

# **I & H Brown Travel Limited**

## **Report and Financial Statements**

31 August 2007

TUESDAY



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COMPANIES HOUSE

# **I & H Brown Travel Limited**

Registered No 90625

## **Directors**

J H Brown (Chairman)  
D H Brown

## **Secretary**

L M Campbell

## **Auditors**

Ernst & Young LLP  
Citygate  
St James' Boulevard  
Newcastle upon Tyne  
NE1 4JD

## **Bankers**

The Royal Bank of Scotland plc  
Perth Chief Office  
12 Dunkeld Road  
Perth  
PH1 5RW

## **Solicitors**

J R Stevenson & Marshall  
41 East Port  
Dunfermline  
Fife  
KY12 7LG

## **Registered office**

Dunkeld Road  
Perth  
PH1 3EB

## Directors' report

The directors present their report and financial statements for the year ended 31 August 2007

### Principal activity

The principal activity of the company during the year continued to be that of a travel until the closure of business on 31 March 2007

### Directors

The directors who served the company during the year were as follows

J H Brown

J S Brown (resigned 31 January 2007)

I Imrie (resigned 24 June 2007)

D H Brown

There are no directors' interests requiring disclosure under the Companies Act 1985

The directors are also directors of the parent undertaking and details of their interests in I & H Brown Limited appear in the Annual Report of that company

### Treasury management policies

Following the cessation of operations the company is no longer exposed to any financial statement risks

### Disclosure of information to the auditors

So far, as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information

### Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting

### Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985

By order of the board



J S Brown  
Secretary

// February 2008

## Statement of Directors' Responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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, and
- 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 that 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.

## **Independent auditors' report**

**to the members of I & H Brown Travel Limited**

We have audited the company's financial statements for the year ended 31 August 2007 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 11. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2005).

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members 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 members 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 the preparation of the financial statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) as set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you, our opinion, as to whether the financial statements give a true and fair view, are properly prepared in accordance with the Companies Act 1985 and whether the information given in the Directors' Report is consistent with the financial statements.

In addition, we also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 judgments 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.

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

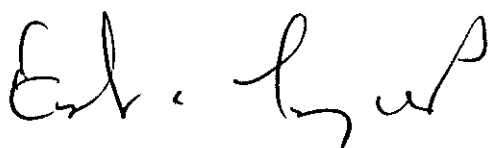
## **Independent auditors' report**

**to the members of I & H Brown Travel Limited (continued)**

### **Opinion**

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31 August 2007 and of its loss for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the directors' report is consistent with the financial statements

A handwritten signature in black ink, appearing to read 'Ernst & Young'.

Ernst & Young LLP  
Registered auditor  
Newcastle upon Tyne

12 February 2008

## Profit and loss account for the year ended 31 August 2007

	Notes	2007 £	2006 £
<b>Turnover – discontinued activities</b>	2	24,721	71,528
Cost of sales		39,827	41,172
<b>Gross (loss)/profit</b>		(15,106)	30,356
Administrative expenses		12,414	19,303
<b>Operating (loss)/profit – discontinued activities</b>	3	(27,520)	11,053
Profit on disposal of fixed assets		25,140	
<b>(Loss)/profit in ordinary activities before taxation</b>		(2,380)	11,053
Tax on (loss)/profit on ordinary activities			2,123
<b>(Loss)/profit retained for the financial year</b>		<u>£(2,380)</u>	<u>£8,930</u>

## Statement of total recognised gains and losses for the year ended 31 August 2007

There are no recognised gains and losses other than the loss attributable to shareholders of the company of £2,380 in the year ended 31 August 2007 and the profit of £8,930 in the year ended 31 August 2006

## Balance sheet

at 31 August 2007

	Notes	2007 £	2006 £
<b>Fixed assets</b>			
Tangible assets	4		28,073
<b>Current assets</b>			
Debtors	5	150,196	1,028
Cash at bank and in hand			300,352
		150,196	301,380
<b>Creditors</b> , amounts falling due within one year	6	196	36,920
<b>Net current assets</b>		150,000	264,460
<b>Net assets</b>		<u>£150,000</u>	<u>£292,533</u>
<b>Capital and reserves</b>			
Called up share capital	9	150,000	150,000
Profit and loss account	10		142,533
<b>Equity shareholders' funds</b>		<u>£150,000</u>	<u>£292,533</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective January 2005)

