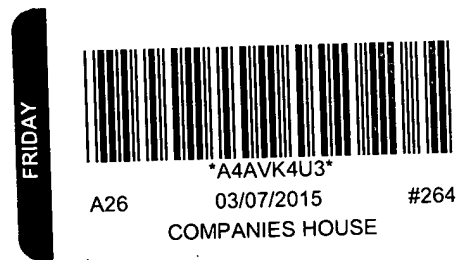


Financial Statements

The Appointment Group Limited

For the year ended 31 December 2014



Registered number: 03228538

The Appointment Group Limited

Company Information

Directors	J Gianquitto J Heinrich A Taiwo M A Veronique G Duckworth (appointed 6 January 2014) I Patterson (appointed 6 January 2014)
Company secretary	A Taiwo
Registered number	03228538
Registered office	The Linen House 253 Kilburn Lane London W10 4BQ
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 3140 Rowan Place John Smith Drive Oxford Business Park South Oxford Oxfordshire OX4 2WB

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Directors' Report

For the year ended 31 December 2014

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

Results

The group profit for the year, after taxation, amounted to £1,320,901 (2013 - £1,669,447).

The group profit for the year before depreciation, amortisation, interest and tax ("EBITDA") amounted to £3,222,038 (2013 - £2,169,198).

Directors

The directors who served during the year were:

J Gianquitto
J Heinrich
A Taiwo
M A Veronique
G Duckworth (appointed 6 January 2014)
I Patterson (appointed 6 January 2014)

Directors' responsibilities statement

The directors are responsible for preparing the Group strategic report, 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 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 judgments and accounting estimates that are reasonable and prudent;
- 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.

The Appointment Group Limited

Directors' Report

For the year ended 31 December 2014

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

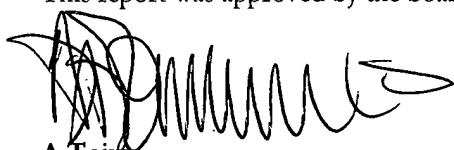
- so far as that director is aware, there is no relevant audit information of which the company and the group's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the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

Auditor

Grant Thornton UK LLP was appointed on 10 November 2014 to fill a casual vacancy.

Under section 487(2) of the Companies Act 2006, Grant Thornton UK LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board and signed on its behalf.

A handwritten signature in black ink, appearing to be 'A Taiwo', written over a series of horizontal wavy lines.

A Taiwo

Secretary

Date: 30 June 2015

Group Strategic Report

For the year ended 31 December 2014

Introduction

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 8 and shows the profit for the year. The group profit for the year, before depreciation, amortisation, interest and tax ("EBITDA") was £3,222,038 (2013 - £2,169,198). There was an increase in net funds in the year of £1,607,323 (2013 - decrease of £513,715). Net funds increased from £1,718,694 to £3,326,017.

As well as seeing another very successful year, 2014 has also seen two major developments in the acquisition of E.T. Travel Limited and the group's rebranding.

E.T. Travel Limited was acquired in January 2014 and fully integrated into the TAG business. The acquisition has brought a wealth of management experience to the board and a very healthy client base predominantly across the Touring and Corporate sectors. The two businesses combined form the largest independent touring Travel Management Company in the world.

The Appointment Group's strategy is to focus on creating one truly global brand providing exceptional service to the Corporate, Touring, Entertainment, Events and Leisure sectors. It boasts fast-growing offices in Manchester, New York, Los Angeles, Melbourne and Sydney in addition to its London headquarters.

To support this strategy, the group has adapted its brands under the leadership of The Appointment Group with the following Global divisions:

- Global Touring
- Global Corporate Travel
- Global Events
- Global Private Clients

Global Divisions

Global Corporate Travel (formerly Travel by Appointment) has continued to focus on attracting high end clients through word of mouth and referrals, reflecting its position within the market place as a truly high level service provider. The result has again been a successful and profitable year, with a number of new clients joining the impressive client base. Our strategy to work in partnership with international global clients, who require not only a high quality service, but also cost efficient travel solutions has paid dividends in developing many strong relationships.

