

# **The Appointment Group Limited**

Annual report and Financial Statements

Year Ended

31 December 2010

FRIDAY



\*L7417UHF\*

L15

27/05/2011

111

COMPANIES HOUSE

# **The Appointment Group Limited**

**Annual report and financial statements  
for the year ended 31 December 2010**

---

## **Contents**

### **Page:**

1	Report of the directors
4	Report of the independent auditors
6	Group profit and loss account
7	Group balance sheet
8	Company balance sheet
9	Cash flow statement
10	Notes forming part of the financial statements

---

## **Directors**

M A Veronique  
J Gianquitto

## **Secretary and registered office**

A Taiwo, The Linen House, 253 Kilburn Lane, London, W10 4BQ

## **Company number**

03228538

## **Auditors**

Elman Wali Limited  
5-7 John Princes Street  
London  
W1G 0JN

# **The Appointment Group Limited**

## **Report of the directors for the year ended 31 December 2010**

---

The directors present their report together with the audited financial statements for the year ended 31 December 2010

### **Principal activity**

The principal activity of the company in the year under review was that of the holding company for the subsidiaries of The Appointment Group Limited

The principal activity of the group during the year under review was that of a group of travel management agents

### **Business Review**

The profit and loss account is set out on page 6 and shows the profit for the year. The group profit for the year, after taxation and before other gains and losses, amounted to £78,359 (2009 - £288,858 profit)

We are delighted with the group's performance throughout the year and of the individual business results that showed good levels of both sales and profitability. Staff and Technology continues to be the main assets that we have invested in.

"Travel by Appointment" (TBA) now has a very good portfolio of clients that reflects its position within the market place as a high level service provider. This has resulted in the division having another successful and profitable year. A number of new clients were won during the course of the year, which met the criteria established for new business of having quality travel requirements as opposed to quantity and therefore benefit from the level of service provided.

"Music by Appointment" (MBA) has enjoyed another profitable year and continues to handle the touring arrangements for some of the most high-profile music artists in the world. The continued investment made in both our staff and technology continues to pay dividends in the success and smooth running of these tours and has played an important part in the division gaining a wide range of new business. We are delighted to report that MBA's order book for 2011 is looking very strong and we fully expect 2011 to be another successful and profitable year.

"Events by Appointment" (EBA) has successfully moved to the handling of larger and more complex events, which require a high level of expertise and on-site support. This move has affected turnover and profitability in the short-term, which has been reflected across the Meetings Incentives Conferences and Events industry as a whole. However, we firmly believe this new strategy will result in a far greater return on our investment in the future.

"Leisure by Appointment" (LBA) has had another very profitable year. Its continued repeat business and loyal clientele reflects the expertise of the staff and the personalised approach taken with every booking made. The same promotion of high service provision which is applied across the group as a whole is ensuring this division continues to prosper in a difficult market.

"The Appointment Group LLC", (TAG LLC) our wholly owned US based company, is now well established in the market place. We are delighted to announce that it has had a profitable full year of trading. We also opened a new branch in Los Angeles, which started trading in March 2010 and was profitable in the ten months of trading.

"The Appointment Group" (TAG) continues to be known as a well respected brand and recognised as a true market leader in the high quality service provider sector.

# The Appointment Group Limited

## Report of the directors for the year ended 31 December 2010 (*Continued*)

### Key Performance Indicators

The group uses a range of performance measures to monitor and manage the business

The key performance indicators used are gross sales value, turnover and turnover to gross sales margin

The key performance indicators for the year ended 31 December 2010, with the previous years comparatives are set out below

	2010 £	2009 £
Gross Sale Value	53,840,060	43,653,151
Turnover margin to gross sales	6,240,017	5,292,237
Turnover margin to gross sales margin (%)	11 59	12 12

### Financial risk management objectives and policies

The group mainly uses cash, trade debtors and trade creditors that arise directly from its operations to finance the day to day running of the business. The existence of these instruments exposes the group to a number of financial risks, which are described in more detail below

