

SEAFORTHS TRAVEL LIMITED

ACCOUNTS

FOR THE YEAR ENDED 30TH APRIL 1995



SEAFORTHS TRAVEL LIMITED

YEAR ENDED 30TH APRIL 1995

DIRECTORS

J. Mills	(Chairman)
J. Larter	
G.R. Hance	
E. Mills	
B. Larter	
M. Hance	
A.R.M. Schoenherr	

COMPANY SECRETARY

A.R.M. Schoenherr

REGISTERED OFFICE

Oswald House
285a Southtown Road
Great Yarmouth
Norfolk

AUDITORS

Lovewell Blake
102 Prince of Wales Road
Norwich
Norfolk

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The following do not form part of the statutory accounts:

Trading and Profit and Loss Account	19
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SEAFORTHS TRAVEL LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 30TH APRIL 1995

The directors submit their annual report and accounts for the year ended 30th April 1995.

Directors' responsibilities

Company law requires the directors to prepare accounts that give a true and fair view of the state of affairs of the company and of the profit or loss for its financial year. In doing so the directors are required to:

- * select suitable accounting policies and 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 accounts
- * prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for maintaining proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts 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.

Review of the business

The company is principally engaged in the activity of being travel agents.

The year has been extremely satisfactory and whilst not particularly profitable, foundations for the future growth of the company have been laid. This has necessitated moving two locations to accomodate further growth and the recruitment of personnel to handle more turnover. The directors are confident that the company will continue to grow and prosper in the years ahead.

Since the year end the company has purchased the exclusive rights to 'Ticket Windows' at a maximum cost of £230,000 plus commission at the rate of 0.1% on specific Ticket Windows turnover from 2nd August 1998 until 1st August 2005.

Results and dividends

The profit after tax for the year amounted to £37,495, as shown on page 5.

SEAFORTHS TRAVEL LIMITED

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 30TH APRIL 1995

The directors recommended the payment of an interim gross dividend of £0.3545 per share on 14th February 1995. Notices had been received from J. Larter, G. Hance and Marldene Limited waiving their entitlements to the dividend on their holdings of 64,984, 14,000 and 3,850 shares respectively. This left a dividend of £28,125 to be deducted from the profit for the year, leaving £9,370 to be added to reserves.

Directors

The directors during the year under review and the shares in the company in which they were beneficially interested at the beginning and end of the year were:

	Ordinary shares of £1 each	
	At 30th April 1995	At 1st May 1994
J. Mills	99,166	99,166
J. Larter	68,834	68,834
G.R. Hance	14,000	14,000
E. Mills	-	-
B. Larter	-	-
M. Hance	-	-
A.R.M. Schoenherr	-	-

Donations

During the year the company made charitable donations totalling £808.

Fixed assets

Movements in fixed assets are shown in the notes to the accounts.

During the year the company purchased the freehold premises at 284/285 Southtown Road Great Yarmouth, Norfolk at a cost of £552,031. This property was previously partly rented by the company and on acquisition it took over the operation of the leases of the previous joint tenants.

Auditors

The auditors, Lovewell Blake, are willing to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

Signed on behalf of the board

A.R.M. SCHOENHERR

Secretary

Date: 23rd October 1995

**AUDITORS' REPORT TO THE MEMBERS OF
SEAFORTHS TRAVEL LIMITED**

We have audited the accounts on pages 5 to 18.

Respective responsibilities of directors and auditors

As described in the directors' report the company's directors are responsible for the preparation of accounts. It is our responsibility as auditors to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with 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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 that we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs as at 30th April 1995 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

102 Prince of Wales Road
Norwich, Norfolk
23rd October 1995


LOVEWELL BLAKE

REGISTERED AUDITOR
Chartered Accountants

AUDITORS' REPORT TO THE DIRECTORS OF SEAFORTHS TRAVEL LIMITED
PURSUANT TO SECTION 248(3) OF THE COMPANIES ACT 1985

We have examined the accounts of the company and each of its subsidiaries for the year ended 30th April 1995.

Basis of opinion

The scope of our work for the purpose of this report was limited to confirming that the company is entitled to exemption from preparing group accounts.

Opinion

In our opinion the company is entitled to the exemption from preparing group accounts conferred by Section 248 of the Companies Act 1985.