Global Touring (formerly Music by Appointment) continues to handle the touring requirements for some of the most high-profile music and entertainment artists in the world. With our expansion into both the USA and Australian markets, we are able to handle the global travel logistics of touring artists in a seamless and consistent manner, which provides the artists, promoters and management with a central contact, that develops confidence and trust in the service. This division saw strong growth in both revenue and brand recognition throughout 2014 and the order book remains very healthy for 2015, with a number of high profile global tours already on the books.

Global Events (formerly Events by Appointment) had a fantastic year with a number of clients being especially active. The events team continues to raise its profile handling larger and more complex events on a global basis. We are justly proud to serve a number of blue-chip multi-national household brands for all of their event business.

The Appointment Group Limited

Group Strategic Report (continued)

For the year ended 31 December 2014

Global Private Clients (formerly Leisure by Appointment) provides a valued service to its VIP client base and in support of the group's other divisions. The amount of repeat business and loyal clientele reflects the strong relationships that have been established over many years.

The Appointment Group USA, our wholly owned US based company, has made significant progress within the Touring and Corporate markets of Los Angeles and New York throughout 2014. Our reputation continues to grow and more and more clients are discovering the unique service we are bringing to the US. Both offices have continued to experience strong growth and profits throughout the year and with the addition of our Atlanta office in January this year, 2015 has started very strong, with a number of new and exciting clients joining the client base.

The Appointment Group Australia is firmly established in the Australian market place and growing very strongly having opened its doors for business in January 2013. We now offer a full service across our four divisions from our two offices in Melbourne and Sydney and have been delighted with the response from a large number of Touring, Events and Corporate clients.

Looking forward, 2015 is expected to see continued growth, but with a focus on significant investment back into the business to strengthen and support the foundations for future development and expansion. Further commitment to our staff is being made with the launch of the TAG Academy, a graduate trainee scheme for future employees. The development of our staff through training at all levels is a key priority and one that will assist in the future growth of TAG's global ambitions.

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 transaction foreign exchange risk. This is achieved by charging client transactions in domestic currency whenever possible. If it is not, then compensating currency sales are made to match the transactions.

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.

The Appointment Group Limited

Group Strategic Report (continued)

For the year ended 31 December 2014

Financial key performance indicators

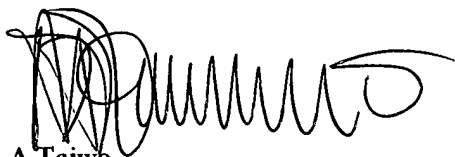
The group uses a range of performance measures to monitor and manage the business.

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 2014, with the previous year's comparatives are set out below:

	2014	2013
	£	£
Gross Sale Value	126,869,014	88,393,648
Group Turnover	15,325,176	11,493,853
Turnover to gross sales margin (%)	12.08	13.00

This report was approved by the board and signed on its behalf.



A Taiwo
Secretary
Date: 30 June 2015



Independent Auditor's Report to the Members of The Appointment Group Limited

We have audited the financial statements of The Appointment Group Limited for the year ended 31 December 2014, which comprise the consolidated Profit and loss account, the consolidated and company Balance sheets, the consolidated Cash flow statement and reconciliation of net cash flow to movement in net funds/debt, the consolidated Statement of total recognised gains and losses and the related notes. 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 Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. 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 financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

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 2014 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 Group strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.



Independent Auditor's Report to the Members of The Appointment Group Limited

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.

A handwritten signature in black ink, appearing to read "Grant Thornton UK LLP" followed by a stylized signature.

Mark Bishop (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Statutory Auditor
Chartered Accountants
Oxford

30 June 2015

Consolidated Profit and Loss Account

For the year ended 31 December 2014

	Note	2014 £	2013 £
Turnover	1,2	15,325,176	11,493,853
Administrative expenses		<u>(12,103,138)</u>	<u>(9,324,655)</u>
Operating profit before interest, tax, depreciation and amortisation		3,222,038	2,169,198
Depreciation of tangible fixed assets		<u>(221,469)</u>	<u>(116,422)</u>
Amortisation of intangible fixed assets		<u>(1,142,184)</u>	<u>(61,478)</u>
Operating profit	3	1,858,385	1,991,298
Interest receivable and similar income		12,101	8,514
Interest payable and similar charges	7	<u>(331)</u>	<u>(630)</u>
Profit on ordinary activities before taxation		1,870,155	1,999,182
Tax on profit on ordinary activities	8	<u>(549,254)</u>	<u>(328,078)</u>
Profit on ordinary activities after taxation		1,320,901	1,671,104
Minority interests		-	(1,657)
Profit for the financial year	19	<u>1,320,901</u>	<u>1,669,447</u>

All amounts relate to continuing operations.