The main risks are currency risk, credit risk and liquidity risks. The directors review and agree policies for managing these risk and they are summarised below

#### ***Currency risk.***

The group has a minimal exposure to translation and transaction foreign exchange risk. This is achieved by charging all client transactions in Sterling apart from the US subsidiaries, whose functional currency is US Dollars

#### ***Credit risk***

The group's main credit risk relates to the recovery of amounts owed by trade debtors. The directors set credit limits and terms for all trade debtors based on third party references and payment history of the new and existing trade debtors. These are reviewed on a day to day basis

#### ***Liquidity risk***

Current and projected working capital demand is periodically reviewed in conjunction with existing bank balances to determine cash requirements as part of the routine reporting process

### Dividends

The directors approved a dividend of £3.75 per share (2009 £3.75 per share) which leaves a retained profit of £278,025 (2009 £498,969)

### Charitable Donations

During the year the group donated £4,485 (2009 £1,386) to charities with the objectives of emotional and practical support to families who have a child with a life threatening or terminal illness

# **The Appointment Group Limited**

## **Report of the directors for the year ended 31 December 2010 (Continued)**

---

### **Directors**

The directors of the holding company during the year were

M A Veronique  
J Gianquitto

### **Auditors**

The Auditors, Elman Wall Limited, are deemed to be reappointed under section 487(2) of the Companies Act 2006

### **Directors' responsibilities**

The directors are responsible for preparing the Directors' 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 group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to

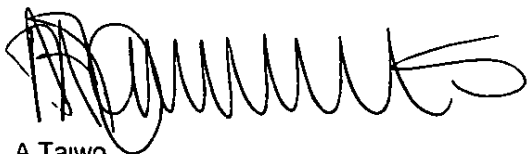
- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Statement of disclosure to the auditor**

So far as the directors are aware, there is no relevant audit information of which the group's auditors are unaware. Additionally, the directors 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 group's auditors are aware of that information.

### **On behalf of the Board**



A Taiwo

### **Secretary**

Date 11/05/2011

# **The Appointment Group Limited**

## **Report of the independent auditors To the shareholders of The Appointment Group Limited**

---

We have audited the group and parent company financial statements (the "financial statements") of The Appointment Group Limited for the year ended 31 December 2010 set out on pages 6 to 20. 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 Directors' Responsibilities Statement set out on page 3, 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 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 Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the group's and parent company's affairs as at 31 December 2010 and of the group's 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.

### **Opinion on other matter 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.

# **The Appointment Group Limited**

## **Report of the independent auditors (*Continued*)**

---

### **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

*Elman Wall Limited*

Ian Palmer (Senior Statutory Auditor)  
for and on behalf of Elman Wall Limited

11/05/2011

Chartered Accountants  
Statutory Auditor

5 - 7 John Prince's Street  
London  
W1G 0JN

# The Appointment Group Limited

## Group Profit and Loss Account for the year ended 31 December 2010

	Note	2010 £	2009 £
<b>Group turnover</b>	2	6,240,017	5,292,237
Administrative expenses		(6,152,378)	(4,939,160)
<b>Group operating profit</b>	5	88,339	353,077
Interest receivable and similar income	6	4,581	1,565
Interest payable and similar charges	7	(74)	(40)
<b>Profit on ordinary activities before taxation</b>		92,146	354,602
Taxation on profit from ordinary activities	8	(13,960)	(65,830)
<b>Profit on ordinary activities after taxation</b>		78,886	288,772
Minority Interest	15	170	86
<b>Profit for the financial year</b>		79,056	288,858

