

Company Registration No. 01300261 (England and Wales)

KENWOOD TRAVEL LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

KENWOOD TRAVEL LIMITED

COMPANY INFORMATION

Directors	G Koumi B Collins
Secretary	E Santos
Company number	01300261
Registered office	5-8 Moorgate House Dysart Street London EC2A 2BX
Auditor	Arram Berlyn Gardner LLP 30 City Road London EC1Y 2AB

KENWOOD TRAVEL LIMITED

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KENWOOD TRAVEL LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2019

The directors present the strategic report for the year ended 31 March 2019.

Fair review of the business

The directors are pleased to report an increase in turnover of 1.7%. They expect to maintain the Company's market share in 2020. The directors are pleased to announce the introduction of an online booking system within the website.

Principal risks and uncertainties

The company's principal financial instruments comprise of bank balances and deposits, trade creditors and payments received in advance. The main purpose of these instruments is to raise funds for the company's operations.

Due to the nature of the financial instruments used by the company there is no exposure to price risk. The company's approach to managing other risks applicable to the financial instruments concerned is shown below.

In respect of bank balances the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of short-term and long-term deposit accounts.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet the amounts due.

The company reduces its exposure to adverse foreign exchange rate movements by acquiring and exercising foreign currency options.

Key performance indicators

The key financial highlights are as follows:

	2019	2018
	£	£
Turnover	73,041,767	71,793,007
Gross profit	8,121,408	8,183,905
Gross profit margin %	11.12%	11.40%
Profit before tax	1,616,887	2,174,276

On behalf of the board

G Koumi
Director
29 August 2019

KENWOOD TRAVEL LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2019

The directors present their annual report and financial statements for the year ended 31 March 2019.

Principal activities

The principal activity of the company continued to be that of a tour operator.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

G Koumi

B Collins

Results and dividends

The results for the year are set out on page 6.

Ordinary interim dividends were paid amounting to £200,000 (2018 - £200,000). The directors do not recommend payment of a final dividend.

Future developments

The company will continue to provide tour operator services and the Directors expect to maintain the Company's market share during the year to March 2020.

Auditor

The auditor, Arram Berlyn Gardner LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

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). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

Strategic report

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report.

KENWOOD TRAVEL LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

G Koumi
Director

29 August 2019

KENWOOD TRAVEL LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF KENWOOD TRAVEL LIMITED

Opinion

We have audited the financial statements of Kenwood Travel Limited (the 'company') for the year ended 31 March 2019 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

KENWOOD TRAVEL LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF KENWOOD TRAVEL LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor's 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.

Sarah Wilson FCA (Senior Statutory Auditor)
for and on behalf of Arram Berlyn Gardner LLP

30 August 2019

Chartered Accountants
Statutory Auditor

30 City Road
London
EC1Y 2AB

KENWOOD TRAVEL LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2019

	Notes	2019 £	2018 £
Turnover	3	73,041,767	71,793,007
Cost of sales		(64,920,359)	(63,609,102)
Gross profit		<u>8,121,408</u>	<u>8,183,905</u>
Administrative expenses		(6,601,039)	(6,111,025)
Operating profit	4	<u>1,520,369</u>	<u>2,072,880</u>
Interest receivable and similar income	8	96,518	101,396
Profit before taxation		<u>1,616,887</u>	<u>2,174,276</u>
Tax on profit	9	(307,500)	(412,869)
Profit for the financial year		<u><u>1,309,387</u></u>	<u><u>1,761,407</u></u>

The Income Statement has been prepared on the basis that all operations are continuing operations.

KENWOOD TRAVEL LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2019

		2019		2018	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	11		65,987		64,976
Current assets					
Debtors	13	52,136,731		54,000,568	
Cash at bank and in hand		20,145,933		18,183,629	
		<u>72,282,664</u>		<u>72,184,197</u>	
Creditors: amounts falling due within one year	14	<u>(65,693,870)</u>		<u>(66,703,779)</u>	
Net current assets			6,588,794		5,480,418
Total assets less current liabilities			<u>6,654,781</u>		<u>5,545,394</u>
Capital and reserves					
Called up share capital	16		90,000		90,000
Capital redemption reserve	17		6,429		6,429
Profit and loss reserves	17		6,558,352		5,448,965
Total equity			<u>6,654,781</u>		<u>5,545,394</u>

The financial statements were approved by the board of directors and authorised for issue on 29 August 2019 and are signed on its behalf by:

