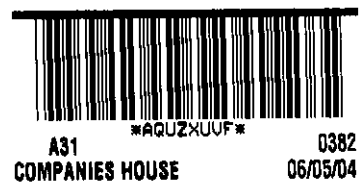


Registration number: 1853736

**RAYBURN TOURS LIMITED**

**ABBREVIATED ACCOUNTS**

**31 OCTOBER 2003**



## Rayburn Tours Limited

Minutes of an Annual General Meeting held at Rayburn House, Parcel Terrace, Derby on 30 January 2004.

1. B. Boyden took the chair.
2. The chairman announced that the requisite quorum was present.
3. The minutes of the previous Annual General Meeting were read and approved.
4. IT WAS RESOLVED THAT the report of the directors and the financial statements for the year ended 31 October 2003, now laid before the meeting, be received and approved.
5. IT WAS RESOLVED THAT the recommendation of the directors not to declare a final dividend in respect of the year be approved.
6. IT WAS RESOLVED THAT Robert Whowell & Partners be reappointed auditors of the company to hold office until the conclusion of the next general meeting at which financial statements are laid before the company and that their remuneration be determined by the directors.
7. There being no further business the chairman declared the meeting closed.

*B. Boyden*

Chairman

**RAYBURN TOURS LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 OCTOBER 2003**

The directors present their report and the accounts for the year ended 31 October 2003.

**Principal activity and review of the business**

The principal activity of the company is that of a tour operator.

The directors consider that the company's business has continued to operate satisfactorily.

**Results and dividends**

The results for the year are set out on page 3.

The directors have paid interim dividends amounting to £165,000 and they 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:

		<b>Ordinary shares</b>	
		<b>31 Oct '03</b>	<b>1 Nov '02</b>
B. Boyden		25,000	25,000
B.J. Race	(resigned 31 March 2003)	-	1
J. Boyden		25,000	24,999

**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.

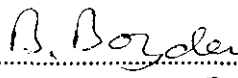
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Auditors**

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

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 30 January 2004 and signed on its behalf by

B. Boyden   
.....  
Secretary

**INDEPENDENT AUDITORS' REPORT TO RAYBURN TOURS LIMITED**  
**UNDER SECTION 247B OF THE COMPANIES ACT 1985**

**YEAR ENDED 31 OCTOBER 2003**

We have examined the abbreviated accounts set out on pages 3 to 16 together with the financial statements of Rayburn Tours Limited for the year ended 31 October 2003 prepared under Section 226 of the Companies Act 1985.

This report is made solely to the company's shareholders, as a body, in accordance with Section 247B of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

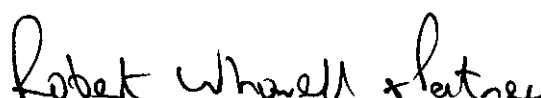
The directors are responsible for preparing abbreviated accounts in accordance with Section 246A of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with Section 246A(3) of the 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 October 2003, and the abbreviated accounts on pages 3 to 16 are properly prepared in accordance with that provision.

  
ROBERT WHOWELL & PARTNERS

CHARTERED ACCOUNTANTS AND  
REGISTERED AUDITORS

Westwood House  
78 Loughborough Road  
Quorn  
Leicestershire  
LE12 8DX

30 January 2004

**RAYBURN TOURS LIMITED**  
**ABBREVIATED PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 OCTOBER 2003**

		<b>Continuing operations</b>	
	<b>Notes</b>	<b>2003</b>	<b>2002</b>
		<b>£</b>	<b>£</b>
<b>Gross profit</b>		1,225,946	984,286
Administrative expenses		(1,045,471)	(849,367)
Other operating income		13,806	18,348
<b>Operating profit</b>	<b>2</b>	<b>194,281</b>	<b>153,267</b>
Other interest receivable and similar income	<b>3</b>	36,409	19,174
Interest payable and similar charges	<b>4</b>	(13,088)	(12,033)
<b>Profit on ordinary activities before taxation</b>		<b>217,602</b>	<b>160,408</b>
Tax on profit on ordinary activities	<b>7</b>	(51,003)	(36,813)
<b>Profit on ordinary activities after taxation</b>		<b>166,599</b>	<b>123,595</b>
Dividends	<b>8</b>	(165,000)	(83,300)
<b>Retained profit for the year</b>		<b>1,599</b>	<b>40,295</b>
Retained profit brought forward		229,784	189,489
<b>Retained profit carried forward</b>		<b>231,383</b>	<b>229,784</b>

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

The notes on pages 6 to 16 form an integral part of these financial statements.