102 Prince of Wales Road
Norwich, Norfolk
23rd October 1995


LOVEWELL BLAKE

REGISTERED AUDITOR
Chartered Accountants

SEAFORTHS TRAVEL LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30TH APRIL 1995

	Notes	1995	1994
		£	£
TURNOVER	2	24,432,094	20,272,751
Cost of sales		(22,472,325)	(18,558,768)
GROSS PROFIT		1,959,769	1,713,983
Administrative expenses		(1,852,643)	(1,451,523)
Other operating income		12,746	49,301
OPERATING PROFIT	3	119,872	311,761
Interest receivable		1,192	399
		121,064	312,160
Interest payable	6	(44,501)	(49,105)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		76,563	263,055
Tax on profit on ordinary activities	7	(39,068)	(61,997)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		37,495	201,058
Dividends	8	(28,125)	(61,148)
RETAINED PROFIT FOR THE YEAR		9,370	139,910
Retained profit brought forward		199,460	59,550
RETAINED PROFIT AT 30TH APRIL 1995		208,830	199,460

The results shown above were not affected by acquisitions or discontinued operations.

There are no recognised gains or losses other than the profit of £37,495 in the year ended 30th April 1995 and £201,058 in the year ended 30th April 1994.

There are no material differences between the results disclosed in the above profit and loss account and those on an unmodified historical cost basis.

The notes set out on pages 8 to 18 form an integral part of these accounts

SEAFORTHS TRAVEL LIMITED

BALANCE SHEET

30TH APRIL 1995

	Notes	1995	1994
		£	£
FIXED ASSETS			
Intangible assets	9	71,492	-
Tangible assets	10	<u>829,527</u>	<u>212,849</u>
		901,019	<u>212,849</u>
CURRENT ASSETS			
Stocks	12	6,756	10,390
Debtors	13	2,449,737	2,360,073
Cash at bank and in hand		<u>13,822</u>	<u>118,100</u>
		2,470,315	2,488,563
CREDITORS: Amounts falling due within one year	14	(2,247,778)	(2,044,771)
NET CURRENT ASSETS		<u>222,537</u>	<u>443,792</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,123,556	656,641
CREDITORS: Amounts falling due after more than one year	15	(548,885)	(102,181)
PROVISIONS FOR LIABILITIES AND CHARGES	18	<u>(10,841)</u>	<u>-</u>
		<u>563,830</u>	<u>554,460</u>
CAPITAL AND RESERVES			
Called-up share capital	19	182,000	182,000
Share premium account	20	173,000	173,000
Profit and loss account		<u>208,830</u>	<u>199,460</u>
		<u>563,830</u>	<u>554,460</u>

Approved by the board on 23rd October 1995

J. MILLS

J. LARTER

Directors

The notes set out on pages 8 to 18 form an integral part of these accounts

SEAFORTHS TRAVEL LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30TH APRIL 1995

	1995 £	1994 £
NET CASH (OUTFLOW) INFLOW FROM OPERATING ACTIVITIES	(32,546)	<u>748,255</u>
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	1,192	399
Interest paid	(36,600)	(42,584)
Dividends paid	(89,273)	-
Hire purchase and finance lease interest paid	<u>(7,901)</u>	<u>(6,521)</u>
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	(132,582)	<u>(48,706)</u>
TAXATION		
Tax payments	<u>(102,554)</u>	<u>-</u>
NET CASH OUTFLOW FROM TAXATION	(102,554)	<u>-</u>
INVESTING ACTIVITIES		
Payments to acquire intangible fixed assets	(71,492)	-
Payments to acquire tangible fixed assets	(703,179)	(135,087)
Receipts from sales of tangible fixed assets	<u>17,500</u>	<u>8,602</u>
NET CASH OUTFLOW FROM INVESTING ACTIVITIES	<u>(757,171)</u>	<u>(126,485)</u>
NET CASH (OUTFLOW) INFLOW BEFORE FINANCING	(1,024,853)	<u>573,064</u>
FINANCING		
Loans advanced to company	475,000	-
Loans repaid by company	(2,597)	-
Hire purchase and finance lease advances to company	32,529	32,536
Hire purchase and finance lease repayments	<u>(36,216)</u>	<u>(25,644)</u>
NET CASH INFLOW FROM FINANCING	<u>468,716</u>	<u>6,892</u>
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	<u>(556,137)</u>	<u>579,956</u>

The notes set out on pages 8 to 18 form part of these accounts

SEAFORTHS TRAVEL LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30TH APRIL 1995

1 ACCOUNTING POLICIES

(a) Basis of accounting

These accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards.

