

TRAILFINDERS LIMITED

DIRECTORS' REPORT

AND

ACCOUNTS

27TH FEBRUARY 1993

REGISTERED NUMBER: 1004502



Kidsons Impey
Chartered Accountants
Spectrum House
20-26 Cursitor Street
London EC4A 1HY

TRAILFINDERS LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited accounts of the company and its subsidiaries for the 52 weeks ended 27th February 1993.

Principal activities and business review

The principal activities of the company continue to be that of travel agents and supplier of related services.

The company has expanded its trade during the period and anticipates continuing steady expansion.

The company has four Australian subsidiaries, Trailfinders Pty. Limited, Bloomfield Wilderness Lodge Pty. Limited, Hinterland Aviation Pty. Limited and Talie Pty. Limited. Trailfinders Pty. Limited and Bloomfield Wilderness Lodge Pty. Limited were subsidiaries for the whole of the period under review and respectively own and operate a resort lodge situated in the Cape Tribulation National Forest, a World Heritage area in Far North Queensland.

During the period under review, Trailfinders Pty. Limited, acquired the whole of the issued share capital of Hinterland Aviation Pty. Limited a company incorporated in Australia which operates a small independent airline in Far North Queensland. Additionally, Talie Pty. Limited was incorporated as a wholly owned subsidiary company of Trailfinders Limited.

The results of these subsidiaries have been consolidated with those of the company.

Profits and dividends

The group profit for the period after tax amounts to £3,625,937. During the year a dividend amounting to £1,050,647 was paid.

Significant events

Significant events both during the period and since the balance sheet date are disclosed in the notes on the accounts.

Directors

The following were directors of the company at 27th February 1993 and served throughout the period except where stated :-

M.D.W. Gooley (Chairman)
A.M. Russell
K. Norman, F.C.A.
M. Bannister
G.M. Millar
C.A. Rawson
G. Dyer (appointed 1st March 1992)
Lt. Col. T.P. Hardy, T.D.
W. Heath, LL.B.
The Rt. Hon. Viscount Slim, O.B.E., D.L..

TRAILFINDERS LIMITED

DIRECTORS' REPORT (continued)

Directors' shareholdings

The interests of the directors in the company's share capital are set out below:-

Director	Ordinary Shares of 10 pence each	
	At 27th February 1993	At 29th February 1992
M.D.W. Gooley	949,005	949,005
W. Heath, LL.B	10,585	10,585
Lt. Col. T.P. Hardy, T.D.	41,026	41,026

Fixed assets

The movements in fixed assets during the period are set out in note 8 to the accounts.

Employees

The directors give special attention to the health and safety of their employees and endeavour to ensure that as far as possible the training, career development and promotion of disabled persons is the same as other employees. Should employees become disabled, every effort is made to ensure that their employment continues and appropriate retraining is received. Regular meetings with employees' representatives are held to inform them of the development of the business.

Contributions for political and charitable purposes

During the period, the company made contributions for charitable purposes amounting to £5,752 (1992: £6,154) and made a contribution to the Conservative party of £1,000.

Auditors

Kidsons Impey have agreed to offer themselves for re-election as auditors of the company.

By Order of the Board

Mal Bannister
M. Bannister

Secretary

Registered Office:
48 Earls Court Road
London W8 6EJ

15th June 1993

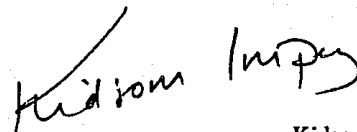
TRAILFINDERS LIMITED

AUDITORS' REPORT

Auditors' report to the members of Trailfinders Limited

We have audited the accounts on pages 4 to 16 in accordance with Auditing Standards.

In our opinion the accounts give a true and fair view of the state of affairs of the company and the group at 27th February 1993 and its cash flows for the 52 weeks ended on that date and have been properly prepared in accordance with the Companies Act 1985.