The notes on pages 14 to 30 form part of these financial statements

The Appointment Group Limited

Consolidated Statement of Total Recognised Gains and Losses
For the year ended 31 December 2014

	2014	2013
	£	£
Profit for the financial year	1,320,901	1,669,447
Currency translation gains/(losses)	155,700	(28,647)
	<hr/>	<hr/>
Total recognised gains and losses relating to the year	1,476,601	1,640,800
	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 14 to 30 form part of these financial statements.

Consolidated Balance Sheet

As at 31 December 2014

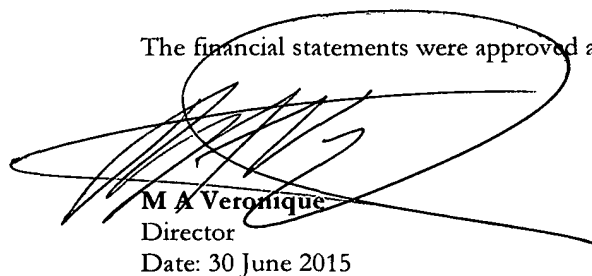
	Note	£	2014 £	£	2013 £
Fixed assets					
Intangible assets	9		4,973,160		148,597
Tangible assets	10		796,879		516,083
			<u>5,770,039</u>		<u>664,680</u>
Current assets					
Debtors	13	5,964,492		6,467,548	
Cash at bank		3,326,017		1,718,694	
		<u>9,290,509</u>		<u>8,186,242</u>	
Creditors: amounts falling due within one year	14	(7,117,261)		(5,485,801)	
Net current assets			<u>2,173,248</u>		<u>2,700,441</u>
Total assets less current liabilities			<u>7,943,287</u>		<u>3,365,121</u>
Provisions for liabilities					
Deferred tax	15		(99,924)		-
Net assets			<u><u>7,843,363</u></u>		<u><u>3,365,121</u></u>

Consolidated Balance Sheet (continued)

As at 31 December 2014

	Note	£	2014 £	£	2013 £
Capital and reserves					
Called up share capital	18		62,501		50,000
Share premium account	19		2,997,616		10,147
Capital redemption reserve	19		3,531		3,531
Other reserve	19		174,991		174,991
Share options reserve	19		7,672		-
Profit and loss account	19		4,597,052		3,120,451
Shareholders' funds	20		7,843,363		3,359,120
Minority interests	21		-		6,001
			7,843,363		3,365,121

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



M A Veronique
Director
Date: 30 June 2015

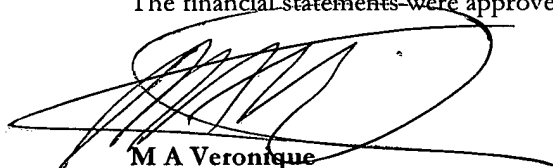
The notes on pages 14 to 30 form part of these financial statements.

Company Balance Sheet

As at 31 December 2014

	Note	£	2014 £	£	2013 £
Fixed assets					
Investments	11		224,710		218,040
Current assets					
Debtors	13	3,005,054		172,112	
Creditors: amounts falling due within one year	14	(10)		(168,040)	
Net current assets			3,005,044		4,072
Net assets			3,229,754		222,112
Capital and reserves					
Called up share capital	18		62,501		50,000
Share premium account	19		2,997,616		10,147
Capital redemption reserve	19		3,531		3,531
Share options reserve	19		7,672		-
Profit and loss account	19		158,434		158,434
Shareholders' funds	20		3,229,754		222,112

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



M A Veronique
 Director
 Date: 30 June 2015

The notes on pages 14 to 30 form part of these financial statements.

