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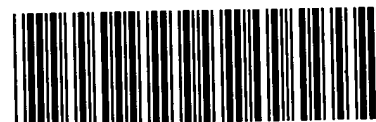
Registered number
6258857

Statesman Travel Group Limited

Report and Accounts

31 December 2014

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Statesman Travel Group Limited
Report and accounts
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Statesman Travel Group Limited Company Information

Directors

J M Langley

M J Williamson

E Brannan

D Scowsill - Resigned 18 December 2014

M Bernard

A Thomson - Appointed 18 December 2014

Secretary

M J Williamson

Auditor

Nexia Smith & Williamson

25 Moorgate

London

EC2R 6AY

Registered office

Senator House

85 Queen Victoria Street

London

EC4V 4AB

Registered number

6258857

Statesman Travel Group Limited

Strategic Report

Principal activities

The principal activity of the Company is that of a holding company for its associated undertakings which provide services in business travel management, events and specialised sales and will continue to do so in the future.

Business review

Statesman delivered another resilient performance given the often volatile markets the Group operates in. Our evolving travel portal Statesmanager, continues to impress, resulting in our overall self-booking profile increasing from 24.7% to 35.0%. We see our technology solutions as a way of helping our clients reduce the cost of making travel bookings, particularly on the simpler point-to-point trips. The ability to combine superior managed travel services with cutting edge technology solutions continues to make Statesman a leading expert in this sector and one that will continue to thrive in tough trading conditions.

Overall the Group has traded up 4.9% in transactions but total gross turnover fell by 3.4% to £90.5m as a result of different product mix and cheaper fares / rates being purchased. Net revenue was slightly lower at £7.3m. EBITDA was also slightly down at £1.03m due to continued investment in the business. However the current global year prospects are very encouraging.

The cash position in the Group increased 37.3% to £1.15m and net external debt was repaid in full.

Measuring progress

Client services are regularly measured through the use of regular satisfaction surveys in accordance to agreed service level agreements. In 2014 these surveys resulted in over 90% of our clients stating they would recommend us. It is our passion and expertise that delivers excellent service and our attention to detail that has led to Statesman's consistent high client retention rate.

Primary key performance indicators used to measure short-term performance and progress towards our strategic objectives are:

Gross Turnover £90.5m (2013: £93.7m)

Gross Transactions +4.9%

Net Revenue £7.3m (2013: £7.5m)

EBITDA 14.1% (2013: 16.1%)

Debtor Days 16.98 (2013: 22.2)

Working Capital Ratio 1.16 (2013: 1.08)

Global reach

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.

Now operating in 35 countries with global sales in excess of \$3.5bn, with our partners we are able to collectively provide solutions that support our multi-national clients' travel management needs, wherever they may be in the world.

Statesman Travel Group Limited

Strategic Report (continued)

Future trading expectations

In Q4 2014 we took the strategic step of increasing our sales team from 1.5 to 7 FTE's under the direction of a highly experienced Sales Director (a total annualised investment of over £400k).

Statesman continues to invest in its technology platform which continues to improve customer satisfaction through booking efficiencies and traveller experience, including a new traveller tracking and itinerary app.

Statesman also launched a new branding strapline "Our World Travels with You". This encompasses our 5 key company values – Passion, Integrity, Focus, Ownership & Respect.

Statesman manages its operations under ISO 9001-2008 for its quality management system and ISO 14001-2004 for its environmental management system. Statesman is also working towards ISO 27001 for its security management systems. We believe these accreditations provide a competitive advantage over many of our competitors.


Statesman remains financially secure and well placed to grow significantly over the next 3 years. Our values and continued investment in our people, our technology and our infrastructure will keep Statesman's "total travel service" at the forefront of the travel management community.

Financial risk management

Effective risk management is critical to achieving the Company's strategic objectives. Potential risks are identified, evaluated and rectified through a very comprehensive system of internal controls which Statesman continues to operate. Regular reviews are conducted on such controls ensuring any risk is minimised.

