

Company number 2637453  
(England and Wales)

**CANNON TRAVEL (HERTFORDSHIRE) LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 NOVEMBER 1997**



## **CANNON TRAVEL (HERTFORDSHIRE) LIMITED**

### **Company Information**

<b>Directors</b>	Mrs.V.Townsend K.A.Brooks
<b>Secretary</b>	Mrs.V.Townsend
<b>Company Number</b>	2637453 (England and Wales)
<b>Registered Office</b>	5 Pecks Hill Nazeing Essex EN9 2NX
<b>Bankers</b>	Barclays Bank plc 78 Turners Hill Cheshunt Herts EN8 9BW
<b>Auditor</b>	William J White F.C.A. Chartered Accountant and Registered Auditor 5 Beech Road Horsham West Sussex RH12 4NR

## **CANNON TRAVEL (HERTFORDSHIRE) LIMITED**

### **Contents**

	<b>Page</b>
<b>Directors' Report</b>	<b>1</b>
<b>Auditor's Report</b>	<b>2</b>
<b>Profit and Loss Account</b>	<b>3</b>
<b>Balance Sheet</b>	<b>4</b>
<b>Notes to the Financial Statements</b>	<b>5-9</b>

# **CANNON TRAVEL (HERTFORDSHIRE) LIMITED**

## **Directors' Report for the year ended 30 November 1997**

The directors present their report and the financial statements for the year ended 30 November 1997.

### **Statement of 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 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;
- 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.

### **Principal activity**

The company's principal activity continues to be that of travel agents.

### **Directors**

The directors who served during the year and their beneficial interest in the company's share capital were:-

#### **Ordinary shares**

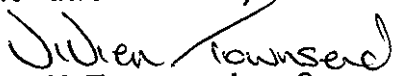
**At 30 November 1997      At 1 December 1996**

Mrs.V.Townsend	16,250	16,250
K.A.Brooks	7,500	7,500

### **Auditor**

The auditor, William J.White FCA, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

This report, which has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, was approved by the board on the date below, and signed by order of the board.

  
Mrs.V.Townsend - Secretary

Date: 13/5/98.

**CANNON TRAVEL (HERTFORDSHIRE) LIMITED****Auditor's Report to the Shareholders of  
Cannon Travel (Hertfordshire) Limited**

I have audited the financial statements on pages 3 to 9, which have been prepared under the historical cost convention and the accounting policies set out on page 5.

**Respective responsibilities of directors and auditors**

As described on page 1 the company's directors are responsible for the preparation of financial statements. It is my responsibility to form an independent opinion, based on my audit, on those statements and to report my opinion to you.

**Basis of opinion**

I conducted my 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 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.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me 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 my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In my opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 November 1997 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985, applicable to small companies.

*William J. White*

WILLIAM J WHITE F.C.A.  
Chartered Accountant  
and Registered Auditor  
5 Beech Road  
Horsham  
West Sussex  
RH12 4NR

Date:

## CANNON TRAVEL (HERTFORDSHIRE) LIMITED

Profit and Loss Account  
for the year ended 30 November 1997

	Notes	1997	1996
Turnover	1,2	1,262,902	1,205,849
Cost of sales		(1,140,849)	(1,071,077)
		<hr/>	<hr/>
Gross Profit		122,053	134,772
Rent received		17,500	-
		<hr/>	
Administrative expenses		139,553 (140,519)	( 96,730)
		<hr/>	<hr/>
Operating (loss) profit on ordinary activities before interest	3	( 966)	38,042
Interest receivable	4	1,829	1,835
Interest payable	5	( 430)	( 1,145)
		<hr/>	<hr/>
Profit on ordinary activities before taxation		433	38,732
Taxation on profit on ordinary activities	6	( 359)	( 11,008)
		<hr/>	<hr/>
Profit on ordinary activities after taxation		74	27,724
Dividends paid	7	( 11,400)	( 950)
		<hr/>	<hr/>
Retained (loss) profit for the year		( 11,326)	26,774
Retained profit brought forward		40,066	13,292
		<hr/>	<hr/>
Retained profit carried forward		£ 28,740	£ 40,066
		<hr/>	<hr/>

There were no recognised gains and losses for 1997 or 1996 other than those included in the profit and loss account.

The notes on pages 5 to 9 form part of these financial statements.

## CANNON TRAVEL (HERTFORDSHIRE) LIMITED

## Balance Sheet as at 30 November 1997

	Notes	1997	1996
<b>Fixed assets</b>			
Intangible assets	8	49,750	49,750
Tangible assets	9	18,625	8,909
		<hr/>	<hr/>
		68,375	58,659
		<hr/>	<hr/>
<b>Current assets</b>			
Debtors	10	42,292	16,283
Cash at bank and in hand		22,003	68,452
		<hr/>	<hr/>
		64,295	84,735
		<hr/>	<hr/>
<b>Creditors: amounts falling due within one year</b>	11	(63,692)	(54,954)
		<hr/>	<hr/>
<b>Net current assets</b>		603	29,781
		<hr/>	<hr/>
<b>Total assets less current liabilities</b>		68,978	88,440
		<hr/>	<hr/>
<b>Creditors: amounts falling due after more than one year</b>	12	(15,238)	(23,374)
		<hr/>	<hr/>
<b>Net assets</b>		£ 53,740	£ 65,066
		<hr/>	<hr/>
<b>Capital and reserves</b>			
Called up share capital	14	25,000	25,000
Profit and loss account		28,740	40,066
		<hr/>	<hr/>
<b>Shareholders' funds</b>	15	£ 53,740	£ 65,066
		<hr/>	<hr/>

The financial statements, which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies, were approved by the board on the date below and signed on its behalf.