Consolidated Cash Flow Statement

For the year ended 31 December 2014

	Note	2014 £	2013 £
Net cash flow from operating activities	23	5,119,997	60,189
Returns on investments and servicing of finance	24	11,770	7,884
Taxation		(520,925)	(303,735)
Capital expenditure and financial investment	24	(4,639,044)	(278,053)
Acquisitions and disposals	24	1,635,525	-
Increase/(Decrease) in cash in the year		1,607,323	(513,715)

Reconciliation of Net Cash Flow to Movement in Net Funds

For the year ended 31 December 2014

	2014 £	2013 £
Increase/(Decrease) in cash in the year	1,607,323	(513,715)
Change in net debt resulting from cash flows	1,607,323	(513,715)
Other non-cash changes	(1,635,525)	-
Cash acquired with subsidiary	1,635,525	-
Movement in net debt in the year	1,607,323	(513,715)
Net funds at 1 January 2014	1,718,694	2,232,409
Net funds at 31 December 2014	3,326,017	1,718,694

The notes on pages 14 to 30 form part of these financial statements.

Notes to the Financial Statements

For the year ended 31 December 2014

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

The directors have reviewed the accounting policies and consider them the most appropriate for the group and company.

1.2 Going concern

The directors have prepared detailed forecasts and consider that the group has adequate financial resources to continue in operational existence for the foreseeable future.

The group is not dependent on significant large one-off contracts, nor does it have any reliance on any single major customer. In addition, the group has no bank borrowings.

After making enquiries and considering the uncertainty of the future and the measures that can be taken to mitigate the uncertainty, the directors consider that the group has sufficient ability to operate as a going concern for at least 12 months from the date of approval of these financial statements. The directors therefore have a reasonable expectation that the group will have adequate resources to continue in existence for the foreseeable future. For these reasons they continue to adopt the going concern basis in preparing the annual report and financial statements.

1.3 Basis of consolidation

The financial statements consolidate the accounts of The Appointment Group Limited and all of its subsidiary undertakings ('subsidiaries').

The results of subsidiaries acquired during the year are included from the effective date of acquisition.

1.4 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.

Where the group acts as agent rather than principal, turnover is recognised on the net basis as the amount of margin earned on the transaction.

1.5 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the Consolidated profit and loss account over its estimated economic life which is presumed to be 6 years unless pervasive evidence justifying a longer life is available.

Notes to the Financial Statements

For the year ended 31 December 2014

1. Accounting Policies (continued)

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Short-term leasehold property	-	20% per annum on a straight line basis
Motor vehicles	-	33% per annum on a straight line basis
Fixtures and fittings	-	15% per annum on written down value
Computer software	-	33% per annum on a straight line basis
Computer equipment	-	25% per annum on written down value
Software development	-	33% per annum on a straight line basis

1.7 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

1.8 Operating leases

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.9 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.10 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Consolidated profit and loss account.

Notes to the Financial Statements

For the year ended 31 December 2014

1. Accounting Policies (continued)

1.11 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

1.12 Share-based payments

The group has applied the requirements of Financial Reporting Standard (FRS) No. 20 'Share-based payments'.

The company issues equity-settled share based payments to certain employees of its subsidiary undertaking, The Appointment Group (UK) Limited. The options are settled by the company. Equity-settled share based payments are measured at fair value (excluding the effect of non-market based vesting conditions) at the date of grant. The fair value determined at the grant date of the equity share based payments is expensed on a straight line basis over the period on which the options are expected to be exercised.

Fair value is measured by use of the Black-Scholes pricing model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

2. Turnover

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

	2014 £	2013 £
Turnover	126,869,014	88,393,648
Cost of sales	(111,543,838)	(76,899,795)
	<u>15,325,176</u>	<u>11,493,853</u>

Revenue generated by The Appointment Group LLC is generated in the United States of America and revenue in The Appointment Group (Australia) Pty Ltd is generated in Australia. All other income is generated in the United Kingdom.