This strong cash position resulted in the company not using its overdraft facility at all during the year. Given the size of the Company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board; the policies set by the board of directors are implemented by the Company's finance department. Even with a challenging economy, Statesman were still able to pay off the remaining external debt to Lloyds.

This report was approved by the board on 17 June 2015 and signed by its order.


M J Williamson
Secretary

Statesman Travel Group Limited**Registered number:** 6258857**Directors' Report**

The directors present their report and accounts for the year ended 31 December 2014.

Dividends

The directors do not recommend the payment of a dividend (2013: nil).

Directors

The following persons served as directors during the year:

J M Langley
M J Williamson
E Brannan
D Scowsill - Resigned 18 December 2014
M Bernard
A Thomson - Appointed 18 December 2014

Political and charitable donations

During the period the Group made charitable contributions of £2,657 (2013: £740).

Disclosure of information to auditor

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 Group'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 Group's auditor is aware of that information.

Auditor

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

This report was approved by the board on 17 June 2015 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 Group and of the profit or loss of the Group 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 and Group 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 auditor's report
to the members of Statesman Travel Group Limited

We have audited the accounts of Statesman Travel Group Limited for the year ended 31 December 2014 which comprise the Consolidated Profit and Loss Account, the Consolidated and Parent Company Balance Sheets, the Consolidated Cash Flow Statement and the related notes 1 to 27. 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 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.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC'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 FRC's website at www.frc.org.uk/auditscopeukprivate.

Opinion on the accounts

In our opinion the accounts:

- give a true and fair view of the state of the Group's and Company's affairs as at 31 December 2014 and of the Group's loss 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.

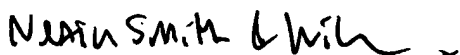
Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report and Strategic report for the financial year for which the accounts are prepared is consistent with the accounts.

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, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts 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.



Stephen Drew
Senior Statutory Auditor
for and on behalf of
Nexia Smith & Williamson
Statutory Auditor
Chartered Accountants

25 Moorgate
London
EC2R 6AY

17 June 2015

Statesman Travel Group Limited
Consolidated Profit and Loss Account
for the year ended 31 December 2014

	Notes	2014 £	2013 £
Turnover	2	7,299,165	7,457,443
Administrative expenses		(6,882,854)	(6,912,628)
Operating profit	3	<u>416,311</u>	<u>544,815</u>
Share of operating profit in joint ventures		168	69,233
Interest receivable		9,522	8,050
Interest payable	6	(370,079)	(329,397)
Profit on ordinary activities before taxation		<u>55,922</u>	<u>292,701</u>
Tax on profit on ordinary activities	8	(110,537)	(154,040)
(Loss)/profit for the financial year	19	<u>(54,615)</u>	<u>138,661</u>

Continuing operations

All activities are continuing.


Statement of total recognised gains and losses

The Group has no recognised gains or losses other than the profit for the above two financial years.

Statesman Travel Group Limited
Consolidated Balance Sheet
as at 31 December 2014

	Notes	2014 £	2013 £
Fixed assets			
Intangible assets	9	6,733,285	7,165,232
Tangible assets	10	426,442	558,070
Investments	11	2,124	2,124
Investments in joint ventures:	12		
Share of gross assets		80,425	87,235
Share of gross liabilities		(29,663)	(36,641)
		<u>7,212,613</u>	<u>7,776,020</u>
Current assets			
Debtors	13	4,906,374	4,742,539
Cash at bank and in hand		<u>1,145,578</u>	<u>833,966</u>
		6,051,952	5,576,505
Creditors: amounts falling due within one year	14	<u>(5,224,427)</u>	<u>(5,133,865)</u>
Net current assets		<u>827,525</u>	<u>442,640</u>
Total assets less current liabilities		8,040,138	8,218,660
Creditors: amounts falling due after more than one year	15	(4,862,802)	(4,971,086)
Provisions for liabilities			
Deferred taxation	17	(20,710)	(36,333)
Net assets		<u>3,156,626</u>	<u>3,211,241</u>
Capital and reserves			
Called up share capital	18	718,133	718,133
Share premium	19	1,469,367	1,469,367
Profit and loss account	19	969,126	1,023,741
Shareholders' funds	20	<u>3,156,626</u>	<u>3,211,241</u>