All amounts relate to continuing activities

The notes on pages 10 to 20 form part of these financial statements



# The Appointment Group Limited

## Group Balance Sheet at 31 December 2010

	Note	2010 £	2010 £	2009 £	2009 £
<b>Fixed assets</b>					
Tangible assets	9		102,316		94,172
<b>Current assets</b>					
Debtors	11	1,459,265		1,932,875	
Cash at bank and in hand		616,346		820,729	
		<u>2,075,611</u>		<u>2,753,604</u>	
<b>Creditors amounts falling due within one year</b>	12	<u>(1,786,241)</u>		<u>(2,234,976)</u>	
<b>Net current assets</b>			289,370		518,628
<b>Total assets less current liabilities</b>			<u>391,686</u>		<u>612,800</u>
			<u>391,686</u>		<u>612,800</u>
<b>Capital and reserves</b>					
Called up share capital	13		50,000		50,000
Capital reserve	14		50,000		50,000
Share premium	14		10,147		10,147
Capital redemption reserve	14		3,531		3,531
Profit and loss account	14		278,025		498,969
<b>Shareholders' funds</b>	14		<u>391,703</u>		<u>612,647</u>
<b>Minority interest</b>	15		(17)		153
			<u>391,686</u>		<u>612,800</u>

The financial statements were approved by the Board of Directors and authorised for issue on 11/05/2011

M A Veronique  
Director

Company Registration No 3228538

The notes on pages 10 to 23 form part of these financial statements

# The Appointment Group Limited

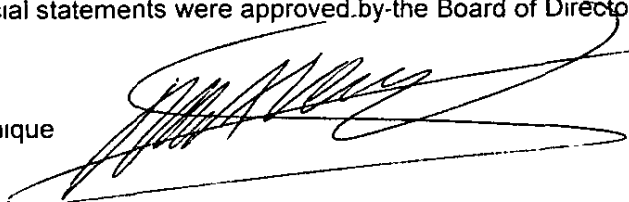
## Company Balance Sheet at 31 December 2010

	Note	2010 £	2010 £	2009 £	2009 £
<b>Fixed assets</b>					
Investments	10		132,002		132,002
<b>Current assets</b>					
Debtors	11	5,112		5,112	
Creditors amounts falling due within one year	12	(2)		(2)	
<b>Net current liabilities</b>			5,110		5,110
<b>Total assets less current liabilities</b>			137,112		137,112
<b>Capital and reserves</b>					
Called up share capital	13		50,000		50,000
Share premium	14		10,147		10,147
Capital redemption reserve	14		3,531		3,531
Profit and loss account	14		73,434		73,434
<b>Shareholders' funds</b>			137,112		137,112

The financial statements were approved by the Board of Directors and authorised for issue on

11/05/2011

M A Veronique  
Director



Company Registration No 3228538

The notes on pages 10 to 23 form part of these financial statements

# The Appointment Group Limited

## Cash Flow Statement for the year ended 31 December 2010

	Note	2010 £	2010 £	2009 £	2009 £
<b>Net cash inflow from operating activities</b>	18		230,504		578,491
<b>Returns on investments and servicing of finance</b>					
Interest received		4,581		1,565	
Interest paid		(74)		(40)	
Interest element of finance lease rental payments		-		-	
		_____		_____	
<b>Net cash inflow from returns on investments and servicing of finance</b>			4,507		1,525
<b>Taxation</b>					
UK corporation tax paid			(96,841)		(23,401)
<b>Capital expenditure and financial investment</b>					
Payments to acquire tangible fixed assets		(42,553)		(48,508)	
		_____	(42,553)	_____	(48,508)
<b>Equity dividends paid</b>			(300,000)		(300,000)
			_____		_____
<b>Cash (outflow)/inflow before financing</b>			(204,383)		208,107
<b>Financing</b>					
Exercise of share options			-		2,920
Share Option Buy Back			-		(42,120)
Repayments of capital element of finance leases and hire purchase contracts			-		-
			_____		_____
<b>(Decrease)/Increase in cash and cash equivalents</b>	19		(204,383)		168,907
			_____		_____

The notes on pages 10 to 23 form part of these financial statements

# **The Appointment Group Limited**

## **Notes forming part of the financial statements for the year ended 31 December 2010**

---

### **1 Accounting policies**

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards generally accepted in the United Kingdom. The following principal accounting policies have been applied:

#### *1.1 Basis of consolidation*

The consolidated profit and loss account and balance sheet include the financial statements of the company and its subsidiary undertakings made up to 31 December 2010. The results of subsidiaries sold or acquired are included in the profit and loss account up to, or from the date control passes. Intra-group sales and profits are eliminated fully on consolidation.