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

Notes to the Financial Statements

For the year ended 31 December 2014

3. Operating profit

The operating profit is stated after charging/(crediting):

	2014	2013
	£	£
Amortisation - intangible fixed assets	1,142,184	61,478
Depreciation of tangible fixed assets:		
- owned by the group	221,469	116,422
Auditor's remuneration	29,450	19,000
Auditor's remuneration - non-audit	9,000	-
Operating lease rentals:		
- plant and machinery	-	4,451
- other operating leases	413,743	106,399
Difference on foreign exchange	89,545	-
	<u>7,747,499</u>	<u>3,984,368</u>

4. Staff costs

Staff costs, including directors' remuneration, were as follows:

	2014	2013
	£	£
Wages and salaries	6,782,754	3,363,977
Social security costs	616,050	383,670
Other pension costs	341,023	236,721
Share-based payments	7,672	-
	<u>7,747,499</u>	<u>3,984,368</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2014	2013
	No.	No.
Office and management	<u>182</u>	<u>99</u>

Notes to the Financial Statements

For the year ended 31 December 2014

5. Directors' remuneration

	2014	2013
	£	£
Remuneration	<u>1,036,651</u>	<u>425,426</u>
Company pension contributions to defined contribution pension schemes	<u>124,050</u>	<u>137,415</u>

During the year retirement benefits were accruing to 6 directors (2013 - 4) in respect of defined contribution pension schemes.

On 1 August 2014, certain directors received 900 share options under the group's share options scheme, at an exercise price of £35. Whilst these options vested immediately, the exercise of the options is contingent on future events and as such none had been exercised at year end and all remained outstanding.

Details of the share options scheme are included in note 6.

The highest paid director received remuneration of £273,737 (2013 - £92,500).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £40,000 (2013 - £8,000).

The highest paid director received no share option in the current or prior year.

6. Share based payments

Equity-settled share based payments

The group operates a share option scheme for a certain number of its employees. The fair value of awards granted under the scheme is estimated on the date of grant using the Black-Scholes valuation model. Whilst the vesting period is immediate, exercise is dependent on certain future events. If the options remain unexercised after a period of up to 10 years from the date of the grant the options expire. Options are forfeited if the employee leaves the company before the options are exercised.

During the year ended 31 December 2014, a total of 4,000 (2013 - nil) share options were granted on 1 august 2014. The aggregate estimated fair value of the options granted on that date was £62,908 (2013 - £nil).

Notes to the Financial Statements

For the year ended 31 December 2014

Share-based payments (continued)

Details of the number of share options and the weighted average exercise price ("WAEP") outstanding during the year are as follows:

	2014 No	2014 WAEP £	2013 No	2013 WAEP £
Outstanding at the beginning of the period	-	-	-	-
Granted during the period	4,000	7.95	-	-
Exercised during the period	-	-	-	-
Transfers during the period	-	-	-	-
Forfeited during the period	-	-	-	-
Outstanding at the end of the period	4,000	7.95	-	-
Exercisable at the period end	-	-	-	-

The fair value of the share options granted to the group's employees under the scheme for the year ended 31 December 2014 was estimated using the following assumptions:

	2014	2013
Dividend yield	8.00	-
Expected volatility	50.00	-
Risk-free interest rate (%)	5.00	-
Expected life (years)	10.00	-
Weighted average fair value at grant date (£)	35.00	-

The group recognised total expenses of £7,672 (2013 - £nil) related to equity-settled share-based payment transactions during the year.

7. Interest payable

	2014 £	2013 £
On bank loans and overdrafts	331	630

Notes to the Financial Statements

For the year ended 31 December 2014

8. Taxation

	2014 £	2013 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	321,240	209,219
Adjustments in respect of prior periods	14,704	(13,357)
	<hr/>	<hr/>
Foreign tax on income for the year	335,944	195,862
	113,386	132,216
	<hr/>	<hr/>
Total current tax	449,330	328,078
	<hr/>	<hr/>
Deferred tax (see note 15)		
Origination and reversal of timing differences	99,924	-
	<hr/>	<hr/>
Tax on profit on ordinary activities	549,254	328,078
	<hr/>	<hr/>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2013 - lower than) the standard rate of corporation tax in the UK of 21.49% (2013 - 24.71%). The differences are explained below:

