

Registered number
6258857

Statesman Travel Group Limited

Report and Accounts

31 December 2011

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Statesman Travel Group Limited
Report and accounts
Contents

	Page
Company information	1
Directors' report	2 - 3
Statement of directors' responsibilities	4
Independent auditors' report	5
Consolidated profit and loss account	6
Consolidated balance sheet	7
Company balance sheet	8
Consolidated cash flow statement	9
Notes to the accounts	10 - 21

Statesman Travel Group Limited
Company Information

Directors

E Brannan - Appointed 1st January 2012
R Goovaerts - Appointed 18th October 2011
J M Langley
D Scowsill - Appointed 1st March 2012
M J Williamson

Secretary

M J Williamson

Auditors

Nexia Smith & Williamson
25 Moorgate
London
EC2R 6AY

Registered office

12 Gough Square
London
EC4A 3DW

Registered number

6258857

Statesman Travel Group Limited

Registered number. 6258857

Directors' Report

The directors present their report and accounts for the period ended 31 December 2011

Principal activities

The Company has acted as a holding company. The Company's associated undertakings have carried on the business of travel agents and will continue to do so in the future. The consolidated profit for the period attributable to the shareholders of the Group after taxation was £425,764 (2011 £370,028).

Review of the business

Statesman continued to see a significant increase in business travel as a result of new contracts, existing client growth and the acquisition of Commodore in October 2011. This strategic acquisition will strengthen the company as a potent force in the travel management sector, providing additional resource and optimising our service levels to all clients.

To support this acquisition, the Business Growth Fund (BGF) became a minority shareholder. The BGF is an independent company with capital of up to £2.5 billion backed by five of the UK's main banking groups – Barclays, HSBC, Lloyds, RBS and Standard Chartered. As an investor in the parent company, the BGF offered not only growth capital but a partner we could work alongside over the long term.

This upward trend combined with a strict control over all operating expenditure led to Statesman recording an overall increase in its operating profits of 38% on an increased gross sales volume of 35%.

Statesman changed its accounting reference date to 31 December to align itself with Commodore, hence these accounts reflect an accounting period of 9 months, which consolidates Commodore for the 3 months from October, the date of acquisition.

Statesman continues to invest in its technology platform which continues to improve customer satisfaction through booking efficiencies and traveller experience. Use of the Statesmanager portal has continued to increase, leading to a higher adoption rate of online tools, helping to maximise the value of their corporate travel budgets.

Statesman manages its operations under ISO 9001:2008 for its quality management system and ISO 14001:2004 for its environmental management system. We believe these accreditations provide a competitive advantage over many of our competitors.

Having a diverse portfolio of clients, Statesman saw its gross turnover increase by £12 million and has continued to strengthen all areas of its business by bringing in additional highly qualified staff.

Our international network, Travel Solutions International (TSI) continues to thrive. With credible, like-minded partners throughout the world, we are able to offer our clients a truly global solution that focuses on bringing consistency, clarity and standards to the management of travel expenditure across international markets.

TSI offers advanced global data consolidation, global IT solutions, global supplier negotiations, excellent customer service and the opportunity for reciprocal trading, to name just a few.

With global sales in excess of \$2.8bn, our network partners collectively provide solutions that support our multi-national clients' travel management needs, wherever they may be in the world.

The strengthening strategic partnership Statesman has with Concur, the world's leading company in expense management, allows us to offer our clients a "total travel solution".

Statesman remains financially secure and well placed to grow significantly over the next 3 years.

Statesman Travel Group Limited**Registered number** 6258857**Directors' Report****Principal risks and uncertainties**

Statesman continues to operate a very thorough credit control process which ensures credit terms are adhered to by all its clients. Appropriate credit checks are performed where necessary on its client base. Likewise further implementation of clients onto a lodge/credit card eliminates the risk of bad debts and streamlines the whole invoicing/accounting procedures producing greater efficiencies.

Statesman had no bad debt problems during the period and monitors its cashflow position on a daily basis which demonstrates its strong internal financial controls. This strong cash position resulted in the company not using its overdraft facility at all during the period.

Loan notes in the company ensure that the group has sufficient funds for operations and planned investment. There is no pressure on the business to repay these loans in the foreseeable future.

We believe business travel volumes will continue to increase in 2012 and the company can look forward to a prosperous future.