Kidsons Impey

Registered Auditors

Chartered Accountants

London

15th June 1993

TRAILFINDERS LIMITED
CONSOLIDATED PROFIT AND LOSS ACCOUNT
for the 52 weeks ended 27th February 1993

	Note	1993 (52 weeks) £	1992 (53 weeks) £
Turnover	2	105,385,437	96,116,555
Cost of sales		<u>91,930,134</u>	<u>83,718,109</u>
Gross profit		13,455,303	12,398,446
Other operating income		<u>866,256</u>	<u>336,429</u>
		14,321,559	12,734,875
Staff costs	5	6,891,746	5,714,231
Depreciation		527,715	454,032
Other operating charges		<u>3,383,717</u>	<u>3,442,268</u>
		<u>10,803,178</u>	<u>9,610,531</u>
		3,518,381	3,124,344
Other interest receivable and similar income		<u>1,874,324</u>	<u>2,063,695</u>
Profit on ordinary activities before taxation	3	5,392,705	5,188,039
Tax on profit on ordinary activities	6	<u>1,766,768</u>	<u>1,835,945</u>
Profit on ordinary activities after taxation		3,625,937	3,352,094
Dividends	7	<u>1,050,647</u>	<u>1,025,631</u>
Retained profit for the financial period	15	<u>2,575,290</u>	<u>2,326,463</u>

The notes on pages 8 to 16 form part of these accounts.

TRAILFINDERS LIMITED
CONSOLIDATED BALANCE SHEET

at 27th February 1993

	Note	£	1993	£	1992	£
Fixed assets						
Tangible assets	8		4,032,933		3,429,277	
Investments	9		<u>1,092,317</u>		<u>888,317</u>	
			5,125,250		4,317,594	
Current assets						
Stocks	10	42,581		20,356		
Debtors	11	1,281,520		1,413,455		
Cash at bank and in hand		<u>23,091,295</u>		<u>16,867,171</u>		
		24,415,396		18,300,982		
Creditors: amounts falling due within one year	12	<u>18,749,195</u>		<u>14,324,876</u>		
Net current assets			<u>5,666,201</u>		<u>3,976,106</u>	
Total assets less current liabilities			10,791,451		8,293,700	
Provisions for liabilities and charges	13		<u>143,200</u>		<u>186,000</u>	
Net assets			<u>10,648,251</u>		<u>8,107,700</u>	
Capital and reserves						
Called up share capital	14		100,062		100,062	
Share premium account			32,020		32,020	
Revaluation reserve			192,497		192,497	
Other reserves	15		9,600		9,600	
Profit and loss account	15		<u>10,314,072</u>		<u>7,773,521</u>	
Shareholders' funds			<u>10,648,251</u>		<u>8,107,700</u>	

The accounts were approved by the Board of Directors on 15th June 1993.

M.D.W. Gooley

K. Norman

)
)
) Directors
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The notes on pages 8 to 16 form part of these accounts.

TRAILFINDERS LIMITED

BALANCE SHEET

at 27th February 1993

	Note	1993	1992
		£	£
Fixed assets			
Tangible assets	8	2,782,204	2,934,051
Investments	9	<u>1,092,318</u>	<u>888,318</u>
		3,874,522	3,822,379
Current assets			
Stocks	10	37,348	20,356
Debtors	11	2,767,677	2,039,442
Cash at bank and in hand		<u>23,066,121</u>	<u>16,852,429</u>
		25,871,146	18,912,227
Creditors: amounts falling due within one year	12	<u>18,740,821</u>	<u>14,324,743</u>
Net current assets		<u>7,130,325</u>	<u>4,587,484</u>
Total assets less current liabilities		11,004,847	8,409,863
Provisions for liabilities and charges	13	<u>143,200</u>	<u>186,000</u>
Net assets		<u>10,861,647</u>	<u>8,223,863</u>
Capital and reserves			
Called up share capital	14	100,062	100,062
Share premium account		32,020	32,020
Revaluation reserve		192,497	192,497
Other reserves	15	9,600	9,600
Profit and loss account	15	<u>10,527,468</u>	<u>7,889,684</u>
Shareholders' funds		<u>10,861,647</u>	<u>8,223,863</u>

The accounts were approved by the Board of Directors on 15th June 1993.