	2014 £	2013 £
Profit on ordinary activities before tax	1,870,155	1,999,182
	<hr/>	<hr/>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21.49% (2013 - 24.71%)	401,896	493,998
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	222,351	-
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	40,592	7,826
Capital allowances for year in excess of depreciation	(51,130)	(35,297)
Higher rate taxes on overseas earnings	(187,033)	(76,646)
Adjustments to tax charge in respect of prior periods	14,704	(13,357)
Fixed asset differences	893	-
Other differences leading to an increase (decrease) in the tax charge	7,057	-
Group relief	-	(610)
Marginal relief	-	(1,164)
Additional deduction for R&D expenditure	-	(46,672)
	<hr/>	<hr/>
Current tax charge for the year (see note above)	449,330	328,078
	<hr/>	<hr/>

Factors that may affect future tax charges

There are no factors which may affect future tax charges.

Notes to the Financial Statements

For the year ended 31 December 2014

9. Intangible fixed assets

	Goodwill £
Group	
Cost	
At 1 January 2014	245,953
Additions	5,966,747
At 31 December 2014	<u>6,212,700</u>
Amortisation	
At 1 January 2014	97,356
Charge for the year	1,142,184
At 31 December 2014	<u>1,239,540</u>
Net book value	
At 31 December 2014	<u><u>4,973,160</u></u>
At 31 December 2013	<u><u>148,597</u></u>

Notes to the Financial Statements

For the year ended 31 December 2014

10. Tangible fixed assets

Group	Short-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Computer software £	Computer equipment £	Software development £	Total £
Cost							
At 1 January 2014	124,113	44,452	127,751	73,581	368,075	143,857	881,829
Additions	30,432	-	42,004	54,374	149,008	192,863	468,681
On acquisition of subsidiaries	-	-	6,363	-	20,632	-	26,995
Foreign exchange movement	-	2,782	2,933	647	4,760	-	11,122
At 31 December 2014	154,545	47,234	179,051	128,602	542,475	336,720	1,388,627
Depreciation							
At 1 January 2014	87,423	17,781	49,034	43,837	167,671	-	365,746
Charge for the year	9,709	3,710	32,967	21,711	124,816	28,556	221,469
Foreign exchange movement	-	1,338	954	287	1,954	-	4,533
At 31 December 2014	97,132	22,829	82,955	65,835	294,441	28,556	591,748
Net book value							
At 31 December 2014	57,413	24,405	96,096	62,767	248,034	308,164	796,879
At 31 December 2013	36,690	26,671	78,717	29,744	200,404	143,857	516,083

Notes to the Financial Statements

For the year ended 31 December 2014

11. Fixed asset investments

Company	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2014	218,040
Additions	6,906,640
Transfers intra group	(6,899,970)
At 31 December 2014	224,710
Net book value	
At 31 December 2014	224,710
At 31 December 2013	218,040

Details of the principal subsidiaries can be found under note number 12.

12. Principal subsidiaries

Company name	Country	Percentage Shareholding	Description
The Appointment Group (UK) Limited (formerly Travel By Appointment Limited)	England & Wales	100%	Travel Agent
Events By Appointment Limited*	England & Wales	100%	Travel Agent
Leisure By Appointment Limited	England & Wales	100%	Travel Agent
Music By Appointment Limited*	England & Wales	100%	Travel Agent
The Appointment Group LLC	USA	100%	Travel Agent
The Appointment Group (Australia) Pty Limited	Australia	100%	Travel Agent
E.T. Travel Limited*	England & Wales	100%	Travel Agent
The Ultimate Events Company Limited**	England & Wales	100%	Dormant

*Held indirectly through The Appointment Group (UK) Limited

** Held indirectly through Events By Appointment Limited

Notes to the Financial Statements

For the year ended 31 December 2014

13. Debtors

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	£	£	£	£
Trade debtors	4,199,190	2,969,526	-	-
Amounts owed by group undertakings	-	-	3,005,054	172,112
Directors' current accounts	100,091	-	-	-
Other debtors	369,280	3,062,911	-	-
Prepayments and accrued income	1,295,931	435,111	-	-
	<u>5,964,492</u>	<u>6,467,548</u>	<u>3,005,054</u>	<u>172,112</u>