The financial statements were approved by the Board of Directors on // February 2008 and signed on their behalf by



J S Brown  
Director



## Notes to the financial statements

at 31 August 2007

### 1. Accounting policies

#### *Basis of preparation*

The financial statements are prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005)

#### *Fixed assets*

All fixed assets are initially recorded at cost

#### *Depreciation*

Depreciation is provided on all tangible fixed assets, other than freehold property, at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition of each asset evenly over its expected useful life, as follows

Fixtures and fittings                      over 5 years

Freehold property is not depreciated. In the opinion of the directors the life of the property is such that the depreciation charge would not have any material effect on the financial statements

#### *Deferred taxation*

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the exception of deferred tax assets

Deferred taxation assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred taxation is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

### 2 Turnover

Turnover comprises fees and commission on travel arrangements representing a single, discontinued activity. Turnover arises wholly within the United Kingdom

### 3. Operating profit

This is stated after charging

	2007 £	2006 £
Auditors' remuneration fees	1,000	1,200
Directors' emoluments		
Depreciation of owned fixed assets	4,937	4,937

## Notes to the financial statements

at 31 August 2007

### 4. Tangible fixed assets

	<i>Freehold property £</i>	<i>Fixtures and fittings £</i>	<i>Total £</i>
Cost			
At 1 September 2006	18,000	26,194	44,194
Disposals	(18,000)	(26,194)	(44,194)
At 31 August 2007			
Depreciation			
At 1 September 2006		16,121	16,121
Provided during the year		4,937	4,937
Disposals		(21,058)	(21,058)
At 31 August 2007			
Net book value			
At 31 August 2007	£	£	£
At 1 September 2006	£18,000	£10,073	£28,073

### 5. Debtors

	<i>2007 £</i>	<i>2006 £</i>
Trade debtors		1,028
Amounts owed by group undertakings	150,196	
	<u>£150,196</u>	<u>£1,028</u>

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

	<i>2007 £</i>	<i>2006 £</i>
Trade creditors		19,315
Corporation tax		2,375
VAT	196	5,187
Accruals and deferred income		2,287
Amounts owed to group undertakings		7,756
	<u>£196</u>	<u>£36,920</u>

### 7. Contingent liability

The bank holds a bond for £25,000 in favour of ABTA

The company is party to a cross guarantee between I & H Brown Limited and I & H Brown Travel Limited whereby each company guarantees the bank debts of each other

## Notes to the financial statements

at 31 August 2007

### 8 Related party transactions

The company has taken advantage of the exemption conferred in FRS 8 from disclosing transactions with related parties that are part of the I & H Brown Limited group or investees of the group

### 9. Share capital

		2007 £	Authorised 2006 £
Ordinary shares of £1 each		<u>£150,000</u>	<u>£150,000</u>

	No	2007 £	Allotted, called up and fully paid 2006 No	£
Ordinary shares of £1 each	150,000	<u>£150,000</u>	150,000	<u>£150,000</u>

### 10. Reconciliation of shareholders' funds and movement on reserves

	Share capital £	Profit and loss account £	Total share holders' funds £
At 1 September 2005	150,000	133,603	283,603
Profit for the year		8,930	8,930
At 1 September 2006	<u>150,000</u>	<u>142,533</u>	<u>292,533</u>
Loss for the year		(2,380)	(2,380)
Dividends		(140,153)	(140,153)
At 31 August 2007	<u>£150,000</u>	<u>£</u>	<u>£150,000</u>

### 11. Ultimate parent company

The company's ultimate parent undertaking and controlling party is I & H Brown Limited, which is incorporated in Scotland. Copies of its group financial statements, which include the company, can be obtained from the Registrar of companies, Companies House, 100 102 George Street, Edinburgh, EH2 3DH