M.D.W. Gooley)
)
) Directors
 K. Norman)

The notes on pages 8 to 16 form part of these accounts.

TRAILFINDERS LIMITED
CONSOLIDATED CASH FLOW STATEMENT
for the 52 weeks ended 27th February 1993

	Note	1993	1992
		£	£
Net cash inflow from operating activities			
Returns on investments and servicing of finance	18	8,425,602	8,544,660
Interest received			
Dividends received		1,989,415	1,984,076
Dividends paid		26,297	24,372
Net cash inflow from returns on investments and servicing of finance		<u>(1,050,647)</u>	<u>(1,025,631)</u>
Taxation		965,065	982,817
U.K. corporation tax paid (including advance corporation tax)		(1,966,336)	(1,563,756)
Investing activities			
Payments to acquire:			
Tangible fixed assets		(1,100,494)	(1,891,041)
Fixed asset investments		(1,267,755)	(238,356)
Goodwill on acquisition of subsidiary		<u>(17,174)</u>	-
Receipts from sale of:		(2,385,423)	(2,129,397)
Fixed asset investments			
Land and buildings		1,159,926	78,774
Plant, machinery, fixtures, motor vehicles and equipment		-	117,979
Net cash outflow from investing activities		<u>23,060</u>	<u>3,100</u>
Net cash inflow before financing		<u>(1,202,437)</u>	<u>(1,929,544)</u>
Financing			
Issues of shares		6,221,894	6,034,177
Net cash outflow from financing	20	-	-
Increase in cash and cash equivalents	19	<u>6,221,894</u>	<u>6,034,177</u>

TRAILFINDERS LIMITED

NOTES ON ACCOUNTS

27th February 1993

1 Accounting policies

(a) Basis of accounting

The accounts have been prepared under the historical cost accounting rules as modified by the revaluation of certain fixed assets.

(b) Basis of consolidation

The consolidated accounts comprise the audited accounts of the company and unaudited management accounts of the company's four Australian subsidiaries. Under Australian law these four subsidiary companies are not obliged to have accounts audited and as a consequence unaudited management accounts have been used in the consolidated accounts.

As permitted by Section 228 of the Companies Act 1985 the profit and loss account of the company is not presented as part of the accounts.

(c) Depreciation

Depreciation is calculated to write off the cost or valuation of all tangible fixed assets, in equal annual instalments over their estimated useful lives at the following rates:-

Freehold property	2%
Short leaseholds	period of lease
Furniture and equipment	10%
Computer equipment	20%
Motor vehicles	20%
Plant	1.8% - 40%
Aircraft (included in plant)	20.25%

(d) Stocks

Stocks are stated at the lower of cost and net realisable value.

(e) Leasing transactions

All leases are operating leases and rentals payable are charged to the profit and loss account in the period in which they are paid.

(f) Deferred taxation

Deferred taxation is provided at the rates at which timing differences between the profit computed for taxation purposes and the profit stated in the accounts are expected to crystallise. Where it is considered with reasonable probability that no such liability will become payable in the foreseeable future, no provision is made.

(g) Foreign currencies

The profits and losses of the overseas subsidiary undertakings and the group's net investments are translated at closing rates of exchange. Differences arising on translation are added to or deducted from reserves.

Transactions expressed in foreign currencies are translated into sterling and recorded at rates of exchange approximating to those ruling at the date of the transaction. Monetary assets and liabilities are translated at rates ruling at the balance sheet date.

