 £	2001 £
Current tax		
UK corporation tax	15,391	-
Prior period adjustments	-	(2,715)
	<u>15,391</u>	<u>(2,715)</u>
Total current tax charge	<u>15,391</u>	<u>(2,715)</u>
Deferred tax		
Timing differences, origination and reversal	30,691	88,032
Total deferred tax	<u>30,691</u>	<u>88,032</u>
Tax on profit on ordinary activities	<u>46,082</u>	<u>85,317</u>

Factors affecting tax charge for period

The tax assessed for the period is lower than the standard rate of corporation tax in the UK (19 per cent). The differences are explained below:

	2002 £	2001 £
Profit on ordinary activities before taxation	<u>351,982</u>	<u>240,035</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (31 December 2001 : 20%)	66,877	48,007
Expenses not deductible for tax purposes	6,500	3,597
Capital allowances for period in excess of depreciation	(40,416)	(46,982)
Utilisation of tax losses	(39,165)	(4,622)
Adjustments to tax charge in respect of previous periods	-	(2,715)
Tax effect of revaluation reserve on property disposal	21,595	-
Current tax charge for period	<u>15,391</u>	<u>(2,715)</u>

Selwyns Travel Limited

Notes to the abbreviated financial statements for the year ended 31 December 2002

9. Intangible fixed assets

	Goodwill £	Total £
Cost		
At 1 January 2002	30,000	30,000
At 31 December 2002	<u>30,000</u>	<u>30,000</u>
Provision for diminution in value		
At 1 January 2002	11,250	11,250
Charge for year	<u>18,750</u>	<u>18,750</u>
At 31 December 2002	<u>30,000</u>	<u>30,000</u>
Net book values		
At 31 December 2002	<u>-</u>	<u>-</u>
At 31 December 2001	<u>18,750</u>	<u>18,750</u>

Selwyns Travel Limited

**Notes to the abbreviated financial statements
for the year ended 31 December 2002**

10. Tangible fixed assets	Land and buildings freehold £	Computer equipment £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost/Revaluation					
At 1 January 2002	415,595	42,129	100,102	6,001,531	6,559,357
Additions	2,400	11,104	2,061	1,208,390	1,223,955
Disposals	(417,995)	(4,261)	(13,175)	(160,847)	(596,278)
At 31 December 2002	<u>-</u>	<u>48,972</u>	<u>88,988</u>	<u>7,049,074</u>	<u>7,187,034</u>
Depreciation					
At 1 January 2002	3,655	20,807	67,826	2,073,743	2,166,031
On disposals	(6,523)	(4,022)	(11,091)	(124,762)	(146,398)
Charge for the year	2,868	12,404	4,292	574,425	593,989
At 31 December 2002	<u>-</u>	<u>29,189</u>	<u>61,027</u>	<u>2,523,406</u>	<u>2,613,622</u>
Net book values					
At 31 December 2002	<u>-</u>	<u>19,783</u>	<u>27,961</u>	<u>4,525,668</u>	<u>4,573,412</u>
At 31 December 2001	<u>411,940</u>	<u>21,322</u>	<u>32,276</u>	<u>3,927,788</u>	<u>4,393,326</u>

The freehold land and buildings were professionally valued at £405,000 on 30 January 2001 by Edwards Grounds Surveyors, Estate Agents and Auctioneers on the basis of open market value. Details of the sale of the property can be found in note 3 to the accounts.

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

Asset description	2002		2001	
	Net book value £	Depreciation charge £	Net book value £	Depreciation charge £
Motor vehicles	<u>4,037,018</u>	<u>465,326</u>	<u>3,310,892</u>	<u>400,778</u>

Selwyns Travel Limited

Notes to the abbreviated financial statements for the year ended 31 December 2002

11. Fixed asset investments

	Listed investments £	Total £
Cost		
At 1 January 2002		
At 31 December 2002	41	41
Net book values		
At 31 December 2002	41	41
At 31 December 2001	41	41
Fixed asset investments	2002 £	2001 £
Market valuation of listed investments	49	37

12. Stocks

	2002 £	2001 £
Finished goods and goods for resale	101,262	80,245

13. Debtors

	2002 £	2001 £
Trade debtors	721,947	419,648
Other debtors	448,442	171,127
Prepayments and accrued income	209,821	159,645
	1,380,210	750,420

Selwyns Travel Limited

**Notes to the abbreviated financial statements
for the year ended 31 December 2002**

14. Creditors: amounts falling due within one year	2002 £	2001 £
Bank overdraft	25,338	63,729
Bank loan	150,075	74,020
Net obligations under finance leases and hire purchase contracts	1,135,539	697,289
Trade creditors	311,075	851,779
Corporation tax	15,391	-
Other taxes and social security costs	81,389	64,138
Directors' accounts	146,064	135,719
Other creditors	118,649	84,723
Accruals and deferred income	280,444	206,787
	<u>2,263,964</u>	<u>2,178,184</u>

Selwyns Travel Limited

Notes to the abbreviated financial statements for the year ended 31 December 2002

15. Creditors: amounts falling due after more than one year	2002 £	2001 £
Bank loan	-	132,787
Net obligations under finance leases and hire purchase contracts	1,662,276	1,030,008
	<u>1,662,276</u>	<u>1,162,795</u>
Loans		
Repayable in one year or less, or on demand (Note 14)	150,075	74,020
Repayable between one and two years	-	61,284
Repayable between two and five years	-	71,503
	<u>150,075</u>	<u>206,807</u>
Net obligations under finance leases and hire purchase contracts		
Repayable within one year	1,135,539	697,289
Repayable between one and five years	1,662,276	1,030,008
	<u>2,797,815</u>	<u>1,727,297</u>

Bank loans and overdrafts of £175,413 (2001: £76,465) are secured by way of a fixed and floating charge over the assets of the company.