#### *1.2 Turnover*

Turnover represents the value of total commission receivable less VAT. Commission turnover is recognised when the supplier is paid apart from Hotel Commissions which are recognised on a cash basis. Management fee income is recognised when it arises.

#### *1.3 Fixed assets*

Fixed assets are initially stated at cost less accumulated provisions for depreciation and amortisation.

#### *1.4 Depreciation*

Depreciation is provided at the following annual rates in order to write off each tangible fixed asset over its useful life:

Computer software	-	33% per annum on a straight line basis
Leasehold improvements	-	20% per annum on a straight line basis
Computer equipment	-	25% per annum on written down value
Fixtures and fittings	-	15% per annum on written down value

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

#### *1.5 Investments*

Investments held as fixed assets are stated at cost less provision for impairment.

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

# **The Appointment Group Limited**

## **Notes forming part of the financial statements for the year ended 31 December 2010 (Continued)**

### **1 Accounting policies (Continued)**

#### **1 6 Deferred taxation**

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

- Provision is made for deferred taxation that would arise on remittance of the retained earnings of subsidiaries, associates and joint ventures only to the extent that, at the balance sheet date, dividends have been accrued as receivable
- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

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

#### **1 7 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 group, are capitalised in the balance sheet and are depreciated over their useful lives. The interest element of the rental obligations is charged to the profit and loss account over the period of the lease

Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred

#### **1 8 Pensions**

The group 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. These contributions are invested separately from the group's assets

#### **1 9 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 retranslated at the rate of exchange ruling at the balance sheet date

All differences are taken to the profit and loss account

#### **1 10 Employee Benefit Trusts (EBTs)**

The company has purchased a trust for the benefit of employees and certain of their dependants. Monies held in this trust are held by independent trustees and managed at their discretion. Where the company retains future economic benefit from, and has de facto control of the assets and liabilities of the trust, they are accounted for as assets and liabilities of the company until the earlier of the date that an allocation of trust funds to employees in respect of past services is declared and the date that assets of the trust vest in identified individuals. Where monies held in a trust are determined by the company on the basis of employees' past services to the business and the company can obtain no future economic benefit from those monies, such monies, whether in the trust or accrued for by the company are charged to the profit and loss account in the period to which they relate

# The Appointment Group Limited

Notes forming part of the financial statements  
for the year ended 31 December 2010 (*Continued*)

## 2 Turnover

The gross sales value of all bookings made through the group are

	2010 £	2009 £
Gross Turnover	53,840,060	43,653,151
Cost of sales	(47,600,043)	(38,360,914)
	<hr/>	<hr/>
Turnover	6,240,017	5,292,237
	<hr/>	<hr/>

These include pay direct bookings, which amount to sales of £16,094,436 (2009 - £15,705,055) with corresponding cost of sales of £14,363,703 (2009 - £14,007,178)

The income from the LLCs is generated in the United States of America All other income is generated in the United Kingdom and United States of America

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

## 3 Employees

	2010 £	2009 £
Staff costs consist of		
Wages and salaries	3,170,261	2,407,611
Social security costs	210,090	199,650
Other pension costs	131,532	169,872
	<hr/>	<hr/>
	3,511,883	2,777,133
	<hr/>	<hr/>

	2010 Number	2009 Number
The average number of employees during the year was		
Office and management	67	61
	<hr/>	<hr/>

# The Appointment Group Limited

Notes forming part of the financial statements  
for the year ended 31 December 2010 (Continued)