(b) Depreciation

Depreciation is calculated to write off the cost, less estimated residual values, of tangible fixed assets (excluding freehold land) over their estimated useful lives to the business. The annual depreciation rates and methods are as follows:

Freehold buildings	1% straight line
Office equipment and furniture	15% straight line
Motor vehicles	25% straight line

(c) Deferred revenue expenditure

Costs relating to the promotion of a new booking system are carried forward to be amortised over the initial period from which sales commence and economic benefits are derived.

(d) Deferred taxation

Provision is made for deferred taxation except where, in the opinion of the directors, it is not likely to be payable in the foreseeable future.

(e) Investments in subsidiaries

The investments in subsidiary companies are carried in the holding company's balance sheet at the actual cost of the investments less amounts written off.

(f) Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling on the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Significant differences arising due to exchange fluctuations have been reflected in the profit and loss account.

SEAFORTHS TRAVEL LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30TH APRIL 1995

(g) Assets held under finance leases and hire purchase contracts

Fixed assets held under hire purchase contracts, and those financed by leasing agreements which give rights approximating to ownership (i.e. finance leases) are treated in accordance with Statement of Standard Accounting Practice No. 21 as if purchased outright. The corresponding obligations are included in creditors.

Depreciation is provided, depending on the type of fixed asset, by the rates and methods set out above.

The related finance costs are charged to the profit and loss account in proportion to the outstanding balances of the contracts.

(h) Operating leases

Operating lease expenditure is charged to profit and loss account over the period of the lease.

(i) Group accounts

The company is exempt from preparing consolidated accounts under Section 248 Companies Act 1985. The accounts present a view of the individual company's affairs and do not reflect the transactions of the group.

(j) Pension scheme

The company operates a defined contribution scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The charge in the profit and loss account represents the contributions payable by the company to the fund for the year.

(k) Stock

Stock is valued at the lower of cost and net realisable value. Cost is determined on a first-in, first-out basis. Net realisable value is based on estimated selling price, less any further costs of realisation.

2 TURNOVER

Turnover is the total amount, excluding value added tax, receivable by the company in the ordinary course of business for goods supplied and for services provided as a principal. Turnover also includes override commissions receivable.

SEAFORTHS TRAVEL LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30TH APRIL 1995

3 OPERATING PROFIT

Operating profit is stated after charging:	1995 £	1994 £
Administrative expenses including:		
Operating lease rentals for plant and machinery	45,465	52,356
Rental of premises	86,192	81,969
Depreciation	66,186	40,353
Profit or loss on disposal of fixed assets	2,815	(3,183)
Directors' emoluments	223,047	174,301
Auditors' remuneration	7,500	5,600
Loss on exchange	<u>280</u>	<u>291</u>
and after crediting:		
Other operating income:		
Rents receivable, less outgoings	12,746	5,077
Exceptional items:		
Write back of provision less amount payable to former shareholder	<u>-</u>	<u>44,224</u>

4 STAFF COSTS

The cost of employing staff, including directors, was:	1995 £	1994 £
Wages and salaries	1,005,342	783,545
Social security costs	99,095	76,152
Pension costs	<u>23,423</u>	<u>17,957</u>
	<u>1,127,860</u>	<u>877,654</u>
The average weekly number of employees during the year was:	1995	1994
Sales	35	25
Management	11	12
Administration	<u>30</u>	<u>22</u>
	<u>76</u>	<u>59</u>

SEAFORTHS TRAVEL LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30TH APRIL 1995

5	DIRECTORS' EMOLUMENTS	1995 £	1994 £
	Management remuneration	213,308	165,756
	Pension contributions	<u>9,739</u>	<u>8,545</u>
		<u>223,047</u>	<u>174,301</u>

The figure for management remuneration includes estimated taxable benefits of £25,976 (1994 £23,010).