G Koumi
Director

Company Registration No. 01300261

KENWOOD TRAVEL LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019

	Share capital	Capital redemption reserve	Profit and loss reserves	Total
Notes	£	£	£	£
Balance at 1 April 2017	90,000	6,429	4,125,058	4,221,487
Year ended 31 March 2018:				
Profit and total comprehensive income for the year	-	-	1,761,407	1,761,407
Bonus issue of shares	3,600	(3,600)	-	-
Dividends	10	-	(200,000)	(200,000)
Own shares acquired	(3,600)	3,600	(237,500)	(237,500)
Balance at 31 March 2018	90,000	6,429	5,448,965	5,545,394
Year ended 31 March 2019:				
Profit and total comprehensive income for the year	-	-	1,309,387	1,309,387
Dividends	10	-	(200,000)	(200,000)
Balance at 31 March 2019	90,000	6,429	6,558,352	6,654,781

KENWOOD TRAVEL LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2019

	Notes	2019		2018	
		£	£	£	£
Cash flows from operating activities					
Cash generated from operations	20		2,553,759		1,978,150
Income taxes paid			(622,869)		(201,870)
Net cash inflow from operating activities			<u>1,930,890</u>		<u>1,776,280</u>
Investing activities					
Purchase of tangible fixed assets		(14,138)		(13,898)	
Proceeds on disposal of tangible fixed assets		-		3,736	
Interest received		96,518		101,396	
Net cash generated from investing activities			<u>82,380</u>		<u>91,234</u>
Financing activities					
Purchase of own shares		-		(237,500)	
Dividends paid		(200,000)		(200,000)	
Net cash used in financing activities			<u>(200,000)</u>		<u>(437,500)</u>
Net increase in cash and cash equivalents			1,813,270		1,430,014
Cash and cash equivalents at beginning of year			18,183,629		16,000,630
Effect of foreign exchange rates			149,034		752,985
Cash and cash equivalents at end of year			<u><u>20,145,933</u></u>		<u><u>18,183,629</u></u>

KENWOOD TRAVEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

Company information

Kenwood Travel Limited is a private company limited by shares incorporated in England and Wales. The registered office and principal place of business is 5-8 Moorgate House, Dysart Street, London, EC2A 2BX.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements have been prepared on the historical cost convention, and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover represents the total amount receivable by the company in respect of holidays and services supplied to customers in the ordinary course of business. Turnover is recognised on a departure date basis.

Commissions receivable represents the total amount receivable by the company when the related services are provided.

Interest income is recognised as interest accrues using the effective interest method, and is shown including related fees, finance charges paid or received and associated transaction costs.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	20% reducing balance
Fixtures, fittings & equipment	10% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

KENWOOD TRAVEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand and other short-term liquid investments with original maturities of three months or less.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

KENWOOD TRAVEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

KENWOOD TRAVEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.13 Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Impairment of debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

KENWOOD TRAVEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

2 Judgements and key sources of estimation uncertainty (Continued)

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Deferred income and deferred costs

Note 1.3 sets out the Company's criteria for revenue recognition. In making its judgement regarding the timing of recognition, management considers the detailed criteria from the sale of services set out in FRS 102 section 23.

Turnover is recognised on a departure date basis. When this criteria is not met, revenue arising from the rendering of services and the corresponding cost is deferred.

At the balance sheet date, deferred revenue amounted to £36,272,174 (2018: £36,190,497) and relating deferred costs amounted to £32,422,164 (2018: £32,709,694).

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2019	2018
	£	£
Turnover analysed by class of business		
Rendering of services	73,041,767	71,793,007
	<u>73,041,767</u>	<u>71,793,007</u>

4 Operating profit

	2019	2018
	£	£
Operating profit for the year is stated after charging:		
Exchange gains	(149,034)	(752,985)
Depreciation of owned tangible fixed assets	13,127	11,916
Operating lease charges	127,821	77,381
	<u>127,821</u>	<u>77,381</u>

5 Auditor's remuneration

	2019	2018
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	28,500	28,000
	<u>28,500</u>	<u>28,000</u>
For other services		
All other non-audit services	1,425	-
	<u>1,425</u>	<u>-</u>

KENWOOD TRAVEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

6 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2019 Number	2018 Number
Management	2	2
Sales	27	24
Administrative	40	35
	<u>69</u>	<u>61</u>

Their aggregate remuneration comprised:

	2019 £	2018 £
Wages and salaries	2,896,562	2,514,145
Social security costs	265,589	250,717
Pension costs	81,950	38,056
	<u>3,244,101</u>	<u>2,802,918</u>

7 Directors' remuneration

	2019 £	2018 £
Remuneration for qualifying services	6,000	6,000
Company pension contributions to defined contribution schemes	10,000	10,000
Sums paid to third parties for directors' services	412,941	232,000
	<u>428,941</u>	<u>248,000</u>

8 Interest receivable and similar income

	2019 £	2018 £
Interest income		
Interest on bank deposits	96,518	101,396
	<u>96,518</u>	<u>101,396</u>

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	96,518	101,396
	<u>96,518</u>	<u>101,396</u>