## 4 Directors

	2010 £	2009 £
Directors' remuneration consists of		
Emoluments	1,122,911	856,875
Company contributions paid to money purchase pension schemes	51,251	74,438
	<b>Number</b>	<b>Number</b>
Members of money purchase pension schemes	4	5
The amounts in respect of the highest paid director are as follows	£	£
Emoluments	500,822	350,000
Company contributions paid to money purchase pension schemes	20,000	30,000

## 5 Operating profit

	2010 £	2009 £
This has been arrived at after charging		
Depreciation of owned fixed assets	34,409	46,758
Auditors' remuneration – Holding company	3,000	3,000
- Other services	14,527	14,517
Operating lease rentals - land and buildings	99,564	97,980
- Equipment rentals	7,775	16,128
Loss on disposal of tangible fixed assets	-	27,785

## 6 Interest receivable and similar income

	2010 £	2009 £
Bank interest	4,581	1,565

# The Appointment Group Limited

Notes forming part of the financial statements  
for the year ended 31 December 2010 (*Continued*)

## 7 Interest payable and similar charges

	2010 £	2009 £
Bank interest	74	40
	<u>74</u>	<u>40</u>

## 8 Taxation on profit from ordinary activities

	2010 £	2009 £
(a) Analysis of charge in year		
<i>Current tax</i>		
UK corporation tax on profits for the period	9,125	95,542
Adjustment in respect of previous periods	2,686	(4,132)
US withholding tax	2,149	(25,580)
	<u>13,960</u>	<u>65,830</u>
Total current tax (note 9(c))	<u>13,960</u>	<u>65,830</u>

### (c) Factors affecting the tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK. The differences are explained below

	2010 £	2009 £
Profit on ordinary activities before tax	92,146	354,602
	<u>92,146</u>	<u>354,602</u>
Profit on ordinary activities at the standard rate of corporation tax in the UK of 21% (2009 – 28%)	19,351	99,289
Effects of		
Disallowed expenses and non-taxable income	1,274	12,918
Depreciation in excess/(arrear) of capital allowances	(5,978)	177
Difference in tax rates	-	(9,869)
Marginal relief	-	(8,359)
Foreign taxes payable	2,149	1386
Foreign taxes refunded in the year	-	(25,580)
Prior year adjustments	2,686	(4,132)
Trading tax losses carried forward	694	-
Other tax adjustments	(6,216)	-
Current tax charge for the year	<u>13,960</u>	<u>65,830</u>



# The Appointment Group Limited

Notes forming part of the financial statements  
for the year ended 31 December 2010 (*Continued*)

## 9 Tangible assets

	Leasehold Improvement	Computer Software	Fixtures & Fittings	Computer Equipment	Totals
Cost					
At 1 January 2010	78,250	34,205	40,577	147,330	300,362
Additions			3,032	39,521	42,553
Disposals	0	0	0	0	0
<b>At 31 December 2010</b>	<b>78,250</b>	<b>34,205</b>	<b>43,609</b>	<b>186,851</b>	<b>342,915</b>
Depreciation					
At 1 January 2010	74,676	34,205	19,078	78,231	206,190
Disposal					0
Charge for the year	3,574	0	3,680	27,155	34,409
<b>At 31 December 2010</b>	<b>78,250</b>	<b>34,205</b>	<b>22,758</b>	<b>105,386</b>	<b>240,599</b>
Net book value					
<b>At 31 December 2010</b>	<b>0</b>	<b>0</b>	<b>20,851</b>	<b>81,465</b>	<b>102,316</b>
<b>At 1 January 2010</b>	<b>3,574</b>	<b>0</b>	<b>21,499</b>	<b>69,100</b>	<b>94,172</b>

## 10 Investments

Company	Subsidiary undertakings £
Cost	
At 1 January 2010	132,002
On 31 December 2010	132,002

# The Appointment Group Limited

Notes forming part of the financial statements  
for the year ended 31 December 2010 (*Continued*)

## 10 Investments (*Continued*)

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows

Name	Holding	Proportion of voting rights and shares held	Nature of business
<i>Subsidiaries</i>			
Travel By Appointment Limited	Ordinary shares	100%	Travel agent
Events By Appointment Limited	Ordinary shares	100%	Travel agent
Leisure By Appointment Limited	Ordinary shares	100%	Travel agent
Music By Appointment Limited	Ordinary shares	100%	Travel agent
The Appointment Group LLC	Ordinary shares	100%	Travel agent
MAV Travel LLC	Ordinary shares	75%	Travel agent

The Appointment Group LLC and MAV Travel LLC are both incorporated and registered in the USA. All other subsidiary undertakings are incorporated and registered in England & Wales.