M J Williamson
Director



Approved by the board on 17 June 2015

Statesman Travel Group Limited
Company Balance Sheet
as at 31 December 2014

	Notes	2014 £	2013 £
Fixed assets			
Investments	11	<u>2,870,871</u>	<u>2,870,871</u>
		2,870,871	2,870,871
Current assets			
Debtors (including £3,359,986 (2013: £3,775,973) falling due after more than one year))	13	<u>6,283,786</u>	<u>4,536,958</u>
		6,283,786	4,536,958
Creditors: amounts falling due within one year	14	<u>(17,054)</u>	<u>(750,000)</u>
Net current assets		<u>6,266,732</u>	<u>3,786,958</u>
Total assets less current liabilities		9,137,603	6,657,829
Creditors: amounts falling due after more than one year	15	<u>(8,094,559)</u>	<u>(5,231,917)</u>
Net assets		<u>1,043,044</u>	<u>1,425,912</u>
Capital and reserves			
Called up share capital	18	718,133	718,133
Share premium	19	1,469,367	1,469,367
Profit and loss account	19	(1,144,456)	(761,588)
Shareholders' funds	20	<u>1,043,044</u>	<u>1,425,912</u>

M J Williamson
Director



Approved by the board on 17 June 2015

Statesman Travel Group Limited
Consolidated Cash Flow Statement
for the year ended 31 December 2014

	Notes	2014 £	2013 £
Reconciliation of operating profit to net cash inflow from operating activities			
Operating profit		416,311	544,815
Depreciation and amortisation		607,984	589,648
Profit on disposal of fixed assets		(152)	-
(Increase)/decrease in debtors		(163,835)	103,885
Increase in creditors		770,880	685,727
Net cash inflow from operating activities		<u>1,631,188</u>	<u>1,924,075</u>
CASH FLOW STATEMENT			
Net cash inflow from operating activities		1,631,188	1,924,075
Dividends from joint ventures		-	55,000
Returns on investments and servicing of finance	21	(360,557)	(321,347)
Taxation		(152,349)	(62,882)
Capital expenditure	21	<u>(44,257)</u>	<u>(248,179)</u>
		1,074,025	1,346,667
Financing	21	(762,413)	(769,523)
Increase in cash		<u>311,612</u>	<u>577,144</u>
Reconciliation of net cash flow to movement in net funds			
Increase in cash in the period		311,612	577,144
Decrease in debt and lease financing		762,413	769,523
Change in net funds	22	<u>1,074,025</u>	<u>1,346,667</u>
Net debt at 1 January	22	<u>(2,740,947)</u>	<u>(4,087,614)</u>
Net debt at 31 December	22	<u>(1,666,922)</u>	<u>(2,740,947)</u>

Statesman Travel Group Limited
Notes to the Accounts
for the year ended 31 December 2014

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 Group Limited and all its subsidiary undertakings drawn up to 31 December 2014. 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 efficate 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

Revenue represents commissions earned on flight, hotel, package and other travel related sales. Revenue from the sale of travel services is recorded when the Company has fulfilled all of the obligations of the bookings. Revenue not generated directly from the issuing of travel documents is recognised in accordance with contractual agreements. Having considered the nature of the business the directors believe the Company to act as agents.

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 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.

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.

Share based payments

The cost of share based employee compensation arrangements, whereby employees receive remuneration in the form of shares or share options, is recognised as an employee benefit expense in the profit and loss account. The expense to be apportioned over the vesting period of the benefit is determined by reference to the fair value at the date of grant. The total expense of the grant is adjusted subsequently to reflect the expected quantity of shares or share options achieving the vesting period.

Statesman Travel Group Limited
Notes to the Accounts
for the year ended 31 December 2014

1 Accounting policies (continued)

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.