2 Turnover

Turnover represents the sales value of air tickets and travel insurance, and commissions on hotel bookings and sundry related services.

TRAILFINDERS LIMITED

NOTES ON ACCOUNTS

27th February 1993
(continued)

3 Profit on ordinary activities before taxation	1993	1992
	£	£
Profit on ordinary activities before taxation is stated after charging:		
Depreciation	527,715	454,032
Auditors' remuneration - audit	13,275	11,000
- other	7,800	-
Directors' emoluments (including pension contributions) (see note 4)	510,938	470,187
Leasing of equipment	9,738	21,671
Loss on disposal of tangible fixed assets	23,217	9,578
Amount written off investment	<u>25,028</u>	<u>103,285</u>
and after crediting:		
Profit on exchange	264,334	-
Income from listed investments	35,008	28,728
Profit on disposal of investments	121,199	20,512
Interest received	1,839,316	2,034,967
Rents received	<u>43,132</u>	<u>45,202</u>
 4 Directors' emoluments	 1993	 1992
	£	£
(a) For management	<u>510,938</u>	<u>470,187</u>
(b) Emoluments, excluding pension contributions, are analysed as follows:		
Chairman and highest paid director	<u>112,289</u>	<u>105,212</u>
Number of other directors whose emoluments were within the ranges:	Number	Number
£ 0 - £ 5,000	2	2
£ 5,001 - £10,000	1	1
£35,001 - £40,000	-	1
£40,001 - £45,000	-	1
£45,001 - £50,000	4	-
£50,001 - £55,000	-	1
£55,001 - £60,000	1	-
£65,001 - £70,000	-	1
£80,001 - £85,000	-	1
£85,001 - £90,000	1	-

TRAILFINDERS LIMITED

NOTES ON ACCOUNTS

27th February 1993
(continued)

5 Staff costs

	1993 Number	1992 Number
(a) The average number of persons including directors employed by the company during the year was:		
Travel consultants	192	196
Management and administration	<u>133</u>	<u>104</u>
	<u>325</u>	<u>300</u>
(b) Staff costs:	£	£
Wages and salaries	6,204,973	5,116,021
Social security costs	627,261	524,150
Other pension costs	<u>59,512</u>	<u>74,060</u>
	<u>6,891,746</u>	<u>5,714,231</u>

(c) Pension costs

The company operates defined contribution schemes for certain directors and senior executives. The assets of these schemes are held separately from those of the company in independently administered funds. The pension cost charge includes contributions payable by the company to the funds which amounted to £35,265 (1992: £33,560).

In addition the company operates an Executive Pension Scheme for one director and a senior executive that provides benefits on a money purchase basis but with a view to providing a "target" level of pension. The contributions needed to achieve the targeted level of benefits are determined by a qualified actuary on the basis of triennial valuations. The most recent valuation was at 28th February 1991 and it showed that the market value of the scheme's assets was £1,514,750. The actuarial valuation at this date assumed that investment returns would be 9% per annum. The pension cost charge includes a contribution of £24,247 (1992: £40,500) paid by the company to the scheme.

6 Tax on profit on ordinary activities

	1993 £	1992 £
United Kingdom corporation tax at 33% (1992: 33.08%)	1,872,000	1,805,000
Overprovision in respect of prior periods	(71,143)	(7,411)
Transfer (from)/to deferred taxation	(42,800)	34,000
Tax on United Kingdom dividends received	<u>8,711</u>	<u>4,356</u>
	<u>1,766,768</u>	<u>1,835,945</u>

7 Dividends

	1993 £	1992 £
Interim dividends paid during the year	<u>1,050,647</u>	<u>1,025,631</u>

TRAILFINDERS LIMITED
NOTES ON ACCOUNTS
27th February 1993
(continued)