KENWOOD TRAVEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

9 Taxation

	2019	2018
	£	£
Current tax		
UK corporation tax on profits for the current period	307,500	412,869

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2019	2018
	£	£
Profit before taxation	1,616,887	2,174,276
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	307,209	413,112
Tax effect of expenses that are not deductible in determining taxable profit	817	526
Depreciation add back	2,494	2,264
Capital allowances	(3,020)	(3,033)
Taxation charge for the year	307,500	412,869

10 Dividends

	2019	2018
	£	£
Interim paid	200,000	200,000

KENWOOD TRAVEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

11 Tangible fixed assets	Plant and Fixtures, fittings machinery & equipment		Total
	£	£	£
Cost			
At 1 April 2018	86,178	60,263	146,441
Additions	13,948	190	14,138
At 31 March 2019	<u>100,126</u>	<u>60,453</u>	<u>160,579</u>
Depreciation and impairment			
At 1 April 2018	47,971	33,494	81,465
Depreciation charged in the year	10,431	2,696	13,127
At 31 March 2019	<u>58,402</u>	<u>36,190</u>	<u>94,592</u>
Carrying amount			
At 31 March 2019	<u>41,724</u>	<u>24,263</u>	<u>65,987</u>
At 31 March 2018	<u>38,207</u>	<u>26,769</u>	<u>64,976</u>
12 Financial instruments		2019	2018
		£	£
Carrying amount of financial assets			
Debt instruments measured at amortised cost		39,680,166	39,157,094
		<u>39,680,166</u>	<u>39,157,094</u>
Carrying amount of financial liabilities			
Measured at amortised cost		28,991,977	29,648,334
		<u>28,991,977</u>	<u>29,648,334</u>
13 Debtors		2019	2018
		£	£
Amounts falling due within one year:			
Trade debtors		19,531,252	20,967,383
Other debtors		53,802	53,123
Prepayments and accrued income		32,551,677	32,980,062
		<u>52,136,731</u>	<u>54,000,568</u>

KENWOOD TRAVEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

14 Creditors: amounts falling due within one year	2019	2018
	£	£
Trade creditors	28,863,786	29,645,252
Corporation tax	97,500	412,869
Other taxation and social security	67,190	74,990
Other creditors	128,191	3,082
Accruals and deferred income	36,537,203	36,567,586
	<u>65,693,870</u>	<u>66,703,779</u>
	<u><u>65,693,870</u></u>	<u><u>66,703,779</u></u>
15 Retirement benefit schemes	2019	2018
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	81,950	38,056
	<u>81,950</u>	<u>38,056</u>
	<u><u>81,950</u></u>	<u><u>38,056</u></u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

KENWOOD TRAVEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

16 Share capital

	2019	2018
	£	£
Ordinary share capital		
Issued and fully paid		
90,000 Ordinary shares of £1 each	90,000	90,000

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and repayment of capital.

17 Reserves

Profit and loss reserves

Retained earnings represents accumulated comprehensive income for the year and prior periods less dividends paid.

Capital redemption reserve

This reserve records the nominal value of shares repurchased by the company.

18 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2019	2018
	£	£
Within one year	4,972	84,329
Between two and five years	2,357	-
	<u>7,329</u>	<u>84,329</u>

19 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2019	2018
	£	£
Aggregate compensation	595,996	437,384

The following amounts were outstanding at the reporting end date:

	2019	2018
	£	£
Amounts due to related parties		
Other related parties	231,257	345,000

KENWOOD TRAVEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

19 Related party transactions (Continued)

The following amounts were outstanding at the reporting end date:

	2019	2018
Amounts due from related parties	£	£
Key management personnel	3,691	-
Other related parties	56,026	30,126
	<u>59,717</u>	<u>30,126</u>

G Koumi has provided a limited guarantee amounting to £1,500,000 (2018: £1,500,000) for all amounts due to Barclays Plc.

During the year, purchases totalling £531,074 (2018: £383,101) were paid to key management personnel for services received, and sales totalling £3,691 (2018: £nil) were received from key management personnel for services rendered.

Purchases totalling £9,621 (2018: £nil) were paid to other related parties for services received during the year.

20 Cash generated from operations

	2019	2018
	£	£
Profit for the year after tax	1,309,387	1,761,407
Adjustments for:		
Taxation charged	307,500	412,869
Investment income	(96,518)	(101,396)
Depreciation and impairment of tangible fixed assets	13,127	11,916
Foreign exchange loss on cash equivalents	(149,034)	(752,985)
Movements in working capital:		
Decrease/(increase) in debtors	1,863,837	(3,874,094)
(Decrease)/increase in creditors	(694,540)	4,520,433
Cash generated from operations	<u>2,553,759</u>	<u>1,978,150</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.