Future developments

Over the next 3 years we want to maintain the growth and progress that has taken place since the company was acquired in 2007 by its current major shareholders, Mervyn Williamson and Jon Langley. The vision from 2007 remains the same today – to become the travel partner of choice for organisations where there is a high degree of importance in the value of the relationship. We will continue to invest in our people, our technology and our infrastructure in order to keep Statesman's service at the forefront of the travel management community.

Dividends

The directors paid a final dividend of £8,000 (2011 £120,000)

Directors

The following persons served as directors during the period

E Brannan - Appointed 1st January 2012
R Goovaerts - Appointed 18th October 2011
J M Langley
D Scowsill - Appointed 1st March 2012
M J Williamson

Political and charitable donations

During the period the Company made charitable contributions of £190 (2011 £476)

Disclosure of information to auditors

Each person who was a director at the time this report was approved confirms that

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware, and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information

Auditors

A resolution to re-appoint the auditors, Nexia Smith & Williamson, will be proposed at the next Annual General Meeting

This report was approved by the board on 15 June 2012 and signed by its order

M J Williamson
Secretary



Statesman Travel Group Limited

Statement of Directors' Responsibilities

The directors are responsible for preparing the report and accounts in accordance with applicable law and regulations

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts 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 accounts 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 accounts, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and 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 accounts,
- prepare the accounts 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 accounts 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.

Statesman Travel Group Limited
Independent auditors' report
to the members of Statesman Travel Group Limited

We have audited the financial statements of Statesman Travel Group Limited for the period ended 31 December 2011 which comprise the Group Profit and Loss Account, the Group and Parent Company Balance Sheets, the Group Cash Flow Statement and the related notes 1 to 28. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 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

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the accounts

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm

Opinion on the accounts

In our opinion the financial statements

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2011 and of the group's profit for the period 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

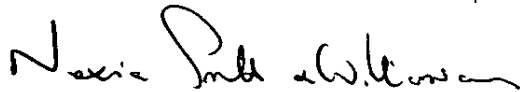
Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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 by the parent company or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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



Michael Bishop
Senior Statutory Auditor
for and on behalf of
Nexia Smith & Williamson
Statutory Auditor
Chartered Accountants
20 June 2012

25 Moorgate
London
EC2R 6AY

Statesman Travel Group Limited
Consolidated Profit and Loss Account
for the period from 1 April 2011 to 31 December 2011

	Notes	9 months ended 31/12/11 £	Year ended 31/3/11 £
Turnover	2	2,508,656	1,761,343
Other operating income		1,334,258	1,068,964
Administrative expenses		(3,152,017)	(2,331,382)
Operating profit	3	<u>690,897</u>	<u>498,925</u>
Share of operating profit in joint ventures		6,885	(911)
Income from investments		8,000	40,000
Interest receivable		9,326	2,170
Interest payable	6	(76,977)	(2,689)
Profit on ordinary activities before taxation		<u>638,131</u>	<u>537,495</u>
Tax on profit on ordinary activities	8	(212,367)	(167,467)
Profit for the period		<u>425,764</u>	<u>370,028</u>

Continuing operations

All activities are continuing

Statement of total recognised gains and losses

The company has no recognised gains or losses other than the profit for the above two periods

Statesman Travel Group Limited
Consolidated Balance Sheet
as at 31 December 2011

	Notes	31/12/11 £	31/3/11 £
Fixed assets			
Intangible assets	9	7,942,012	1,789,253
Tangible assets	10	165,036	160,432
Investments	11	2,124	2,124
Investments in joint ventures	12		
Share of gross assets		106,953	165,774
Share of gross liabilities		(34,022)	(99,728)
		<u>8,182,103</u>	<u>2,017,855</u>
Current assets			
Debtors	13	4,559,172	2,719,885
Cash at bank and in hand		<u>1,972,802</u>	<u>1,125,228</u>
		6,531,974	3,845,113
Creditors amounts falling due within one year	14	(5,818,524)	(3,369,410)
Net current assets		<u>713,450</u>	<u>475,703</u>
Total assets less current liabilities		<u>8,895,553</u>	<u>2,493,558</u>
Creditors amounts falling due after more than one year	15	(6,118,279)	(1,799,506)
Provisions for liabilities			
Deferred taxation	17	(1,232)	(15,274)
Net assets		<u>2,776,042</u>	<u>678,778</u>
Capital and reserves			
Called up share capital	18	718,133	500,000
Share premium		1,469,367	-
Profit and loss account	19	588,542	178,778
Shareholders' funds	21	<u>2,776,042</u>	<u>678,778</u>

