

BROADS TRAVEL GROUP LIMITED

ABBREVIATED ACCOUNTS

YEAR ENDED 31ST DECEMBER 2004

REVISED ACCOUNTS - CAD 26042 *Bl.*

COMPANY NUMBER 1619413



**AUDITORS REPORT TO BROADS TRAVEL GROUP LIMITED
PURSUANT TO SECTION 247B OF THE COMPANIES ACT, 1985**

Respective responsibilities of Directors and Auditors

We have examined the abbreviated accounts on pages 2 to 8 together with the full financial statements of Broads Travel Group Limited prepared under Section 226 of the Companies Act 1985 for the year ended 31st December 2004.

The directors are responsible for preparing the abbreviated accounts in accordance with Section 246(5) and (6) of the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to deliver abbreviated accounts and whether the abbreviated accounts have been properly prepared in accordance with that section.

Basis of Opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does 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 under Sections 246 and 247 of the Companies Act 1985 to deliver abbreviated accounts prepared in accordance with Section 246(5) and (6) of that Act in respect of the year ended 31st December 2004 and the abbreviated accounts on pages 2 to 8 have been properly prepared in accordance with that section.



**FARMILOES
CHARTERED ACCOUNTANTS AND
REGISTERED AUDITORS**

3rd June, 2005.

BALANCE SHEET
AS AT 31ST DECEMBER 2004
(ABBREVIATED IN ACCORDANCE WITH THE
PROVISIONS OF THE COMPANIES ACT, 1985)

	Notes	2004	2003
FIXED ASSETS			
Tangible assets	2	499,855	467,299
Intangible assets	3	24,867	-
Investments	4	-	23,858
		<u>524,722</u>	<u>491,157</u>
CURRENT ASSETS			
Debtors		351,519	29,670
Cash at bank and in hand		116,976	116,863
		<u>468,495</u>	<u>146,533</u>
CREDITORS – Amounts falling due within one year		463,756	138,837
NET CURRENT ASSETS		<u>4,739</u>	<u>7,696</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>529,461</u>	<u>498,853</u>
CREDITORS – Amounts falling due after more than one year	5	(220,385)	(279,303)
PROVISIONS FOR LIABILITIES AND CHARGES		(12,378)	(9,977)
		<u>£296,698</u>	<u>£209,573</u>
CAPITAL AND RESERVES			
Called up share capital	7	22,858	22,858
Revaluation reserve		9,056	9,056
Profit and loss account		264,784	177,659
SHAREHOLDERS' FUNDS		<u>£296,698</u>	<u>£209,573</u>

**BALANCE SHEET
AS AT 31ST DECEMBER 2004
(ABBREVIATED IN ACCORDANCE WITH THE
PROVISIONS OF THE COMPANIES ACT, 1985)**

(CONTINUED)

The abbreviated accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act, 1985 relating to small companies.

These financial statements were approved by the board on 3rd June, 2005 and signed on its behalf by



..... **C.R. Parlour – DIRECTOR**

The notes on pages 4 to 8 form part of these accounts.

**NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2004****1. ACCOUNTING POLICIES****Accounting convention**

These financial statements have been prepared in accordance with the historical cost convention modified by the revaluation of certain tangible fixed assets. The accounts are prepared in accordance with applicable accounting standards.

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Freehold property	- 2% on a straight line basis
Fixtures and fittings	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 20% on cost

The freehold property is maintained to ensure that its value does not diminish over time. Maintenance costs are charged to profit and loss in the year incurred. In the opinion of the directors depreciation on the cost of the building included within the total additions to freehold property would be immaterial and has not been charged.

Intangible fixed assets

Purchased goodwill (Note 8) is being written off over five years on a straight line basis commencing in February 2004.