8 Tangible assets

Group	Freehold Property £	Short Leaseholds £	Computer Equipment £	Furniture and Equipment £	Motor Vehicles £	Plant £	Total £
Cost or valuation							
29th February 1992	1,357,106	964,331	884,915	966,591	317,746	405,534	4,896,223
Exchange adjustments	47,629	-	-	-	-	30,360	77,989
Additions	9,858	9,856	225,444	62,959	71,460	723,037	1,102,614
Disposals	-	-	-	(56,071)	(78,826)	-	(134,897)
Reclassification	-	-	-	25,286	44,301	(69,587)	-
27th February 1993	<u>1,414,593</u>	<u>974,187</u>	<u>1,110,359</u>	<u>998,765</u>	<u>354,681</u>	<u>1,089,344</u>	<u>5,941,929</u>
Depreciation							
29th February 1992	51,157	314,288	503,552	321,956	195,084	80,909	1,466,946
Exchange adjustments	-	-	-	-	-	3,105	3,105
Charge for the year	20,843	42,750	181,039	99,897	65,148	118,038	527,716
Disposals	-	-	-	(26,450)	(62,320)	-	(88,770)
Reclassification	-	-	-	4,249	7,815	(12,064)	-
27th February 1993	<u>72,000</u>	<u>357,038</u>	<u>684,591</u>	<u>399,652</u>	<u>205,727</u>	<u>189,988</u>	<u>1,908,996</u>
Net book amount							
27th February 1993	<u>1,342,593</u>	<u>617,149</u>	<u>425,768</u>	<u>599,113</u>	<u>148,954</u>	<u>899,356</u>	<u>4,032,933</u>
29th February 1992	<u>1,305,949</u>	<u>650,043</u>	<u>381,363</u>	<u>644,635</u>	<u>122,662</u>	<u>324,625</u>	<u>3,429,277</u>

(i) Valuations of the freehold and short leasehold properties then held were made on the basis of open market value for continuing use and were carried out by a firm of Chartered Surveyors as at 28th February 1987.

The amounts of freehold properties and short leases (included above at valuation) determined according to the historical cost convention are as follows:-

	Freehold Property £	Short Leasehold £
Cost		
Depreciation	281,910	153,793
Net book value at 27th February 1993	<u>49,300</u>	<u>47,686</u>
Net book value at 29th February 1992	<u>232,610</u>	<u>106,107</u>
	<u>238,248</u>	<u>110,421</u>

TRAILFINDERS LIMITED
NOTES ON ACCOUNTS
27th February 1993
(continued)

8 Tangible assets (continued)

Company	Freehold Property £	Short Leaseholds £	Computer Equipment £	Furniture and Equipment £	Motor Vehicles £	Plant £	Total £
Cost or valuation							
29th February 1992	1,042,139	964,331	884,915	966,591	317,746	204,759	4,380,481
Additions	-	9,856	225,444	22,876	44,060	4,545	306,781
Disposals	-	-	-	(56,071)	(78,826)	-	(134,897)
27th February 1993	<u>1,042,139</u>	<u>974,187</u>	<u>1,110,359</u>	<u>933,396</u>	<u>282,980</u>	<u>209,304</u>	<u>4,552,365</u>
Depreciation							
29th February 1992	51,157	314,288	503,552	321,956	195,084	60,383	1,446,420
Charge for the year	20,843	42,750	181,039	93,319	53,630	20,930	412,511
Disposals	-	-	-	(26,450)	(62,320)	-	(88,770)
27th February 1993	<u>72,000</u>	<u>357,038</u>	<u>684,591</u>	<u>388,825</u>	<u>186,394</u>	<u>81,313</u>	<u>1,770,161</u>
Net book amount							
27th February 1993	<u>970,139</u>	<u>617,149</u>	<u>425,768</u>	<u>544,571</u>	<u>96,586</u>	<u>127,991</u>	<u>2,782,204</u>
29th February 1992	<u>990,982</u>	<u>650,043</u>	<u>381,363</u>	<u>644,635</u>	<u>122,662</u>	<u>144,376</u>	<u>2,934,061</u>

(i) Valuations of the freehold and short leasehold properties then held were made on the basis of open market value for continuing use and were carried out by a firm of Chartered Surveyors as at 28th February 1987.