All companies whereby more than 50% of the total issued share capital is owned, or is controlled by the company, the results are included within the consolidated accounts.

## 11 Debtors

	Group 2010 £	Group 2009 £	Company 2010 £	Company 2009 £
Trade debtors	1,279,954	1,803,338	-	-
Amounts due from group undertakings	-	-	5,112	5,112
Other debtors	120,791	85,750	-	-
Prepayments and accrued income	58,520	43,787	-	-
	<u>1,459,265</u>	<u>1,932,875</u>	<u>5,112</u>	<u>5,112</u>

## 12 Creditors, amounts falling due within one year

	Group 2010 £	Group 2009 £	Company 2010 £	Company 2009 £
Trade creditors	1,287,201	1,542,974	-	-
Corporation tax	11,274	94,155	-	-
Other taxes and social security costs	81,030	58,594	-	-
Directors' current accounts	110,058	70,031	-	-
Other creditors	2	2	2	2
Accruals and deferred income	296,680	469,220	-	-
	<u>1,786,245</u>	<u>2,234,976</u>	<u>2</u>	<u>2</u>

# The Appointment Group Limited

Notes forming part of the financial statements  
for the year ended 31 December 2010 (*Continued*)

## 13 Share capital

### Allotted, issued, called up and fully paid

	2010 Number	2009 Number	2010 £	2009 £
Ordinary shares of 62 5p each	80,000	80,000	50,000	50,000
	<u>80,000</u>	<u>80,000</u>	<u>50,000</u>	<u>50,000</u>

The rights attaching to the 'B' ordinary shares differ from the ordinary shares and are subject to the following restrictions

- i) a right to receive 0.01p per share held on the winding up of the company
- ii) no right to attend or vote at a general meeting
- iii) no right to receive any dividend from the company
- iv) the shares are non-transferable except immediately prior to and conditional upon a change of control of the company or upon the holder ceasing to hold employment
- v) the shares shall not be convertible into ordinary shares

As regards any 'B' ordinary share, the above rights shall cease to have effect on the date on which a 'B' ordinary share becomes registered in the name of any person other than employee. Upon this coming into effect the 'B' ordinary shares shall rank *pari passu* with the ordinary shares except that a 'B' ordinary share shall have 0.99 of a vote for each one vote attached to an ordinary share.

The company has a share option scheme under which options to subscribe for the Company's shares have been granted to senior management.

# The Appointment Group Limited

Notes forming part of the financial statements  
for the year ended 31 December 2010 (Continued)

## 14 Reconciliation of shareholders' funds and movements on reserves

Group	Share capital £	Share premium £	Capital reserve £	Capital redemption reserve £	Profit and loss account £	Total £
At 1 January 2010	50,000	10,147	50,000	3,531	498,969	612,647
Profit for year	-	-	-	-	79,056	79,056
Dividend Paid	-	-	-	-	(300,000)	(300,000)
<b>At 31 December 2010</b>	<b>50,000</b>	<b>10,147</b>	<b>50,000</b>	<b>3,531</b>	<b>278,025</b>	<b>391,703</b>

Company	Share capital £	Share premium £	Capital reserve £	Capital redemption reserve £	Profit and loss account £	Total £
At 1 January 2010	50,000	10,147	-	3,531	73,434	137,112
Profit for the year	-	-	-	-	-	-
Dividend received	-	-	-	-	300,000	300,000
Dividend paid	-	-	-	-	(300,000)	(300,000)
<b>At 31 December 2010</b>	<b>50,000</b>	<b>10,147</b>	<b>-</b>	<b>3,531</b>	<b>73,434</b>	<b>137,112</b>