M J Williamson
Director

Approved by the board on 15 June 2012

Statesman Travel Group Limited
Balance Sheet
as at 31 December 2011

	Notes	31/12/11 £	31/3/11 £
Fixed assets			
Investments	11	<u>2,870,871</u>	<u>2,870,871</u>
		2,870,871	2,870,871
Current assets			
Debtors (including £5,533,786 falling due after more than one year)	13	<u>6,283,791</u>	-
		6,283,791	-
Creditors' amounts falling due within one year	14	(738,752)	-
Net current assets		<u>5,545,039</u>	-
Total assets less current liabilities		<u>8,415,910</u>	<u>2,870,871</u>
Creditors' amounts falling due after more than one year	15	(6,281,537)	(2,312,620)
Net assets		<u>2,134,373</u>	<u>558,251</u>
Capital and reserves			
Called up share capital	18	718,133	500,000
Share premium	19	1,469,367	-
Profit and loss account	19	(53,127)	58,251
Shareholders' funds	21	<u>2,134,373</u>	<u>558,251</u>

M J Williamson
Director

Approved by the board on 15 June 2012

Statesman Travel Group Limited
Consolidated Cash Flow Statement
for the period from 1 April 2011 to 31 December 2011

	Notes	9 months ended 31/12/11 £	Year ended 31/3/11 £
Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit		690,897	498,925
Depreciation and amortisation		193,524	164,849
Increase in debtors		(1,427,820)	(594,225)
(Decrease)/increase in creditors		(2,100,325)	149,912
Net cash (outflow)/inflow from operating activities		(2,643,724)	219,461
CASH FLOW STATEMENT			
Net cash (outflow)/inflow from operating activities		(2,643,724)	219,461
Returns on investments and servicing of finance	22	(67,651)	39,481
Taxation		(216,071)	(48,360)
Capital expenditure	22	(29,160)	(70,448)
		(2,956,606)	140,134
Aquisitions	23		
Purchase of subsidiary undertakings		(7,167,899)	-
Cash acquired with subsidiary undertakings		4,243,108	-
		(2,924,791)	-
Equity dividends paid		(8,000)	(120,000)
		(5,889,397)	20,134
Financing	22	6,736,971	(77,222)
Increase/(decrease) in cash		847,574	(57,088)
Reconciliation of net cash flow to movement in net debt			
Increase/(decrease) in cash in the period		847,574	(57,088)
Increase in debt and lease financing		(5,049,471)	-
Change in net debt	24	(4,201,897)	(57,088)
Net funds at 1 April		1,104,450	1,161,538
(Net debt)/net funds at 31 December		(3,097,447)	1,104,450

Statesman Travel Group Limited
Notes to the Accounts
for the period from 1 April 2011 to 31 December 2011

1 Accounting policies

The financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practices. A summary of the more important accounting policies adopted are described below.

Basis of preparation

The accounts have been prepared under the historical cost convention.

Going concern

After making enquires, the directors have a reasonable expectation that the company have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they adopt the going concern basis in preparing the financial statements.

Basis of consolidation

The group consolidate the accounts of Statesman Travel Limited and all its subsidiary undertakings drawn up to 31st December 2011. The results of subsidiaries acquired or disposed of during the period are included in the consolidated profit and loss account from the effective date of acquisition or up to the effective date of disposal, as appropriate. Acquisitions are accounted for under the acquisitions method. No profit and loss account is presented for Statesman Travel Group Limited as permitted by section 408(3) of the Companies Act 2006.

Turnover

Turnover represents commissions and fees on sales to external customers. Having considered the nature of the business and its future development, the directors believe the company to act as an agent this period.

Depreciation

Fixtures and fittings, motor vehicle and office furniture and equipment are depreciated on a straight line basis at the under mentioned rates per annum, estimated to write-off the cost of the assets over their useful lives.

Fixtures and fittings	15%
Computer equipment	25%
Motor Vehicles	20%
Leasehold property	20%

The carrying values of tangible fixed assets are reviewed for impairment in periods, if events or changes in circumstances indicate that the carrying value may not be recoverable.

Fixed asset investment

The carrying value of fixed assets investments are reviewed for impairment in periods, if events or changes in circumstances indicate that the carrying value may not be recoverable.