The amounts of freehold properties and short leases (included above at valuation) determined according to the historical cost convention are as follows:-

	Freehold Property £	Short Leasehold £
Cost		
Depreciation	281,910	153,793
	<u>49,300</u>	<u>47,686</u>
Net book value at 27th February 1993	<u>232,610</u>	<u>106,107</u>
Net book value at 29th February 1992	<u>238,248</u>	<u>110,421</u>

TRAILFINDERS LIMITED

NOTES ON ACCOUNTS

27th February 1993
(continued)

9 Fixed asset investments	Group £	Company £
Shares in group companies at cost		
At 29th February 1992 and 27th February 1993	-	1
Other investments at cost		
Listed:		
At 29th February 1992	743,297	743,297
Additions	1,267,754	1,267,754
Disposals and amount written off	<u>(1,063,754)</u>	<u>(1,063,754)</u>
	947,297	947,297
Unlisted		
At 29th February 1992 and 27th February 1993	<u>145,020</u>	<u>145,020</u>
Total investments at 27th February 1993	<u>1,092,317</u>	<u>1,092,318</u>

(i) The market value of listed investments at 27th February 1993 which are all listed on a recognised stock exchange was £661,745. The market value at 11th June 1993 was £819,945.

(ii) Included in unlisted investments are shares in Britannic Group (Holdings) Limited at a cost of £145,000 representing 36.25% of the ordinary share capital of that company. In view of the fact that the company does not exert direct management over the operating policy of Britannic Group (Holdings) Limited the results of the latter have not been incorporated in these accounts.

(iii) The company's subsidiaries are:

Nature of activities

Trailfinders Pty. Limited (formerly Malgay Pty. Limited)	Investment holding
- wholly owned	
Bloomfield Wilderness Lodge Pty. Limited	Management of a travel lodge
- a wholly owned subsidiary of Trailfinders Pty. Limited	
Talie Pty. Limited	Non-trading subsidiary
- a wholly owned subsidiary of Trailfinders Pty. Limited	
Hinterland Aviation Pty. Limited	Operation of a private airline
- a wholly owned subsidiary of Trailfinders Pty. Limited	

10 Stocks	1993		1992	
	Group £	Company £	Group £	Company £
Goods for resale	<u>42,581</u>	<u>37,346</u>	<u>20,356</u>	<u>20,356</u>

TRAILFINDERS LIMITED

NOTES ON ACCOUNTS

27th February 1993
(continued)

11 Debtors	1993		1992	
	Group £	Company £	Group £	Company £
Trade debtors	49,603	49,603	122,414	122,414
Amounts due from group undertakings	-	1,598,757	-	752,452
Other debtors	539,882	436,366	354,821	233,479
Prepayments and accrued income	<u>692,035</u>	<u>682,951</u>	<u>936,220</u>	<u>931,097</u>
	<u>1,281,520</u>	<u>2,767,677</u>	<u>1,413,455</u>	<u>2,039,442</u>

Other debtors include an amount of £103,516 due after more than one year. This amount represents a loan made to an Australian company by Trailfinders Pty. Limited and is secured on the former company's single property asset.