## 15 Minority Interests

	£
As at 1 January 2010	153
Minority Interest share in loss on ordinary activities after taxation	(170)
	<hr/>
As at 31 December 2010	(17)
	<hr/>

# The Appointment Group Limited

Notes forming part of the financial statements  
for the year ended 31 December 2010 (*Continued*)

## 16 Pensions

The pensions charge to the groups defined contributions scheme amounts to £131,532 (2009 - £169,872)

There were no outstanding or prepaid contributions at either the beginning or end of the financial year

## 17 Commitments under operating leases

As at 31 December 2010, the company had annual commitments under non-cancellable operating leases as set out below

	2010 Land and buildings £	2010 Computer equipment £	2009 Land and buildings £	2009 Computer equipment £
Operating leases which expire				
Within one year	-	-	70,905	2,760
In two to five years	84,832	-	-	-
	<u>84,832</u>	<u>-</u>	<u>70,905</u>	<u>2,760</u>

## 18 Reconciliation of operating profit to net cash inflow from operating activities

	2010 £	2009 £
Operating profit	88,339	353,077
Depreciation of tangible fixed assets	34,409	46,758
Loss on disposal of tangible fixed asset	-	27,785
(Increase)/decrease in debtors	471,181	(574,524)
Increase/(decrease) in creditors	(363,425)	725,395
	<u>230,504</u>	<u>578,491</u>
Net cash inflow from operating activities		

# The Appointment Group Limited

Notes forming part of the financial statements  
for the year ended 31 December 2010 (Continued)

## 19 Reconciliation of net cash inflow to movement in net debt

	2010 £	2009 £
(Decrease)/Increase in cash in the year	(204,383)	168,907
Cash outflow from decrease in debt and lease financing	-	-
Change in net debt resulting from cash flows	(204,383)	168,907
Movement in net debt in the year	(204,383)	168,907
Opening net debt	820,729	651,822
Closing net debt	616,346	820,729

## 20 Analysis of net debt

	At 1 January 2010 £	Other non- cash items £	Cash flow £	At 31 December 2010 £
Cash in hand and at bank	820,729	-	(204,383)	616,346
Bank overdrafts	-	-	-	-
Cash	820,729	-	(204,383)	616,346
Finance lease obligations	-	-	-	-
Total	820,729	-	(204,383)	616,346

## 21 Transactions with directors

During the year M Veronique was voted a dividend of £150,000 (2009 £150,000) and made drawings of £135,667 (2009 £141,880). At the year end there was a balance owed by the company on the director's loan account of M Veronique in the amount of £24,268 (2009 £9,935). Also at the year-end M Veronique owed the company an amount of £1,390 (2009 £1,262) on an expense account. The net balance owed by the company at the year end to M Veronique was therefore £22,878 (2009 £8,673).

During the year J Gianquitto was voted a dividend of £150,000 (2009 £150,000) and made drawings of £124,305 (2009 £93,766). At the year end the company owed J Gianquitto an amount of £85,790 (2009 £60,095). At the year end there was a balance owed by the company on the director's loan account of J Gianquitto in the amount of £85,790 (2009 £60,905). Also at the year end J Gianquitto owed the company an amount of £2,301 (2009 £1,403) on an expense account. The net balance owed by the company at the year end to J Gianquitto was therefore £83,489 (2009 £58,692).

## 22 Profits of the holding company

The company has taken advantage of the exemption allowed under Section 408 of the Companies Act 2006 and has not presented its profit and loss account in these financial statements. The group profit for the year includes a profit after tax of £300,000 (2009 £300,000) which is dealt with in the financial statements of the parent company.

---

**23 Ultimate controlling party**

There was no ultimate controlling party for this or the preceding year