Deferred taxation

Full provision is made for deferred taxation resulting from timing differences between the recognition of gains and losses in the accounts and their recognition for tax purposes. Deferred taxation is calculated on an un-discounted basis at the tax rates which are expected to apply in the periods when the timing differences will reverse.

Statesman Travel Group Limited
Notes to the Accounts
for the period from 1 April 2011 to 31 December 2011

1 Accounting policies (continued)

Foreign currencies

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

Operating leases

Rental costs under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

Leasing and hire purchase commitments

Assets held under finance leases and hire purchase contracts, which are those where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and depreciated over their useful lives. The corresponding lease or hire purchase obligation is treated in the balance sheet as a liability.

The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

Goodwill

Goodwill arising on the acquisition of subsidiary undertakings and businesses, representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired, is capitalised and written off on a straight line basis over its useful economic life, which is 20 years. Goodwill is reviewed annually for impairment.

Pensions

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

2 Turnover

The total turnover of the group for the period has been derived from its principal activity wholly undertaken in the United Kingdom, the financial statements show net commission earned as turnover.

	9 months ended 31/12/11 £	Year ended 31/3/11 £
Gross turnover	46,194,884	34,204,891
Cost of sales	(43,686,228)	(32,443,548)
	<u>2,508,656</u>	<u>1,761,343</u>

In the opinion of the directors, the disclosure of separate segmental information would be prejudicial to the interests of the company.

If the acquisition of Commodore International Travel Limited had been completed on the first day of the financial period, group gross turnover for the period would have been £75,804,204 and group profit attributable to equity holders of the parent would have been £673,495.

Statesman Travel Group Limited
Notes to the Accounts
for the period from 1 April 2011 to 31 December 2011

3 Consolidated operating profit

	9 months ended 31/12/11 £	Year ended 31/3/11 £
This is stated after charging/(crediting)		
Depreciation of owned fixed assets	48,760	55,303
Amortisation of goodwill	144,764	109,546
Operating lease rentals - land buildings	112,625	145,000
Auditors' remuneration for audit services	23,800	12,976
Auditors' remuneration for other services	3,515	5,000
Profit on foreign currency exchange	(124)	(81)

4 Directors' emoluments

	9 months ended 31/12/11 £	Year ended Group 31/3/11 £
Emoluments	192,883	38,000
Gains made under long term incentive schemes	4,933	2,379
Company contributions to money purchase pension schemes	9,344	6,000
	<u>207,160</u>	<u>46,379</u>
Highest paid director		
Emoluments	56,500	25,000
Company contributions to money purchase pension schemes	4,500	6,000
	<u>61,000</u>	<u>31,000</u>
Number of directors in company pension schemes.	31/12/11 Number	31/3/11 Number
Money purchase schemes	<u>3</u>	<u>2</u>

5 Staff costs

	9 months ended 31/12/11 £	Year ended Group 31/3/11 £
Wages and salaries	1,788,069	1,279,545
Social security costs	194,965	131,228
Other pension costs	21,717	23,154
	<u>2,004,751</u>	<u>1,433,927</u>
Average number of employees during the year	Number	Number
Administration	27	26
Development	52	32
	<u>79</u>	<u>58</u>

Statesman Travel Group Limited
Notes to the Accounts
for the period from 1 April 2011 to 31 December 2011

6 Interest payable	9 months ended 31/12/11 £	Year ended 31/3/11 £
Bank loans and overdrafts	75,954	-
Finance charges payable under finance leases and hire purchase contracts	1,023	2,689
	<u>76,977</u>	<u>2,689</u>

7 Profit/(loss) attributable to shareholders

In accordance with the exemption allowed by Section 408(3) of the Companies Act 2006, the company has not presented its own profit and loss account

Of the profit for the period attributable to shareholders of the group, a loss for 9 months ended of £111,378 (year ended 2011 loss £72,012) is dealt with in the accounts of the company

8 Taxation	9 months ended 31/12/11 £	Year ended 31/3/11 £
Analysis of charge in period		
Current tax		
UK corporation tax on profits of the period	216,158	171,014
Deferred tax		
Origination and reversal of timing differences	(3,791)	(3,547)
Tax on profit on ordinary activities	<u>212,367</u>	<u>167,467</u>