**RAYBURN TOURS LIMITED**  
**ABBREVIATED BALANCE SHEET**  
**AS AT 31 OCTOBER 2003**

		2003		2002	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Intangible assets	9		182,900		192,689
Tangible assets	10		852,212		434,244
Investments	11		2,002		2,002
			<u>1,037,114</u>		<u>628,935</u>
<b>Current assets</b>					
Debtors	12	318,920		118,168	
Cash at bank and in hand		235,337		722,278	
		<u>554,257</u>		<u>840,446</u>	
<b>Creditors: amounts falling due within one year</b>	13	(835,893)		(861,145)	
<b>Net current liabilities</b>			<u>(281,636)</u>		<u>(20,699)</u>
<b>Total assets less current liabilities</b>			755,478		608,236
<b>Creditors: amounts falling due after more than one year</b>	14		(451,370)		(308,886)
<b>Provisions for liabilities and charges</b>	15		(22,725)		(19,566)
<b>Net assets</b>			<u>281,383</u>		<u>279,784</u>
<b>Capital and reserves</b>					
Called up share capital	17		50,000		50,000
Profit and loss account			231,383		229,784
<b>Shareholders' funds</b>	18		<u>281,383</u>		<u>279,784</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 30 January 2004 and signed on its behalf by

J. Boyden

Director

The notes on pages 6 to 16 form an integral part of these financial statements.

**RAYBURN TOURS LIMITED**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 OCTOBER 2003**

	Notes	2003 £	2002 £
<b>Reconciliation of operating profit to net cash inflow from operating activities</b>			
Operating profit		194,281	153,267
Depreciation		76,568	55,637
(Increase) in debtors		(200,752)	155,861
(Decrease) in creditors		(31,262)	252,178
<b>Net cash inflow from operating activities</b>		<u>38,835</u>	<u>616,943</u>
<b>Cash flow statement</b>			
Net cash inflow from operating activities		38,835	616,943
Returns on investments and servicing of finance	22	23,321	7,141
Taxation	22	(43,390)	(20,689)
Capital expenditure	22	(488,827)	(44,640)
		<u>(470,061)</u>	558,755
Equity dividends paid		(165,000)	(83,300)
		<u>(635,061)</u>	475,455
Financing	22	146,021	(47,405)
<b>Decrease in cash in the year</b>		<u>(489,040)</u>	<u>428,050</u>
<b>Reconciliation of net cash flow to movement in net debt (Note 23)</b>			
<b>Decrease in cash in the year</b>		(489,040)	428,050
Cash inflow from decrease in debts and lease financing		(146,021)	47,405
		<u>(635,061)</u>	475,455
Change in net debt resulting from cash flows		(635,061)	475,455
New finance leases and hire purchase contracts		4,080	11,223
<b>Movement in net debt in the year</b>		<u>(630,981)</u>	486,678
<b>Net funds at 1 November 2002</b>		374,454	(112,224)
<b>Net debt at 31 October 2003</b>		<u>(256,527)</u>	<u>374,454</u>

**RAYBURN TOURS LIMITED**

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2003**

**1. Accounting policies**

**1.1. Accounting convention**

The accounts are prepared under the historical cost convention .

**1.2. Turnover**

Turnover represents the aggregate amount of revenue from tours supplied in the ordinary course of business, excluding value added tax. Revenue is recognised on date of departure and related costs of the tours are charged to the profit and loss account on the same basis.

**1.3. Goodwill**

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life of 25 years.

**1.4. Tangible fixed assets and depreciation**

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Freehold property	-	2% straight line
Leasehold improvements	-	2% straight line
Freehold improvements	-	2% straight line
Fixtures, fittings and equipment	-	15% reducing balance
Motor vehicles	-	25% reducing balance

**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.

**1.6. Investments**

Fixed asset investments are stated at cost less provision for diminution in value.

**1.7. Pensions**

The pension costs charged in the financial statements represent the contribution payable by the company during the year.

**1.8. Deferred taxation**

Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes except to the extent that the directors consider that a liability to taxation is unlikely to materialise.

**RAYBURN TOURS LIMITED**

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2003**

**1.9. 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.

**1.10. Group accounts**

The company is entitled to the exemption under Section 248 of the Companies Act 1985 from the obligation to prepare group accounts as it falls within the criteria of being either a small or medium group.