Details of directors' emoluments, excluding pension contributions, are:

The chairman and highest paid director	<u>56,715</u>	<u>70,500</u>
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Other directors were in the following bands of emoluments:

	Number	Number
£0 to £5,000	-	2
£5,001 to £10,000	2	1
£15,001 to £20,000	1	-
£20,001 to £25,000	1	1
£25,001 to £30,000	-	1
£40,001 to £45,000	-	1
£45,001 to £50,000	1	-
£50,001 to £55,000	1	-

6	INTEREST PAYABLE	1995 £	1994 £
	On bank loans, overdrafts and other loans wholly repayable within five years:		
	Bank overdraft	22,929	30,067
	Finance lease and hire purchase contracts		
	Repayable by instalments	7,901	6,521
	Interest on overdue corporation tax	1,006	-
	Loans repayable by instalments	(695)	1,514
	Loans not repayable by instalments	<u>701</u>	<u>5,500</u>
		<u>31,842</u>	<u>43,602</u>

On borrowings not wholly repayable within five years:

Bank and other loans	<u>12,659</u>	<u>5,503</u>
	<u>44,501</u>	<u>49,105</u>

7	TAXATION	1995 £	1994 £
	UK corporation tax at 25% on the profit adjusted for tax purposes	25,278	56,904
	Transfer to (from) deferred taxation	1,996	4,843
	Under (over) provided in previous years	<u>11,794</u>	<u>250</u>
		<u>39,068</u>	<u>61,997</u>

SEAFORTHS TRAVEL LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30TH APRIL 1995

8

DIVIDENDS

1995

1994

£

£

Proposed:

Ordinary shares of £1 each:

Interim dividend of 28.36 pence per share

28,125

61,148

9

INTANGIBLE FIXED ASSETS

Deferred revenue expenditure

COST

£

Additions

At 30th April 1995

71,492

71,492

NET BOOK VALUE

At 30th April 1995

71,492

10

TANGIBLE FIXED ASSETS

Office equipment and furniture

Motor vehicles

Total

COST

£

£

£

£

At 1st May 1994

552,031

210,029

100,595

310,624

Additions at cost

93,235

57,913

703,179

Applicable to disposals

(20,235)

(23,480)

(43,715)

At 30th April 1995

552,031

283,029

135,028

970,088

DEPRECIATION

At 1st May 1994

4,120

62,490

35,285

97,775

Charge for the year

35,836

26,230

66,186

Released by disposals

(17,530)

(5,870)

(23,400)

At 30th April 1995

4,120

80,796

55,645

140,561

NET BOOK VALUE

At 30th April 1995

547,911

202,233

79,383

829,527

At 30th April 1994

-

147,539

65,310

212,849

Details of fixed assets held under finance leases and hire purchase contracts, which are included in the relevant headings in the table above are as follows:

1995

1994

£

£

Net book value at 30th April 1995

53,252

57,056

Depreciation charge for the year

16,579

15,567

SEAFORTHS TRAVEL LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30TH APRIL 1995

The cost of depreciable assets included in land and buildings at 30th April 1995 was £412,031.

11 INVESTMENTS

Investment in Group Undertakings £

At 1st May 1994 and
at 30th April 1995 -

Details of group undertakings at the balance sheet date are as follows:

Name of company and business	Class of Shares	Holding %	Year end
Seaforths Travel (Scotland) Limited			
Dormant from 1.5.91 (Travel agents up to 30.4.91)	Ords	100.00	30th April 1995

The company is incorporated within England.

As at 30th April 1995 the aggregate share capital and reserves of Seaforths Travel (Scotland) Limited was £80,000.

The value of the investment, at 30th April 1995, using the equity method was £80,000 (1994: £80,000). This has been offset by an amount of £80,000 due to the subsidiary.

12 STOCKS	1995 £	1994 £
Goods for resale	2,800	2,800
Sundry stocks and consumables	<u>3,956</u>	<u>7,590</u>
	<u>6,756</u>	<u>10,390</u>

13 DEBTORS	1995 £	1994 £
Trade debtors	2,341,798	2,231,303
Amount due from related undertaking	-	19,261
Advance corporation tax recoverable	-	6,443
Other debtors	36,359	27,209
Prepayments and accrued income	<u>71,580</u>	<u>75,857</u>
	<u>2,449,737</u>	<u>2,360,073</u>

SEAFORTHS TRAVEL LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30TH APRIL 1995