Selwyns Travel Limited

**Notes to the abbreviated financial statements
for the year ended 31 December 2002**

16 Provisions for liabilities and charges

	Deferred taxation (Note 17) £	Total £
At 1 January 2002	381,271	381,271
Movements in the year	30,691	30,691
At 31 December 2002	<u>411,962</u>	<u>411,962</u>

17. Provision for deferred taxation

	2002 £	2001 £
Accelerated capital allowances	451,127	398,729
Tax losses carried forward	(39,165)	(17,458)
Undiscounted provision for deferred tax	<u>411,962</u>	<u>381,271</u>
Provision at 1 January 2002	381,271	
Deferred tax charge in profit and loss account	30,691	
Provision at 31 December 2002	<u>411,962</u>	

18. Share capital

	2002 £	2001 £
Authorised equity		
64,100 Ordinary shares of £1 each	<u>64,100</u>	<u>64,100</u>
Allotted, called up and fully paid equity		
64,100 Ordinary shares of £1 each	<u>64,100</u>	<u>64,100</u>

Selwyns Travel Limited

Notes to the abbreviated financial statements for the year ended 31 December 2002

19. Equity Reserves	Revaluation reserve £	Profit and loss account £	Total £
At 1 January 2002	139,299	1,323,267	1,462,566
Transfer of realised profit	(114,449)	114,449	-
Retained profit for the year		305,900	305,900
At 31 December 2002	<u>24,850</u>	<u>1,743,616</u>	<u>1,768,466</u>

20. Reconciliation of movements in shareholders' funds	2002 £	2001 £
Profit for the year	305,900	154,718
Opening shareholders' funds	<u>1,526,666</u>	<u>1,371,948</u>
Closing shareholders' funds	<u>1,832,566</u>	<u>1,526,666</u>

21. Financial commitments

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

	Land and buildings		Other	
	2002 £	2001 £	2002 £	2001 £
Expiry date:				
Within one year	-	-	844	6,098
Between one and five years	-	-	2,227	1,991
In over five years	<u>42,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>42,000</u>	<u>-</u>	<u>3,071</u>	<u>8,089</u>

Selwyns Travel Limited

Notes to the abbreviated financial statements for the year ended 31 December 2002

22. Capital commitments	2002	2001
	£	£

Details of capital commitments at the accounting date are as follows:

Contracted for but not provided in the financial statements

<u>541,350</u>	<u>-</u>
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23. Contingent liabilities

Specific counter indemnities have been given by the company amounting to £31,700 (2001:£60,000).

24. Transactions with directors

A) The balances on the director's loan account's are as follows: S A Jones £128,851 (2001: £115,790), J M Jones £18,261 (2001: £17,230) and K Jones £2,568 (2001: £2,699).

B) Interest has been paid by the company at a commercial rate. Total interest paid to S A Jones, J M Jones and K Jones was £16,503 (2001:£4,278), £1,371 (2001:£541) and £209 (2001:£86) respectively.

C) On 31st December 2002, the company's premises at Cavendish Road West, Runcorn were sold to S A Jones a director of the company, for £375,000, being the open market valuation at that time. At the year end £275,000 of this amount was outstanding and is included within other debtors. This balance was paid to the company in January 2003.

25. Controlling interest

The company is under the ultimate control of S A Jones who has a beneficial interest in 81% of the issued share capital.

Selwyns Travel Limited

**Notes to the abbreviated financial statements
for the year ended 31 December 2002**

26. Gross cash flows

	2002	2001
	£	£
Returns on investments and servicing of finance		
Interest received	1,750	546
Interest paid	(136,759)	(122,324)
	<u>(135,009)</u>	<u>(121,778)</u>
Taxation		
Corporation tax paid	-	(2,671)
	<u>-</u>	<u>(2,671)</u>
Capital expenditure		
Payments to acquire tangible assets	(15,565)	(415,497)
Receipts from sales of tangible assets	419,039	14,580
	<u>403,474</u>	<u>(400,917)</u>
Financing		
New short term bank loan	294,036	-
Repayment of long term bank loan	-	(51,071)
Repayment of short term bank loan	(156,697)	(20,088)
Capital element of finance leases and hire purchase contracts	(688,274)	(612,040)
	<u>(550,935)</u>	<u>(683,199)</u>

Selwyns Travel Limited

**Notes to the abbreviated financial statements
for the year ended 31 December 2002**

27. Analysis of changes in net debt

	Opening balance	Cash flows	Other changes	Closing balance
	£	£	£	£
Cash at bank and in hand	6,134	109,709		115,843
Overdrafts	(63,729)	38,391		(25,338)
	<u>(57,595)</u>	<u>148,100</u>		<u>90,505</u>
Debt due within one year	(74,020)	(76,055)	-	(150,075)
Debt due after one year	(132,787)	-	132,787	-
Finance leases and hire purchase contracts	(1,727,297)	688,422	(1,758,940)	(2,797,815)
	<u>(1,934,104)</u>	<u>612,367</u>	<u>(1,626,153)</u>	<u>(2,947,890)</u>
Net debt	<u><u>(1,991,699)</u></u>	<u><u>760,467</u></u>	<u><u>(1,626,153)</u></u>	<u><u>(2,857,385)</u></u>