14. Creditors:

Amounts falling due within one year

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	£	£	£	£
Trade creditors	4,682,764	2,880,744	-	-
Amounts owed to group undertakings	-	-	-	168,030
Corporation tax	370,867	209,782	-	-
Other taxation and social security	300,032	187,603	-	-
Directors' current accounts	-	822,786	-	-
Other creditors	443,612	10	10	10
Accruals and deferred income	1,319,986	1,384,876	-	-
	<u>7,117,261</u>	<u>5,485,801</u>	<u>10</u>	<u>168,040</u>

15. Deferred taxation

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	£	£	£	£
At beginning of year	-	-	-	-
Charge for the year (P&L)	99,924	-	-	-
	<u>99,924</u>	<u>-</u>	<u>-</u>	<u>-</u>

Notes to the Financial Statements

For the year ended 31 December 2014

15. Deferred taxation (continued)

The provision for deferred taxation is made up as follows:

	<u>Group</u>		<u>Company</u>	
	2014	2013	2014	2013
	£	£	£	£
Accelerated capital allowances	<u>99,924</u>	<u>-</u>	<u>-</u>	<u>-</u>

16. Pension commitments

The pension charge to the group's defined contribution pension scheme in the year amounted to £341,023 (2013 - £236,721). there were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

17. Operating lease commitments

At 31 December 2014 the group had annual commitments under non-cancellable operating leases as follows:

	<u>Land and buildings</u>	
	2014	2013
	£	£
Group		
Expiry date:		
Within 1 year	19,770	-
Between 2 and 5 years	304,004	111,400
Total	<u>323,774</u>	<u>111,400</u>

18. Share capital

	2014	2013
	£	£
Allotted, called up and fully paid		
80,000 A Ordinary Shares shares of £0.625 each	50,000	50,000
13,500 B Ordinary Shares shares of £0.625 each	8,438	-
6,500 C Ordinary Shares shares of £0.625 each	4,062	-
2 D Ordinary Shares shares of £0.625 each	1	-
	<u>62,501</u>	<u>50,000</u>

Notes to the Financial Statements

For the year ended 31 December 2014

18. Share capital (continued)

During the year, on 5 January 2014, 13,500 B Ordinary shares were issued for a total of £2,999,970.

During the year, on 5 January 2014, 6,500 C Ordinary shares were issued at par, and settled via a reduction in share premium.

During the year, on 5 January 2014, 2 D Ordinary shares were issued at par, and settled via a reduction in share premium.

All shares rank parri passu in all respects.

19. Reserves

Group	Share premium account £	Capital redempt'n reserve £	Other reserve £	Share options reserve £	Profit and loss account £
At 1 January 2014	10,147	3,531	174,991	-	3,120,451
Profit for the financial year	-	-	-	-	1,320,901
Premium on shares issued during the year	2,991,533	-	-	-	-
Utilised on issue of shares	(4,064)	-	-	-	-
Movement on share option reserve	-	-	-	7,672	-
Currency translation gains/(losses)	-	-	-	-	155,700
At 31 December 2014	<u>2,997,616</u>	<u>3,531</u>	<u>174,991</u>	<u>7,672</u>	<u>4,597,052</u>
Company		Share premium account £	Capital redempt'n reserve £	Share options reserve £	Profit and loss account £
At 1 January 2014		10,147	3,531	-	158,434
Premium on shares issued during the year		2,991,533	-	-	-
Utilised on issue of shares		(4,064)	-	-	-
Movement on share options reserve		-	-	7,672	-
At 31 December 2014		<u>2,997,616</u>	<u>3,531</u>	<u>7,672</u>	<u>158,434</u>