14	CREDITORS: Amounts falling due within one year	1995 £	1994 £
	Bank loans and overdrafts	463,981	-
	Net obligations under finance leases and hire purchase contracts	28,858	18,969
	Trade creditors	1,657,389	1,777,387
	U.K. corporation tax	4,697	92,498
	Advance corporation tax	22,319	15,288
	Tax and social security costs	33,455	29,761
	Other creditors	1,471	14,449
	Accruals and deferred income	35,608	35,271
	Dividends payable	-	61,148
		<u>2,247,778</u>	<u>2,044,771</u>
		1995 £	1994 £
	Secured creditors included above are as follows:		
	Bank loans and overdrafts:		
	By legal mortgage over the company's freehold property and by unlimited debenture over the assets of the company	463,981	-
	Finance lease and hire purchase contracts:		
	secured on the assets concerned	28,858	18,969
		<u>492,839</u>	<u>18,969</u>
15	CREDITORS: Amounts falling due after more than one year	1995 £	1994 £
	Bank loans	360,281	-
	Loans	100,000	-
	Net obligations under finance leases and hire purchase contracts	18,604	32,181
	Directors loan stock	70,000	70,000
		<u>548,885</u>	<u>102,181</u>
		1995 £	1994 £
	Amounts payable by instalments between one and five years hence:		
	Bank loans - 1 to 2 years	13,311	-
	- 2 to 5 years	48,296	-
	Other loans - 1 to 2 years	100,000	-
	Finance lease and hire purchase contracts	18,604	32,181
		<u>180,211</u>	<u>32,181</u>
		1995 £	1994 £
	Amounts payable by instalments more than five years hence:		
	Bank loans	298,674	-

SEAFORTHS TRAVEL LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30TH APRIL 1995

	1995 £	1994 £
Secured creditors included above are as follows:		
Bank and other loans:		
By legal mortgage over the company's freehold property	360,281	-
Finance lease and hire purchase contracts:		
secured on the assets concerned	<u>18,604</u>	<u>32,181</u>
	<u>378,885</u>	<u>32,181</u>

The director's loan stock is unsecured and is repayable on or after 30th April 2002 in whole or in part. Interest at 2% above Bank of England base rate is payable quarterly in arrears on the loan stock.

The bank loans were taken out on 10th February 1995, to finance the purchase of the freehold property, under the following terms.

- (a) Loan of £250,000 repayable over 15 years at £2,690.52 per month, with interest charged at 10.5%.
- (b) Loan of £125,000 repayable over 15 years at initially £1,207.33 per month, with interest charged at 2% over base rate.

16 FINANCE LEASE COMMITMENTS

Net obligations under finance leases and hire purchase contracts

	1995 £	1994 £
Minimum lease payments due:		
Within one year	32,840	25,559
1-2 years	13,527	28,481
2-3 years	7,617	4,020
3-4 years	1,054	3,162
4-5 years	-	1,055
Gross obligations	<u>55,038</u>	<u>62,277</u>
Less: finance charges allocated to future periods	<u>(7,576)</u>	<u>(11,127)</u>
Net obligations	<u>47,462</u>	<u>51,150</u>

SEAFORTHS TRAVEL LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30TH APRIL 1995

17 OPERATING LEASE COMMITMENTS

Annual commitments under operating leases

	Land & Buildings 1995 £	Other Assets 1995 £	Land & Buildings 1994 £	Other Assets 1994 £
Operating leases expiring:				
Within one year	-	17,508	3,521	4,727
Between 1-5 years	4,650	35,088	4,650	46,343
After 5 years	<u>52,918</u>	<u>10,910</u>	<u>76,932</u>	<u>6,862</u>
Annual commitments at 30th April 1995	<u>57,568</u>	<u>63,506</u>	<u>85,103</u>	<u>57,932</u>

18 PROVISIONS FOR LIABILITIES AND CHARGES

	Provided 1995 £	Potential 1995 £	Provided 1994 £	Potential 1994 £
Deferred taxation:				
Accelerated capital allowances	11,469	11,469	9,504	9,504
Short term timing differences	(628)	(628)	(659)	(659)
Recoverable advance corporation tax	-	-	(8,845)	(8,845)
	<u>10,841</u>	<u>10,841</u>	<u>-</u>	<u>-</u>

19 SHARE CAPITAL

	Number 1995	Value 1995 £	Number 1994	Value 1994 £
Authorised:				
Ordinary shares of £1 each	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
Issued and fully paid:				
Ordinary shares of £1 each	<u>182,000</u>	<u>182,000</u>	<u>182,000</u>	<u>182,000</u>

20 SHARE PREMIUM ACCOUNT

	£
At 1st May 1994 and at 30th April 1995	<u>173,000</u>

21 CAPITAL AND OTHER COMMITMENTS

	1995 £	1994 £
Capital and other commitments:		
Authorised but not contracted	<u>23,064</u>	<u>21,000</u>

22 CONTINGENT LIABILITIES

The company's bankers have given bonds to ABTA, ATOL and certain airlines with which the company deals totalling £104,030. In the event of any of these becoming payable the bank has recourse to the company.