Factors affecting tax charge for period

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows

	31/12/11 £	31/3/11 £
Profit on ordinary activities before tax	<u>638,131</u>	<u>537,495</u>
Standard rate of corporation tax in the UK	26%	30%
	£	£
Profit on ordinary activities multiplied by the standard rate of corporation tax	165,914	161,249
Effects of		
Expenses not deductible for tax purposes	38,889	9,765
Capital allowances for period in excess of depreciation	11,355	-
Current tax charge for period	<u>216,158</u>	<u>171,014</u>

Statesman Travel Group Limited
Notes to the Accounts
for the period from 1 April 2011 to 31 December 2011

9 Intangible fixed assets - Group	Group £
Goodwill	
Cost	
At 1 April 2011	2,190,922
Additions	6,297,523
At 31 December 2011	<u>8,488,445</u>
Amortisation	
At 1 April 2011	401,669
Provided during the period	144,764
At 31 December 2011	<u>546,433</u>
Net book value	
At 31 December 2011	<u>7,942,012</u>
At 31 March 2011	<u>1,789,253</u>

Goodwill is being written off in equal annual instalments over its estimated economic life of 20 years

10 Tangible fixed assets - Group	Leasehold property £	Motor vehicles £	Fixtures, fittings and computer equipment £	Total £
Cost				
At 1 April 2011	92,083	30,674	481,334	604,091
Additions	-	26,486	10,924	37,410
On acquisition of subsidiary	-	-	15,954	15,954
At 31 December 2011	<u>92,083</u>	<u>57,160</u>	<u>508,212</u>	<u>657,455</u>
Depreciation				
At 1 April 2011	55,967	3,467	384,225	443,659
Charge for the period	13,815	8,574	26,371	48,760
At 31 December 2011	<u>69,782</u>	<u>12,041</u>	<u>410,596</u>	<u>492,419</u>
Net book value				
At 31 December 2011	<u>22,301</u>	<u>45,119</u>	<u>97,616</u>	<u>165,036</u>
At 31 March 2011	<u>36,116</u>	<u>27,207</u>	<u>97,109</u>	<u>160,432</u>
			31/12/11 £	31/3/11 £
Net book value of fixed assets included above held under finance leases and hire purchase contracts			<u>41,499</u>	<u>20,778</u>

Statesman Travel Group Limited
Notes to the Accounts
for the period from 1 April 2011 to 31 December 2011

11 Investments

	Company Investments in subsidiary undertakings £	Group Other investments £
Cost		
At 1 April 2011	2,870,871	2,124
At 31 December 2011	<u>2,870,871</u>	<u>2,124</u>

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

Company	Shares held Class	%	Capital and reserves £	Profit (loss) for the year £
Statesman Travel Ltd	Ordinary	100	100,000	346,705
Statesman Travel (Leisure) Ltd	Ordinary	100	12,500	11,496
Statesman Travel Services Ltd	Ordinary	100	22,238	-
Statesman Travel Management	Ordinary	100	100,000	-
Statesman TMC Ltd	Ordinary	100	124,400	-
PTG Statesman Travel Ltd	Ordinary	50	49,985	20,110
Commodore International Travel Ltd	Ordinary	100	550,000	564,550

Other investments	31/12/11 £	31/3/11 £
Listed investments	<u>2,124</u>	<u>2,124</u>

12 Investment in joint ventures

	31/12/11 £	31/3/11 £
Share of current assets	106,281	165,109
Share of fixed assets	<u>672</u>	<u>665</u>
Share of gross assets	<u>106,953</u>	<u>165,774</u>
Share of gross liabilities		
Liabilities due within one year or less	<u>(34,022)</u>	<u>(99,728)</u>
Share of net assets	<u>72,931</u>	<u>66,046</u>

13 Debtors

	Company 31/12/11 £	31/3/11 £	Group 31/12/11 £	31/3/11 £
Trade debtors	-	-	4,062,081	2,495,106
Amounts owed by group undertakings	6,283,786	-	-	-
Other debtors	-	-	53,024	93,029
Prepayments and accrued income	-	-	444,067	111,982
VAT	<u>5</u>	<u>-</u>	<u>-</u>	<u>19,768</u>
	<u>6,283,791</u>	<u>-</u>	<u>4,559,172</u>	<u>2,719,885</u>

Included within amounts due by group undertakings is an amount of £5,533,786 which is due after more than one year

Statesman Travel Group Limited
Notes to the Accounts
for the period from 1 April 2011 to 31 December 2011