**1.11. Client monies received in advance**

Client monies received at the balance sheet date relating to deposits on holidays not fully invoiced at the year end is included in creditors.

**2. Operating profit**

	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Operating profit is stated after charging:		
Depreciation and other amounts written off intangible assets	9,789	9,789
Depreciation and other amounts written off tangible assets	66,917	40,397
Auditors' remuneration	4,725	5,775
	<u>          </u>	<u>          </u>
and after crediting:		
Profit on disposal of tangible fixed assets	138	(5,451)
Profit on foreign currencies	(47,623)	(128,223)
	<u>          </u>	<u>          </u>

**3. Interest receivable and similar income**

	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Bank interest	36,409	19,174
	<u>          </u>	<u>          </u>

**4. Interest payable and similar charges**

	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
On loans repayable in five years or more	12,622	10,589
Hire purchase interest	466	1,444
	<u>          </u>	<u>          </u>
	13,088	12,033
	<u>          </u>	<u>          </u>

**RAYBURN TOURS LIMITED**

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2003**

**5. Employees**

<b>Number of employees</b>	<b>2003 Number</b>	<b>2002 Number</b>
The average monthly numbers of employees (including the directors) during the year were:	35	32

<b>Employment costs</b>	<b>2003 £</b>	<b>2002 £</b>
Wages and salaries	500,631	493,940
Social security costs	47,754	44,438
Other pension costs	6,675	7,349
	<u>555,060</u>	<u>545,727</u>

**5.1. Directors' emoluments**

	<b>2003 £</b>	<b>2002 £</b>
Remuneration and other emoluments	56,122	114,571
Pension contributions	5,040	5,460
	<u>61,162</u>	<u>120,031</u>
	<b>Number</b>	<b>Number</b>
Number of directors to whom retirement benefits are accruing under a money purchase scheme	<u>2</u>	<u>2</u>

**6. Pension costs**

The company operates a defined contribution pension scheme in respect of selected directors and employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £6,675 (2002 - £7,349).

**RAYBURN TOURS LIMITED**

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2003**

**7. Tax on profit on ordinary activities**

Analysis of charge in period	2003	2002
	£	£
<b>Current tax</b>		
UK corporation tax at 20.68% (2002 - 19.87%)	35,337	30,883
Adjustments in respect of previous periods	12,507	(286)
Total current tax charge	<u>47,844</u>	<u>30,597</u>
<b>Deferred tax</b>		
Timing differences, origination and reversal	3,159	6,216
Total deferred tax	<u>3,159</u>	<u>6,216</u>
Tax on profit on ordinary activities	<u><u>51,003</u></u>	<u><u>36,813</u></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 (30.00 per cent). The differences are explained below:

	2003	2002
	£	£
Profit on ordinary activities before taxation	<u>217,602</u>	<u>160,408</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30.00% (31 October 2002 : 30.00%)	65,281	48,122
<b>Effects of:</b>		
Expenses not deductible for tax purposes	298	10
Capital allowances for period in excess of depreciation	5,822	(3,245)
Adjustments to tax charge in respect of previous periods	12,507	(286)
Profit/(loss) on disposal of fixed assets	(41)	1,635
Insurance rebates	(20,107)	-
Marginal relief	<u>(15,916)</u>	<u>(15,639)</u>
Current tax charge for period	<u><u>47,844</u></u>	<u><u>30,597</u></u>

**8. Dividends**

	2003	2002
	£	£
<b>Dividends on equity shares:</b>		
Ordinary shares - interim paid	<u>165,000</u>	<u>83,300</u>

**RAYBURN TOURS LIMITED**

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2003**

**9. Intangible fixed assets**

	<u>Goodwill</u>	<u>Total</u>
	£	£
<b>Cost</b>		
At 1 November 2002	244,711	244,711
At 31 October 2003	244,711	244,711
<b>Provision for diminution in value</b>		
At 1 November 2002	52,022	52,022
Charge for year	9,789	9,789
At 31 October 2003	61,811	61,811
<b>Net book values</b>		
At 31 October 2003	182,900	182,900
At 31 October 2002	192,689	192,689