SEAFORTHS TRAVEL LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30TH APRIL 1995

23 POST BALANCE SHEET EVENT

The company purchased the exclusive rights to 'Ticket Windows' on the 12th September 1995 at a maximum cost of £230,000 plus commission at the rate of 0.1% on specific Ticket Windows turnover from 2nd August 1998 until 1st August 2005. The purchase price of £230,000 is payable by instalments ending on 1st September 1998.

Ticket Windows can provide customers with a computer link via Seaforths Travel Limited into available flights and travel arrangements, enabling them to make their own reservations and to print their own air tickets. Seaforths Travel Limited deal with all the other administration work and will benefit from the expected increase in turnover generated.

24 DIRECTORS INTERESTS

i) During the year the company paid £33,161 to Marldene Limited for the rent of its Yarmouth office at full commercial rates up to February 1995. In February 1995 the company purchased the freehold premises from Marldene Limited for £545,000.

ii) In connection with the purchase of the premises the company received a loan of £100,000 from Marldene Limited on which interest is payable at 10% p.a. The loan is not repayable until after 30th April 1996 and is dependant on the availability of sufficient funds.

J. Larter and B.A. Larter are both directors in Marldene Limited and have a majority shareholding in the company.

25 NOTES TO CASHFLOW STATEMENT

(i) Reconciliation of operating profit to net cash inflow from operating activities

	1995 £	1994 £
Operating profit	119,872	311,761
Depreciation and amortisation charges	66,186	40,353
(Loss) profit on disposal of tangible fixed assets	2,815	(3,183)
Decrease (increase) in stocks	3,633	(1,565)
(Increase) decrease in debtors	(96,107)	358,231
(Decrease) increase in creditors	(128,945)	42,658
Net cash (outflow) inflow from operating activities	<u>(32,546)</u>	<u>748,255</u>

(ii) Analysis of changes in cash and cash equivalents during the year

	1995 £	1994 £
Balance at 1st May 1994	118,100	(461,856)
Net cash (outflow) inflow	<u>(556,137)</u>	<u>579,956</u>

SEAFORTHS TRAVEL LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30TH APRIL 1995

Balance at 30th April 1995	<u>(438,037)</u>	<u>118,100</u>
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- (iii) Analysis of the balances of cash and cash equivalents as shown in the balance sheet

	Cash at bank and in hand £	Bank overdrafts £	Cash and cash equivalents £
At 1st May 1993	9,584	(471,440)	(461,856)
Movement in the year	<u>108,516</u>	<u>471,440</u>	<u>579,956</u>
At 30th April 1994	118,100	-	118,100
Movement in the year	<u>(104,278)</u>	<u>(451,859)</u>	<u>(556,137)</u>
At 30th April 1995	<u>13,822</u>	<u>(451,859)</u>	<u>(438,037)</u>

- (iv) Analysis of changes in financing during the year

Loans	1995 £	1994 £
Advances	475,000	-
Repayments	<u>(2,597)</u>	<u>-</u>
Balance at 30th April 1995	<u>472,403</u>	<u>-</u>
Hire purchase and finance lease	1995 £	1994 £
Balance at 1st May 1994	51,150	44,258
Advances	32,528	32,536
Repayments	<u>(36,216)</u>	<u>(26,330)</u>
Balance at 30th April 1995	<u>47,462</u>	<u>50,464</u>

26 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	1995 £	1994 £
Profit for the financial year	37,495	201,058
Dividends	<u>(28,125)</u>	<u>(61,148)</u>
Net addition to shareholders' funds	9,370	139,910
Opening shareholders' funds	<u>554,460</u>	<u>414,550</u>
Closing shareholders' funds	<u>563,830</u>	<u>554,460</u>