14 Creditors: amounts falling due within one year	Company		Group	
	31/12/11	31/3/11	31/12/11	31/3/11
	£	£	£	£
Bank loans and overdrafts	738,752	-	738,752	-
Trade creditors	-	-	3,603,689	2,874,733
Corporation tax	-	-	290,276	171,030
Other taxes and social security costs	-	-	556,758	42,424
Other creditors	-	-	19,607	19,772
Accruals and deferred income	-	-	609,442	261,451
	<u>738,752</u>	<u>-</u>	<u>5,818,524</u>	<u>3,369,410</u>

15 Creditors: amounts falling due after one year	Company		Group	
	31/12/11	31/3/11	31/12/11	31/3/11
	£	£	£	£
Obligations under finance lease and hire purchase agreements	-	-	41,499	20,778
Bank loans	1,477,499	-	1,477,499	-
Loan notes	2,812,500	-	2,812,500	-
Amounts owed to group undertakings	204,757	-	-	-
Shareholders loans	1,730,000	2,312,620	1,730,000	1,778,728
Accruals and deferred income	56,781	-	56,781	-
	<u>6,281,537</u>	<u>2,312,620</u>	<u>6,118,279</u>	<u>1,799,506</u>

The group has an overdraft facility which is secured by a fixed and floating charge on the group's assets. The shareholders loans are maintained by the company which ensures the group has sufficient funds for operations and planned investment. There is no pressure on the business to repay these loans in the foreseeable future.

16 Finance leases

The net finance lease obligations to which the company are committed are

	Company		Group	
	31/12/11	31/3/11	31/12/11	31/3/11
	£	£	£	£
Amounts payable				
Within two to five years	<u>-</u>	<u>-</u>	<u>41,499</u>	<u>16,844</u>

Statesman Travel Group Limited
Notes to the Accounts
for the period from 1 April 2011 to 31 December 2011

17 Deferred taxation	Company		Group	
	31/12/11	31/3/11	31/12/11	31/3/11
	£	£	£	£
Accelerated capital allowances	-	-	1,232	15,274
Undiscounted provision for deferred tax	-	-	1,232	15,274
	31/12/11	31/3/11	31/12/11	31/3/11
	£	£	£	£
At 1 April	-	-	15,274	17,176
Deferred tax credit in profit	-	-	(14,042)	(1,902)
At 31 December	-	-	1,232	15,274
18 Share capital	Nominal value	31/12/11 Number	31/12/11 £	31/3/11 £
Allotted, called up and fully paid Ordinary shares	£1 each	718,133	718,133	500,000
	Nominal value	Number	Amount £	
Shares issued during the period Ordinary shares	£1 each	218,133	218,133	
			218,133	
19 Reserves	Share premium account		Profit and loss account	
	Group	Company	Group	Company
	31/12/11	31/12/11	31/12/11	31/12/11
	£	£	£	£
At 1 April 2011	-	-	178,778	58,251
Profit/(loss) for the period	-	-	425,764	(103,378)
Dividends	-	-	(16,000)	(8,000)
Premium on ordinary shares issued	1,469,367	1,469,367	-	-
At 31 December 2011	1,469,367	1,469,367	588,542	(53,127)
20 Dividends			31/12/11	31/3/11
			£	£
Dividends for which the Group became liable during the period				
Dividends paid			16,000	120,000

Statesman Travel Group Limited
Notes to the Accounts
for the period from 1 April 2011 to 31 December 2011

21 Reconciliation of movement in shareholders' funds	Company		Group	
	31/12/11	31/3/11	31/12/11	31/3/11
	£	£	£	£
At 1 April	558,251	630,263	678,778	428,750
Profit for the financial period	(103,378)	(72,012)	425,764	370,028
Dividends	(8,000)	-	(16,000)	(120,000)
Proceeds of issue of ordinary share capital	1,687,500	-	1,687,500	-
At 31 December	<u>2,134,373</u>	<u>558,251</u>	<u>2,776,042</u>	<u>678,778</u>