Deferred taxation

In accordance with FRS 19 Deferred Tax, deferred tax is accounted for in respect of all timing differences between profits as computed for tax purposes and profits as stated in the accounts, computed at rates expected to be applicable when the timing difference is expected to reverse.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

**NOTES TO THE ABBREVIATED ACCOUNTS
(CONTINUED)****1. ACCOUNTING POLICIES (CONTINUED)*****Hire purchase and leasing commitments (continued)***

Rentals paid under operating leases are charged to the profit and loss account as incurred.

Group accounts

The company is exempt by virtue of S.228(1) of the Companies Act 1985 from the requirement to prepare group accounts. These financial statements present information about the company as an individual undertaking and not about its group.

Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions payable for the year are charged in the profit and loss account.

Income recognition

Commission income is recognised in the profit and loss account when the full balance has been received from the client.

**NOTES TO THE ABBREVIATED ACCOUNTS
(CONTINUED)**
2. TANGIBLE FIXED ASSETS

Cost or valuation	Freehold property	Fixtures and fittings	Computer equipment	Total
At 1st January 2004	401,890	126,275	65,330	593,495
Additions	6,259	7,197	9,024	22,480
Transfer from Broads Business Travel Limited	-	37,297	72,101	109,398
At 31st December 2004	<u>408,149</u>	<u>170,769</u>	<u>146,455</u>	<u>725,373</u>
Depreciation				
At 1st January 2004	-	82,580	43,616	126,196
Charge for year	5,639	7,728	9,466	22,833
Transfer from Broads Business Travel Limited	-	22,817	53,672	76,489
At 31st December 2004	<u>5,639</u>	<u>113,125</u>	<u>106,754</u>	<u>225,518</u>
Net book values				
At 31st December 2004	<u>£402,510</u>	<u>£57,644</u>	<u>£39,701</u>	<u>£499,855</u>
At 31st December 2003	<u>£401,890</u>	<u>£43,695</u>	<u>£21,714</u>	<u>£467,299</u>
Historic cost of revalued assets	<u>£392,834</u>			

The freehold property was revalued in the year ended 31st October 1999 by Countrywide Surveyors Limited.

**NOTES TO THE ABBREVIATED ACCOUNTS
(CONTINUED)**
3. INTANGIBLE FIXED ASSETS

Cost	Purchased Goodwill	
At 1st January 2004	12,708	
Addition	30,000	
At 31st December 2004	<u>42,708</u>	
Amortisation		
At 1st January 2004	12,708	
Charge for year	5,133	
At 31st December 2004	<u>17,841</u>	
Net book values		
At 31st December 2004	<u>£24,867</u>	
At 31st December 2003	<u>£NIL</u>	

4. FIXED ASSET INVESTMENTS

	2004	2003
Shares in group company at cost	<u>£NIL</u>	<u>£23,858</u>

NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

5. CREDITORS – Amounts falling due after more than one year

	2004	2003
Bank loans	216,155	252,184
Amounts due to group undertakings	-	11,220
Finance lease and hire purchase obligations	4,230	15,899
	<u>£220,385</u>	<u>£279,303</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans	<u>£139,842</u>	<u>£182,032</u>

6. SECURED CREDITORS

The following secured debts are included within creditors:

	2004	2003
Bank loans	<u>£231,382</u>	<u>£265,871</u>

The bank loan is secured by a fixed and floating charge over all of the assets of the company.

7. CALLED UP SHARE CAPITAL

Authorised:

Number	Class	Nominal value	2004	2003
25,000	"A" Ordinary	£1	25,000	25,000
25,000	"B" Ordinary	£1	25,000	25,000
7,145	"C" Ordinary	£1	7,145	7,145
			<u>£57,145</u>	<u>£57,145</u>

Allotted, issued and fully paid:

Number	Class	Nominal value	2004	2003
10,000	"A" Ordinary	£1	10,000	10,000
10,000	"B" Ordinary	£1	10,000	10,000
2,858	"C" Ordinary	£1	2,858	2,858
			<u>£22,858</u>	<u>£22,858</u>

On 27th February 2002, 2,858 "C" Ordinary shares were issued as consideration for the acquisition of 30% of the Ordinary share capital of Broads Business Travel Limited.