	Group	
	2014	2013
	£	£
Gross turnover	90,510,761	93,672,798
Cost of sales	(83,211,596)	(86,215,355)
	<u>7,299,165</u>	<u>7,457,443</u>

3 Consolidated operating profit

	Group	
	2014	2013
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	176,037	165,220
Amortisation of goodwill	431,947	424,428
Operating lease rentals - land buildings	317,045	352,130
Auditors' remuneration for audit services	29,252	35,000
Auditors' remuneration for other services	<u>7,225</u>	<u>4,860</u>

Statesman Travel Group Limited
Notes to the Accounts
for the year ended 31 December 2014

4 Directors' emoluments

	Group	
	2014	2013
	£	£
Emoluments	441,950	445,500
Benefits	6,927	6,498
Company contributions to money purchase pension schemes	14,035	13,800
	<u>462,912</u>	<u>465,798</u>
Highest paid director: Emoluments	<u>128,750</u>	<u>125,000</u>
Number of directors in company pension schemes:	Number	Number
Money purchase schemes	<u>3</u>	<u>3</u>

5 Staff costs

	Group	
	2014	2013
	£	£
Wages and salaries	4,027,453	4,010,854
Social security costs	421,215	409,575
Other pension costs	39,266	37,314
	<u>4,487,934</u>	<u>4,457,743</u>
Average number of employees during the year	Number	Number
Administration	45	45
Sales	88	81
	<u>133</u>	<u>126</u>

6 Interest payable

	Group	
	2014	2013
	£	£
Loans and overdrafts	367,884	325,399
Finance charges payable	2,195	3,998
	<u>370,079</u>	<u>329,397</u>

7 Profit 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 the year ended of £382,868 (2013: loss £338,640) is dealt with in the accounts of the Company.

Statesman Travel Group Limited
Notes to the Accounts
for the year ended 31 December 2014

8 Taxation

	Group	
	2014	2013
	£	£
Analysis of charge in period		
Current tax:		
UK corporation tax on profits of the period	124,884	122,322
Adjustments in respect of previous periods	1,276	-
	<u>126,160</u>	<u>122,322</u>
Deferred tax:		
Origination and reversal of timing differences	(15,623)	31,718
	<u>110,537</u>	<u>154,040</u>
Tax on profit on ordinary activities		

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:

	2014	2013
	£	£
Profit on ordinary activities before tax	<u>55,922</u>	<u>292,701</u>
Standard rate of corporation tax in the UK	22.5%	23%
	£	£
Profit on ordinary activities multiplied by the standard rate of corporation tax	12,582	67,321
Effects of:		
Expenses not deductible for tax purposes	94,448	96,076
Capital allowances in deficit/(excess) of depreciation	17,854	(28,425)
Dividends received	-	(12,650)
Prior year adjustment	1,276	-
	<u>126,160</u>	<u>122,322</u>
Current tax charge for period		

9 Intangible fixed assets

	Group
	£
Goodwill:	
Cost	
At 1 January 2014	<u>8,563,516</u>
At 31 December 2014	<u>8,563,516</u>
Amortisation	
At 1 January 2014	1,398,284
Provided during the year	431,947
At 31 December 2014	<u>1,830,231</u>
Net book value	
At 31 December 2014	<u>6,733,285</u>
At 31 December 2013	<u>7,165,232</u>

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

Statesman Travel Group Limited
Notes to the Accounts
for the year ended 31 December 2014

10 Tangible fixed assets - Group	Leasehold property £	Computer equipment £	Motor vehicles £	Fixtures and fittings £	Total £
Cost					
At 1 January 2014	483,530	606,732	57,160	148,745	1,296,167
Additions	-	53,757	-	-	53,757
Disposals	-	-	(31,160)	-	(31,160)
At 31 December 2014	<u>483,530</u>	<u>660,489</u>	<u>26,000</u>	<u>148,745</u>	<u>1,318,764</u>
Depreciation					
At 1 January 2014	160,149	416,658	34,905	126,385	738,097
Charge for the year	80,414	75,491	9,874	10,258	176,037
On disposals	-	-	(21,812)	-	(21,812)
At 31 December 2014	<u>240,563</u>	<u>492,149</u>	<u>22,967</u>	<u>136,643</u>	<u>892,322</u>
Net book value					
At 31 December 2014	<u>242,967</u>	<u>168,340</u>	<u>3,033</u>	<u>12,102</u>	<u>426,442</u>
At 31 December 2013	<u>323,381</u>	<u>190,074</u>	<u>22,255</u>	<u>22,360</u>	<u>558,070</u>
				2014 £	2013 £
Net book value of fixed assets included above held under finance leases and hire purchase contracts				-	22,255