*J. V. Townsend*  
Mrs. V. Townsend - Director

*K. A. Brooks*  
K.A. Brooks - Director

Date: 13 MAY 1998

The notes on pages 5 to 9 form part of these financial statements.

## CANNON TRAVEL (HERTFORDSHIRE) LIMITED

### Notes to the financial statements for the year ended 30 November 1997

#### 1. Accounting policies

##### 1.1 Basis of preparation of financial statements

The financial statements are prepared under the historical cost convention and include the results of the company's operations which are described in the Directors' Report and all of which are continuing.

The company has taken advantage of the exemption in Financial Reporting Standard No.1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

##### 1.2 Turnover

Turnover comprises the invoiced value of goods and services supplied by the company, net of Value Added Tax and trade discounts.

##### 1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures, fittings and equipment	20%	reducing balance basis
Motor vehicle	25%	reducing balance basis

##### 1.4 Hire purchase

Assets obtained under hire purchase contracts are capitalised as tangible fixed assets. Assets acquired by hire purchase are depreciated over their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.



## CANNON TRAVEL (HERTFORDSHIRE) LIMITED

Notes to the financial statements  
for the year ended 30 November 1997

## 2. Turnover

In the year to 30 November 1997 none of the company's turnover was to markets outside the United Kingdom (1996 None).

## 3. Operating profit

The operating profit is stated after charging:

	1997	1996
Depreciation of tangible fixed assets		
-owned by the company	780	532
-held under hire purchase contract	1,828	2,437
Auditors' remuneration	2,700	1,250
Director's emoluments	3,000	18,583
Other staff costs	40,821	29,396
	<hr/>	<hr/>

## 4. Interest receivable

Building society deposit	£ 1,829	£ 1,835
	<hr/>	<hr/>

## 5. Interest payable

Bank interest	15	854
Hire purchase interest	415	291
	<hr/>	<hr/>
	£ 430	£ 1,145
	<hr/>	<hr/>

## 6. Taxation

	1997	1996
UK current year taxation		
UK Corporation tax at 24% and 21%	588	10,169
Prior years		
UK Corporation tax	( 229)	839
	<hr/>	<hr/>
	£ 359	£ 11,008
	<hr/>	<hr/>

## 7. Dividends

Cash dividends paid to director	£ 11,400	£ 950
	<hr/>	<hr/>

## CANNON TRAVEL (HERTFORDSHIRE) LIMITED

Notes to the financial statements  
for the year ended 30 November 1997

## 8. Intangible fixed assets

	1997	1996
Goodwill at cost	£ 49,750	£ 49,750

## 9. Tangible fixed assets

	Improvements to premises	Fixtures fittings and equipment	Motor vehicle	Total
<b>Cost</b>				
At 1 December 1996		4,326	9,750	14,076
Disposals		( 4,326)		( 4,326)
Additions	10,000	3,920		13,920
At 30 November 1997	£ 10,000	3,920	9,750	23,670
<b>Depreciation</b>				
At 1 December 1996		2,730	2,437	5,167
On disposals		( 2,730)		( 2,730)
Charge for the year	-	780	1,828	2,608
At 30 November 1997	£ -	780	4,265	5,045
<b>Net book values</b>				
At 30 November 1997	£ 10,000	3,140	5,485	18,625
At 30 November 1996	£ -	1,596	7,313	8,909

## 10. Debtors

	1997	1996
<b>Due within one year</b>		
Trade debtors	13,963	13,134
ACT recoverable	2,664	238
Prepayments	5,500	2,911
Inter-business	19,015	-
Other debtors	1,150	-
	£ 42,292	£ 16,283

## CANNON TRAVEL (HERTFORDSHIRE) LIMITED

Notes to the financial statements  
for the year ended 30 November 1997

## 11. Creditors: amounts falling due within one year

	1997	1996
Trade creditors	50,007	37,182
Hire purchase	1,116	1,116
Corporation tax	37	10,169
ACT payable	238	238
Other taxation and social security	5,400	2,335
Accruals	6,894	3,914
	<hr/>	<hr/>
	£ 63,692	£ 54,954
	<hr/>	<hr/>

## 12. Creditors: amounts falling due after more than one year

	1997	1996
Hire purchase	2,736	3,852
Directors' loans	12,502	19,522
	<hr/>	<hr/>
	£ 15,238	£ 23,374
	<hr/>	<hr/>

## 13. Obligations under hire purchase contract

The maturity of these amounts is as follows:

	1997	1996
Amounts payable:		
Within one year	1,532	1,532
Within two to five years	3,752	5,284
	<hr/>	<hr/>
	5,284	6,816
Less: finance charges allocated to future periods	1,432	1,848
	<hr/>	<hr/>
	£ 3,852	£ 4,968
	<hr/>	<hr/>

The hire purchase contract is analysed as follows:

	1997	1996
Current obligations	1,116	1,116
Non-current obligations	2,736	3,852
	<hr/>	<hr/>
	£ 3,852	£ 4,968
	<hr/>	<hr/>

## CANNON TRAVEL (HERTFORDSHIRE) LIMITED

Notes to the financial statements  
for the year ended 30 November 1997

## 14. Called up share capital

	1997	1996
Authorised		
Ordinary shares of £1 each	£ 100,000	£ 100,000
Allotted, called up and fully paid		
Ordinary shares of £1 each	£ 25,000	£ 25,000
	<hr/>	<hr/>

## 15. Movement on shareholders' equity funds

	1997	1996
Profit for the year	74	27,724
Dividends	(11,400)	( 950)
	<hr/>	<hr/>
Opening shareholders' funds	(11,326) 65,066	26,774 38,292
	<hr/>	<hr/>
Closing shareholders' funds	£ 53,740	£ 65,066
	<hr/>	<hr/>