	<u>Freehold property</u>	<u>Leasehold imp'vments</u>	<u>Freehold imp'vments</u>	<u>Fixtures, fittings and equipment</u>	<u>Motor vehicles</u>	<u>Total</u>
	£	£	£	£	£	£
<b>Cost</b>						
At 1 November 2002	157,026	17,951	97,732	228,796	113,461	614,966
Additions	365,198	-	-	84,833	39,716	489,747
Disposals	-	-	-	-	(11,547)	(11,547)
At 31 October 2003	522,224	17,951	97,732	313,629	141,630	1,093,166
<b>Depreciation</b>						
At 1 November 2002	31,432	1,192	10,885	91,019	46,194	180,722
On disposals	-	-	-	-	(6,685)	(6,685)
Charge for the year	10,427	359	1,954	33,392	20,785	66,917
At 31 October 2003	41,859	1,551	12,839	124,411	60,294	240,954
<b>Net book values</b>						
At 31 October 2003	480,365	16,400	84,893	189,218	81,336	852,212
At 31 October 2002	125,594	16,759	86,847	137,777	67,267	434,244

**RAYBURN TOURS LIMITED**

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2003**

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

<u>Asset description</u>	<b>2003</b>		<b>2002</b>	
	<b>Net Depreciation</b>		<b>Net Depreciation</b>	
	<u>book value</u>	<u>charge</u>	<u>book value</u>	<u>charge</u>
	£	£	£	£
Motor vehicles	-	-	30,571	10,191

<b>11. <u>Fixed asset investments</u></b>	<b>Subsidiary</b>	
	<b>undertakings</b>	
	<u>shares</u>	<u>Total</u>
	£	£
<b>Cost</b>		
At 1 November 2002	2,002	2,002
At 31 October 2003	2,002	2,002
<b>Net book values</b>		
At 31 October 2003	2,002	2,002
At 31 October 2002	2,002	2,002

**11.1. Holdings of 20% or more**

The company holds 20% or more of the share capital of the following companies:

<u>Company</u>	<u>Country of</u> <u>registration</u> <u>or incorporation</u>	<u>Nature of</u> <u>business</u>	<u>Shares held</u> <u>class</u>	<u>Proportion</u> <u>of shares</u> <u>held</u>
<b>Subsidiary undertaking</b>				
Rayburn Tours Transport Svcs Ltd	United Kingdom	Transport provision	Ordinary	100%
Venture Abroad Limited	United Kingdom	Dormant	Ordinary	100%

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	<u>Capital and reserves</u>	<u>Profit for the year</u>
	£	£
Rayburn Tours Transport Svcs Ltd	17,150	15,334

**RAYBURN TOURS LIMITED**

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2003**

<b>12. Debtors</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Trade debtors	252,458	88,778
Other debtors	43,938	18,155
Prepayments and accrued income	22,524	11,235
	<u>318,920</u>	<u>118,168</u>
<b>13. Creditors: amounts falling due within one year</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Bank overdraft	3,778	1,679
Bank loan	17,575	8,179
Pension fund loan	19,141	25,000
Net obligations under finance leases and hire purchase contracts	-	4,080
Trade creditors	111,345	165,908
Amounts owed to group undertaking	69,775	86,311
Corporation tax	35,337	30,883
Other taxes and social security costs	19,559	9,976
Other creditors	553,808	503,410
Accruals and deferred income	5,575	25,719
	<u>835,893</u>	<u>861,145</u>

The bank loan and overdraft with Lloyds TSB plc are secured by way of a first legal charge over the company's freehold property.

Other creditors relates wholly to client monies received in advance.

**RAYBURN TOURS LIMITED**

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2003**

14. <u>Creditors: amounts falling due</u> <u>after more than one year</u>	2003 £	2002 £
Bank loan	221,110	65,344
Pension fund loan	67,968	81,250
Directors' loan	162,292	162,292
	<u>451,370</u>	<u>308,886</u>
Repayable in one year or less, or on demand (Note 13)	36,716	33,179
Repayable between one and two years	36,716	33,179
Repayable between two and five years	110,148	113,415
Repayable in five years or more	304,506	162,292
	<u>488,086</u>	<u>342,065</u>
Repayable in five years or more:		
Bank loan	142,214	-
Directors' loan	162,292	162,292
	<u>304,506</u>	<u>162,292</u>

The bank loan with Lloyds TSB plc is secured by way of a first legal charge over the company's freehold property.