11 Investments

	Company Investments in subsidiary undertakings £	Group Other investments £
Cost		
At 1 January 2014	2,870,871	2,124
At 31 December 2014	<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	3,093,576	386,176
Statesman Travel (Leisure) Ltd	Ordinary	100	185,490	22,681
Statesman Travel Logistics Ltd	Ordinary	100	22,371	-
Statesman Travel Management Ltd	Ordinary	100	239,491	-
Statesman Travel TMC Ltd	Ordinary	100	53,236	-
PTG Statesman Travel Ltd - joint venture (note 13)	Ordinary	50	101,126	245
Statesman Travel Services Ltd	Ordinary	100	2,572,518	350,553
Other investments			2014 £	2013 £
Investment in TSI			<u>2,124</u>	<u>2,124</u>

Statesman Travel Group Limited
Notes to the Accounts
for the year ended 31 December 2014

12 Investment in joint ventures - PTG Statesman Travel Ltd	2014	2013
	£	£
Share of current assets	80,425	87,235
Share of gross assets	80,425	87,235
Liabilities due within one year or less	(29,663)	(36,641)
Share of net assets	50,762	50,594

13 Debtors	Company		Group	
	2014	2013	2014	2013
	£	£	£	£
Trade debtors	-	-	4,211,453	4,289,853
Amounts owed by group	6,283,786	4,525,973	-	-
Other debtors	-	-	225,759	65,328
Prepayments and accrued income	-	10,985	430,554	331,206
VAT	-	-	38,608	56,152
	<u>6,283,786</u>	<u>4,536,958</u>	<u>4,906,374</u>	<u>4,742,539</u>

Included within the amounts due by group undertakings is an amount of £6,283,786 (2013: £3,775,973) which is due after more than one year.

14 Creditors: amounts falling due within one year	Company		Group	
	2014	2013	2014	2013
	£	£	£	£
Bank loans and overdrafts	17,054	750,000	-	750,000
Trade creditors	-	-	4,277,002	3,482,782
Corporation tax	-	-	52,895	79,083
Other taxes and social security costs	-	-	121,147	110,291
Other creditors	-	-	104,673	173,333
Accruals and deferred income	-	-	668,710	538,376
	<u>17,054</u>	<u>750,000</u>	<u>5,224,427</u>	<u>5,133,865</u>

The Company has an overdraft facility which is secured by a fixed and floating charge on the Company's assets.

15 Creditors: amounts falling due after one year	Company		Group	
	2014	2013	2014	2013
	£	£	£	£
Obligations under finance lease	-	-	-	12,413
Loan notes	2,812,500	2,812,500	2,812,500	2,812,500
Amounts owed to group	3,231,756	273,245	-	-
Shareholders loans	1,730,000	1,730,000	1,730,000	1,730,000
Accruals and deferred income	320,303	416,172	320,302	416,173
	<u>8,094,559</u>	<u>5,231,917</u>	<u>4,862,802</u>	<u>4,971,086</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.

All loans and loan notes are subordinated to the CAA.

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16 Finance leases

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

	Company		Group	
	2014	2013	2014	2013
	£	£	£	£
Amounts payable:				
Within two to five years	-	-	-	12,413

17 Deferred taxation

	Company		Group	
	2014	2013	2014	2013
	£	£	£	£
Accelerated capital allowances	-	-	20,710	36,333
Discounted provision for deferred tax	-	-	20,710	36,333
	2014	2013	2014	2013
	£	£	£	£
At 1 January	-	-	36,333	4,615
Deferred tax (credit)/charge in profit and loss account	-	-	(15,623)	31,718
At 31 December	-	-	20,710	36,333

18 Share capital

	Nominal value	2014 Number	2014 £	2013 £
Allotted, called up and fully paid:				
A Ordinary shares	£1 each	206,015	206,015	206,015
B1 Ordinary shares	£1 each	12,118	12,118	12,118
B2 Ordinary shares	£1 each	500,000	500,000	500,000
		718,133	718,133	718,133

All categories of ordinary shares hold the same voting rights, however the following order of priority is applied to the shares in respect of the payment of any dividends or return of capital: A Ordinary shares, B1 Ordinary shares then B2 Ordinary shares.