Notes to the Financial Statements

For the year ended 31 December 2014

20. Reconciliation of movement in shareholders' funds

	2014	2013
Group	£	£
Opening shareholders' funds	3,359,120	1,718,320
Profit for the financial year	1,320,901	1,669,447
Shares issued during the year	12,501	-
Share premium on shares issued (net of expenses)	2,987,469	-
Other recognised gains and losses during the year	155,700	(28,647)
Share options reserve movement	7,672	-
	<u>7,843,363</u>	<u>3,359,120</u>
Closing shareholders' funds		

	2014	2013
Company	£	£
Opening shareholders' funds	222,112	137,112
Profit for the financial year	-	85,000
Shares issued during the year	12,501	-
Share premium on shares issued (net of expenses)	2,987,469	-
Share options reserve movement	7,672	-
	<u>3,229,754</u>	<u>222,112</u>
Closing shareholders' funds		

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Profit and loss account.

The profit for the year dealt with in the accounts of the company was £NIL (2013 - £85,000).

21. Minority interests

Equity	£
At 1 January 2014	(6,001)
Purchase of minority interests	6,001
	<u>-</u>
At 31 December 2014	

Notes to the Financial Statements

For the year ended 31 December 2014

22. Acquisitions

On 5 January 2014, The Appointment Group Limited acquired E.T. Travel Limited. The results of E.T. Travel Limited have been included in the results of the group from this date.

Acquisitions

	Vendors' book value £	Fair value to the group £
Assets and liabilities acquired		
Tangible fixed assets	26,995	26,995
Debtors	715,643	715,643
Cash at bank	1,638,014	1,638,014
Bank overdrafts	(2,439)	(2,439)
Other creditors and provisions	(1,174,627)	(1,174,627)
Net assets acquired	<u>1,203,586</u>	<u>1,203,586</u>
Satisfied by		
Consideration:		
Cash		3,900,000
Non-cash consideration		<u>2,999,970</u>
		<u>6,899,970</u>
Goodwill arising on consolidation (see note 9)		<u>5,696,384</u>

Goodwill is being amortised over 6 years from the date of acquisition.

E.T. Travel Limited generated no turnover, operating profit or loss before or after tax in the period for 1 January 2014 to the date of its acquisition by The Appointment Group Limited.

23. Net cash flow from operating activities

	2014 £	2013 £
Operating profit	1,858,385	1,991,298
Amortisation of intangible fixed assets	1,142,184	61,488
Depreciation of tangible fixed assets	221,469	115,552
Decrease/(increase) in debtors	1,218,699	(3,181,171)
Increase in creditors	528,415	1,073,022
Share options charge	7,672	-
Foreign exchange movement on working capital	143,173	-
Net cash inflow from operating activities	<u>5,119,997</u>	<u>60,189</u>

Notes to the Financial Statements

For the year ended 31 December 2014

24. Analysis of cash flows for headings netted in cash flow statement

	2014 £	2013 £
Returns on investments and servicing of finance		
Interest received	12,101	8,514
Interest paid	(331)	(630)
Net cash inflow from returns on investments and servicing of finance	11,770	7,884
	2014 £	2013 £
Capital expenditure and financial investment		
Purchase of subsidiary undertakings	(4,170,363)	-
Purchase of tangible fixed assets	(468,681)	(278,053)
Net cash outflow from capital expenditure	(4,639,044)	(278,053)
	2014 £	2013 £
Acquisitions and disposals		
Net cash acquired on purchase of subsidiary	1,635,525	-

25. Analysis of changes in net funds

	1 January 2014 £	Cash flow £	Other non-cash changes £	31 December 2014 £
Cash at bank and in hand	1,718,694	1,607,323	-	3,326,017
Net funds	1,718,694	1,607,323	-	3,326,017

26. Related party transactions

The group has taken advantage of the exemption available in Financial Reporting Standard (FRS) No. 8 'Related party disclosures' not to disclose transactions with entities within the group.

At the year end there was a balance owed to the group on the director's loan account of M Veronique in the amount of £253,300 (2013 - balance due from the group of £394,004).

At the year end there was a balance owed by the group on the director's loan account of J Gianquitto in the amount of £153,209 (2013 - £428,782).

The Appointment Group Limited

Notes to the Financial Statements

For the year ended 31 December 2014

27. Controlling party

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