12 Creditors: amounts falling due within one year	1993		1992	
	Group £	Company £	Group £	Company £
Trade creditors	15,422,369	15,422,369	11,885,206	11,885,206
Corporation tax	1,708,566	1,708,566	1,874,045	1,874,045
Other taxes and social security	213,909	213,909	-	-
Other creditors	952,253	949,379	115,745	115,745
Accruals and deferred income	<u>452,098</u>	<u>446,598</u>	<u>449,880</u>	<u>449,747</u>
	<u>18,749,195</u>	<u>18,740,321</u>	<u>14,324,876</u>	<u>14,324,743</u>

13 Provisions for liabilities and charges

Group and company

The provision included in the balance sheet relating to deferred taxation consists of the following:

	1993 £	1992 £
Accelerated capital allowances	58,200	64,500
Other short term timing differences	<u>85,000</u>	<u>121,500</u>
	<u>143,200</u>	<u>186,000</u>

14 Called up share capital

Ordinary shares of 10 pence each

	1993 £	1992 £
Authorised	<u>1,000,000</u>	<u>1,000,000</u>
Allotted, called up and fully paid	<u>100,062</u>	<u>100,062</u>

TRAILFINDERS LIMITED

NOTES ON ACCOUNTS

27th February 1993
(continued)

15 Reserves	Profit and Loss Account £	Capital Reserve £	Capital Redemption Reserve £
Company			
Balance brought forward	7,889,684	4,000	5,600
Retained profit for the period	<u>2,637,784</u>	-	-
Balance carried forward	<u>10,527,468</u>	<u>4,000</u>	<u>5,600</u>
Group			
Balance brought forward	7,773,521	4,000	5,600
Retained profit for the period	2,575,290	-	-
Exchange difference on consolidation	(17,565)	-	-
Goodwill on acquisition of subsidiary	<u>(17,174)</u>	-	-
Balance carried forward	<u>10,314,072</u>	<u>4,000</u>	<u>5,600</u>

16 Leasing commitments	1993		1992	
	Land and Buildings £	Other £	Land and Buildings £	Other £
The company has annual rental commitments in respect of operating leases as follows:				
Leases expiring:				
Within one year	-	-	1,906	-
Between one and five years	29,600	-	160,550	4,568
Over five years	<u>219,000</u>	-	<u>72,300</u>	-
	<u>248,600</u>	-	<u>234,756</u>	<u>4,568</u>

17 Transactions involving directors

- (a) Included in other creditors is an amount of £78,647 due to Trailfinders (Services) Limited, a company controlled by M.D.W. Gooley.
- (b) Included in other debtors is an amount of £29,876 due from Trailrovers Limited, a company controlled by M.D.W. Gooley.
- (c) Mr. W. Heath, a director of the company, is a partner in William Heath & Co., Solicitors, whose firm is one of those instructed by the company in the ordinary course of business on legal matters. The firm also received fees for Mr. Heath's services to the company, which in this period amounted to £4,200.

TRAILFINDERS LIMITED

NOTES ON ACCOUNTS

27th February 1993
(continued)

18 Reconciliation of operating profit to net cash inflow from operating activities	1993	1992
	£	£
Operating profit	3,518,381	3,124,344
Depreciation and amortisation charges	527,715	454,032
Amounts written off investments	25,028	103,285
Loss on sale of fixed assets	23,217	9,578
(Increase)/decrease in stocks	(22,225)	4,722
Decrease in debtors	19,911	320,215
Increase in creditors	4,454,774	4,548,996
Profit on sale of investments	(121,199)	(20,512)
Net cash inflow from operating activities	<u>8,425,602</u>	<u>8,544,660</u>

19 Analysis of changes in cash and cash equivalents during the year	1993	1992
	£	£
Balance at 29th February 1992	16,867,171	10,832,994
Net cash inflow before adjustments for the effect of foreign exchange rate changes	6,221,894	6,034,177
Effect of foreign exchange rate changes	<u>2,230</u>	<u>-</u>
Balance at 27th February 1993	<u>23,091,295</u>	<u>16,867,171</u>

20 Analysis of changes in financing during the year	Share capital	
	1993	1992
	£	£
Balance at 29th February 1992	100,062	97,560
Shares issued for non-cash consideration	<u>-</u>	<u>2,502</u>
Balance at 27th February 1993	<u>100,062</u>	<u>100,062</u>