19 Reserves

	Share premium account		Profit and loss account	
	Group	Company	Group	Company
	£	£	£	£
At 1 January 2014	1,469,367	1,469,367	1,023,741	(761,588)
Loss for the financial year	-	-	(54,615)	(382,868)
At 31 December 2014	1,469,367	1,469,367	969,126	(1,144,456)

20 Reconciliation of movement in shareholders' funds

	Company		Group	
	2014	2013	2014	2013
	£	£	£	£
At 1 January	1,425,912	1,764,552	3,211,241	3,127,580
(Loss)/profit for the financial year	(382,868)	(338,640)	(54,615)	138,661
Dividends	-	-	-	(55,000)
At 31 December	1,043,044	1,425,912	3,156,626	3,211,241

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21 Gross cash flows	2014	2013
	£	£
Returns on investments and servicing of finance		
Interest received	9,522	8,050
Interest paid	(367,884)	(325,399)
Interest element of finance lease rental payments	(2,195)	(3,998)
	<u>(360,557)</u>	<u>(321,347)</u>
Capital expenditure		
Payments to acquire tangible fixed assets	(53,757)	(248,179)
Receipts from sales of tangible fixed assets	9,500	-
	<u>(44,257)</u>	<u>(248,179)</u>
Financing		
Loan repayments	(750,000)	(750,000)
Capital element of finance lease rental payments	(12,413)	(19,523)
	<u>(762,413)</u>	<u>(769,523)</u>

22 Analysis of changes in net debt

	At 1 Jan 2014	Cash flows	At 31 Dec 2014
	£	£	£
Cash at bank and in hand	833,966	311,612	1,145,578
Debt due within 1 year	(750,000)	750,000	-
Debt due after 1 year	(2,812,500)	-	(2,812,500)
Finance leases	(12,413)	12,413	-
Total	<u>(2,740,947)</u>	<u>1,074,025</u>	<u>(1,666,922)</u>

23 Post balance sheet events

On 13 January 2015, the Company purchased 15,920 B2 Ordinary shares into treasury with a nominal value of £15,920 for consideration of £111,113.

24 Other financial commitments

At the year end the Company and Group had annual commitments under non-cancellable operating leases as set out below:

	Land and buildings Company	Land and buildings	Land and buildings Group	Land and buildings
	2014	2013	2014	2013
	£	£	£	£
Operating leases which expire:				
within two to five years	-	-	352,130	-
in over five years	-	-	-	352,130
	<u>-</u>	<u>-</u>	<u>352,130</u>	<u>352,130</u>

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25 Share-based payment

During the period ended 31 December 2014, 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:

	2014		2013	
	Number of options	Exercise Price £	Number of options	Exercise Price £
Outstanding at the 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	-	-	-	-

26 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 was outstanding at 31 December 2014 (2013: nil).

27 Related party transactions

There were nil dividends paid in the year (2013: nil).

At the year end, the following loans were included within creditors due in more than one year:

	2014 £	2013 £
M J Williamson	1,031,250	1,031,250
J M Langley	855,000	855,000
BGF	2,656,250	2,656,250

There is no final repayment date set for these loans and they are subject to interest at 6-8%. Interest payable on these loans for the year is as follows:

M J Williamson	79,954	63,062
J M Langley	66,289	52,284
BGF	205,943	162,432

At the year end, the following accrued interest remained outstanding:

M J Williamson	67,462	63,062
J M Langley	55,571	52,284
BGF	197,272	162,432

J M Langley and M J Williamson are directors of the Company. BGF is a shareholder of the Company.

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28 Ultimate controlling party

The directors, J M Langley and M J Williamson are the ultimate controlling party of the Company.