22 Group gross cash flows	9 months ended 31/12/11	Year ended 31/3/11
	£	£
Returns on investments and servicing of finance		
Dividends received	-	40,000
Interest received	9,326	2,170
Interest paid	(76,977)	(2,689)
	<u>(67,651)</u>	<u>39,481</u>
Capital expenditure		
Payments to acquire tangible fixed assets	(29,160)	(70,448)
	<u>(29,160)</u>	<u>(70,448)</u>
Financing		
Proceeds from issue of ordinary share capital	1,687,500	-
Bank loan	2,216,250	-
Other loans	2,812,500	(98,000)
Capital element of finance lease rental payments	20,721	20,778
	<u>6,736,971</u>	<u>(77,222)</u>

Statesman Travel Group Limited
Notes to the Accounts
for the period from 1 April 2011 to 31 December 2011

23 Acquisition of subsidiary

On 18 October 2011, Statesman Travel Limited obtained control of Commodore International Travel Limited through the purchase of 100% of the share capital of that company. Commodore International Travel's principal activity is that of a business travel agent with an in-house fares consolidating division, Masterfare. This acquisition will substantially increase the company's market share and profile in the business travel sector.

Net assets acquired:	Amounts recognised at acquisition date £
Tangible fixed assets	24,204
Trade and other receivables	411,467
Trade and other payables	(3,818,711)
Deferred tax asset	10,308
Cash	4,243,108
	<u>870,376</u>
Goodwill	6,297,523
Total consideration	<u>7,167,899</u>
Satisfied by	
Cash	<u>7,167,899</u>
Net cash outflows arising on acquisition	
Cash consideration	(7,167,899)
Cash acquired	4,243,108
	<u>2,924,791</u>

All assets and liabilities are considered to be approximate to their fair values.

If the acquisition of Commodore International Travel Limited had been completed on the first day of the financial period, group turnover for the period would have been £4,639,072 and group profit attributable to equity holders of the parent would have been £673,495.

Commodore International Travel Limited contributed £999,940 to the Group's turnover and £420,029 to the Group's profit before tax for the period from the date of acquisition to the period end.

24 Analysis of changes in net debt

	At 1 Apr 2011 £	Cash flows £	At 31 Dec 2011 £
Cash at bank and in hand	1,125,228	847,574	1,972,802
Debt due within 1 year	-	(738,751)	(738,751)
Debt due after 1 year	-	(4,289,999)	(4,289,999)
Finance leases	(20,778)	(20,721)	(41,499)
Total	<u>1,104,450</u>	<u>(4,201,897)</u>	<u>(3,097,447)</u>

Statesman Travel Group Limited
Notes to the Accounts
for the period from 1 April 2011 to 31 December 2011

25 Other financial commitments

At the year end the company had annual commitments under non-cancellable operating leases as set out below

	Land and buildings 31/12/11 £	Land and buildings 31/3/11 £
Operating leases which expire within one year	145,000	-
within two to five years	-	145,000
	<u>145,000</u>	<u>145,000</u>

26 Share-based payment

During the period ended 31st December 2011, the group had a share-based payment arrangement, which is described below

Type of arrangement	General employee share option plan
Date of grant	30th November 2009
Number granted	46,200
Contractual life	10 years
Vesting conditions	Option may not be exercised after the option holder no longer holds employment with any member of the group or has given or received notice of termination of employment with any members of the group

Further details of the share option plan are as follows

	31/12/11		31/3/11	
	Number of £	Exercise	Number of	Exercise £
Outstanding at start of the year	46,200	1	46,200	1
Granted	-	-	-	-
Forfeited	-	-	-	-
Exercised	-	-	-	-
Outstanding at the end of the year	<u>46,200</u>	<u>1</u>	<u>46,200</u>	<u>1</u>
Exercisable at the end of the year	-	-	-	-

27 Contingent liabilities

The Company has given its unlimited guarantee of amounts due from time to time by Statesman Travel Services Limited and Statesman Travel (Leisure) Limited to the Company's bankers, secured by a fixed and floating charge on the Company's assets in respect of which no amount (2011 - NIL) was outstanding at 31st December 2011

Statesman Travel Group Limited
Notes to the Accounts
for the period from 1 April 2011 to 31 December 2011

28 Related party transactions

During the period the directors Mervyn Williamson and Jon Langley each received a loan repayment of £18,000 (year ended 31 Dec 2011 £49,000) During the period Mervyn Williamson and Jon Langley also received a dividend of £8,000 and £nil, respectively (year ended 31 Dec 2011 £60,000 and £60,000 respectively)

28 Ultimate controlling party

The directors, Jon Langley and Mervyn Williamson are the ultimate controlling party of the company