15. Provisions for liabilities and charges

	Deferred taxation (Note 16) £	Total £
At 1 November 2002	19,566	19,566
Movements in the year	3,159	3,159
At 31 October 2003	<u>22,725</u>	<u>22,725</u>

**RAYBURN TOURS LIMITED**

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2003**

<b>16. <u>Provision for deferred taxation</u></b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Accelerated capital allowances	22,725	19,566
	<hr/>	<hr/>
Provision at 1 November 2002	19,566	
Deferred tax charge in profit and loss account	3,159	
	<hr/>	
Provision at 31 October 2003	22,725	
	<hr/>	
 <b>17. <u>Share capital</u></b>	 <b>2003</b>	 <b>2002</b>
	<b>£</b>	<b>£</b>
<b>Authorised</b>		
100,000 Ordinary shares of £1 each	100,000	100,000
	<hr/>	<hr/>
<b>Allotted, called up and fully paid</b>		
50,000 Ordinary shares of £1 each	50,000	50,000
	<hr/>	<hr/>
 <b>18. <u>Reconciliation of movements in shareholders' funds</u></b>	 <b>2003</b>	 <b>2002</b>
	<b>£</b>	<b>£</b>
Profit for the year	166,599	123,595
Dividends	(165,000)	(83,300)
	<hr/>	<hr/>
	1,599	40,295
Opening shareholders' funds	279,784	239,489
	<hr/>	<hr/>
Closing shareholders' funds	281,383	279,784
	<hr/>	<hr/>

**RAYBURN TOURS LIMITED**

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2003**

**19. Financial commitments**

Consumer Protection and Bonding

The company is a member of the Association of British Travel Agents Limited (membership no. V025X) and the Association of Independent Tour Operators and is licensed by the Civil Aviation Authority under Air Tour Operators Licence ATOL 3475.

The company is fully bonded under the above's rules by Travel & General Insurance Company plc as at 31 October 2003 in respect of ABTA (£376,200) and in respect of ATOL (£258,667).

The company is also bonded by Lloyds TSB plc in respect of ABTA (£17,500).

**20. Transactions with directors**

Of the directors' current account, shown as a creditor falling due in more than one year, an amount of £162,292 has been subordinated in favour of CAA and cannot be drawn down without prior consent.

**21. Related party transactions**

Rayburn Tours Transport Services Limited, a wholly owned subsidiary, charged Rayburn Tours Limited for transport arrangements totalling £1,511,508 under normal commercial terms. Rayburn Tours Limited owed £69,775 to the subsidiary at the year end. The parent company was also charged £20,000 for management services by Rayburn Tours Transport Services Limited.

Also, the company has arranged a loan from the company pension scheme, Rayburn Tours Limited (1993) Retirement and Death Benefit Scheme, to assist with the purchase of Venture Abroad Limited. The loan is over five years at a rate of 3% over base rate and was negotiated at arm's length. The loan has been subordinated to the CAA on a sliding scale over the term of the loan (£87,109 owed at 31 October 2003). At 31 October 2003 £61,000 of the loan had been subordinated to the CAA and cannot be drawn down without the CAA's prior consent.

**RAYBURN TOURS LIMITED**

**NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2003**

**22. Gross cash flows**

	2003 £	2002 £
<b>Returns on investments and servicing of finance</b>		
Interest received	36,409	19,174
Interest paid	(13,088)	(12,033)
	<u>23,321</u>	<u>7,141</u>
<b>Taxation</b>		
Corporation tax paid	(43,390)	(20,689)
<b>Capital expenditure</b>		
Payments to acquire tangible assets	(493,827)	(60,640)
Receipts from sales of tangible assets	5,000	16,000
	<u>(488,827)</u>	<u>(44,640)</u>
<b>Financing</b>		
New long term bank loan	155,766	(9,147)
Other new long term loans	(19,141)	(35,309)
Repayment of short term bank loan	9,396	1,131
Capital element of finance leases and hire purchase contracts	-	(4,080)
	<u>146,021</u>	<u>(47,405)</u>

**23. Analysis of changes in net funds**

	<u>Opening balance</u> £	<u>Cash flows</u> £	<u>Other changes</u> £	<u>Closing balance</u> £
Cash at bank and in hand	722,278	(486,941)	-	235,337
Overdrafts	(1,679)	(2,099)	-	(3,778)
	<u>720,599</u>	<u>(489,040)</u>	<u>-</u>	<u>231,559</u>
Debt due within one year	(33,179)	(9,396)	5,859	(36,716)
Debt due after one year	(308,886)	(136,625)	(5,859)	(451,370)
Finance leases and hire purchase contracts	(4,080)	-	4,080	-
	<u>(346,145)</u>	<u>(146,021)</u>	<u>4,080</u>	<u>(488,086)</u>
<b>Net funds</b>	<u>374,454</u>	<u>(635,061)</u>	<u>4,080</u>	<u>(256,527)</u>