

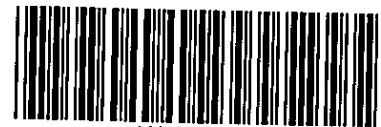


Grant Thornton

Financial statements STG Travel Group Limited

For the Period from 1 May 2007 to 31 July 2008

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COMPANIES HOUSE

Company No. 3442977

Company information

Company registration number	3442977
Registered office	Third Floor 1 Jubilee Street Brighton East Sussex BN1 1GE
Directors	M Bole I Smith P Gilbert H Moore
Secretary	G Williamson (appointed 26/11/08)
Bankers	Natwest Bank plc 1st Floor, Longford House 19 Mount Ephraim Road Tunbridge Wells Kent TN1 1EN
Auditor	Grant Thornton UK LLP Chartered Accountants Registered Auditors The Explorer Building Fleming Way Manor Royal Crawley West Sussex RH10 9GT

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Report of the directors

The directors present their report and the financial statements of the company for the period from 1 May 2007 to 31 July 2008.

Principal activities

The principal activity of the company during the year was to act as a holding company to its subsidiary undertakings, who are principally engaged as a tour operator specialising in school and student group travel. The tours organized include winter sports, adventure/activity trips and educational tours.

Results and dividends

The profit for the Period amounted to £1,124,000 (2007: £2,924,000). Particulars of dividends paid are detailed in note 5 to the financial statements.

Directors

The directors who served the company during the period, and have subsequently been appointed are as follows:

M Bole

I Smith

J Bowden (resigned 04/07/08)

T Williamson (resigned 03/09/08)

H Sleet (resigned 28/08/08)

P Gilbert (appointed 15/10/08)

H Moore (appointed 02/10/08)

Directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

Financial statements for the period from 1 May 2007 to 31 July 2008

In so far as the directors are aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

A resolution to re-appoint Grant Thornton UK LLP as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

ON BEHALF OF THE BOARD

H Moore
Director

10/12/08





Report of the independent auditor to the members of STG Travel Group Limited

We have audited the financial statements of STG Travel Group Limited for the period from 1 May 2007 to 31 July 2008 which comprise the principal accounting policies, profit and loss account, balance sheet and notes 1 to 15. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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

The directors' responsibilities for preparing the Report of the directors and the financial statements in accordance with United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Report of the Directors is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Report of the directors and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of opinion

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.

Report of the independent auditor to the members of STG Travel Group Limited (continued)

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

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 July 2008 and of its profit for the period then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Report of the Directors is consistent with the financial statements.

Grant Thornton UK LLP
GRANT THORNTON UK LLP
REGISTERED AUDITORS
CHARTERED ACCOUNTANTS
GATWICK

10 December 2008

Accounting policies

Basis of accounting

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

The company is exempt from preparing consolidated accounts as its results form part of the consolidated accounts of its parent undertaking EATG (Debtco) Limited which was incorporated in the United Kingdom. Therefore the financial statements present information about the individual company only.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the period.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Fixtures & Fittings	-	10 years
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Investments

Investments are included at cost less amounts written off.

Profit and loss account

	Note	Period from 1 May 07 to 31 Jul 08 £ 000	Year to 30 Apr 07 £ 000
Turnover		–	680
Other operating charges	1	(456)	(306)
Other operating income	2	1,580	2,550
Profit on ordinary activities before taxation	3	<u>1,124</u>	<u>2,924</u>
Tax on profit on ordinary activities	4	–	–
Profit for the financial period	12	<u>1,124</u>	<u>2,924</u>

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the period as set out above.


Balance sheet

	Note	31 Jul 08 £000	30 Apr 07 £000
Fixed assets			
Tangible assets	6	144	163
Investments	7	8,522	8,109
		<u>8,666</u>	<u>8,272</u>
Current assets			
Debtors	8	19,900	432
Cash at bank		1	2
		<u>19,901</u>	<u>434</u>
Creditors: amounts falling due within one year	9	(20,585)	(723)
Net current liabilities		<u>(684)</u>	<u>(289)</u>
Total assets less current liabilities		<u>7,982</u>	<u>7,983</u>
Capital and reserves			
Called-up equity share capital	11	7,973	7,973
Profit and loss account	12	9	10
Shareholders' funds	13	<u>7,982</u>	<u>7,983</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved by the directors and authorised for issue on 10/12/08, and are signed on their behalf by:

H Moore
 Director



Notes to the financial statements

1 Other operating charges

	Period from 1 May 07 to 31 Jul 08 £ 000	Year to 30 Apr 07 £ 000
Administrative expenses	<u>456</u>	<u>306</u>

2 Other operating income

	Period from 1 May 07 to 31 Jul 08 £ 000	Year to 30 Apr 07 £ 000
Other operating income	<u>1,580</u>	<u>2,550</u>

3 Operating profit

Operating profit is stated after charging:

	Period from 1 May 07 to 31 Jul 08 £ 000	Year to 30 Apr 07 £ 000
Depreciation of owned fixed assets	<u>19</u>	<u>11</u>

Auditor's remuneration is paid through STG Travel Limited. The disclosure is shown in the relevant financial statements.

Notes to the financial statements

4 Taxation on ordinary activities

	Period from 1 May 07 to 31 Jul 08 £ 000	Year to 30 Apr 07 £ 000
Current tax:		
UK Taxation		
In respect of the Period:		
UK Corporation tax based on the results for the period at 29.47% (2007 - 30%)	331	877
Expenses not deductible for tax	6	3
Group relief surrendered before payment	129	-
Group income	(466)	-
Other	-	(880)
Total current tax charge	<u>-</u>	<u>-</u>

5 Dividends

Dividends on shares classed as equity:

	Period from 1 May 07 to 31 Jul 08 £ 000	Year to 30 Apr 07 £ 000
Paid during the year:		
Dividends on equity shares	<u>1,125</u>	<u>2,915</u>

Notes to the financial statements

6 Tangible fixed assets

	Fixtures & Fittings £ 000
Cost	
At 1 May 2007 and 31 July 2008	174
Depreciation	
At 1 May 2007	11
Charge for the period	19
At 31 July 2008	30
Net book value	
At 31 July 2008	144
At 30 April 2007	163

7 Investments

	£ 000
Cost	
At 1 May 2007 and 31 July 2008	8,109
Transfer as part of the purchase agreement of STG Travel Ltd	413
Net book value	
At 31 July 2008	8,522
At 30 April 2007	8,109

At 31 July 2008 the Company owned the whole of the issued share capital of the following companies:

Company	Country of incorporation	Class of shares	Principal activity
Skiplan Travel Limited	England and Wales	£1 ordinary	Tour operator
Skiplan (Air & Coach) Limited	England and Wales	£1 ordinary	Transport provider
Alphotels 2000 SARL	France	€14 ordinary	Hotel operator
STS School Travel Service Limited	England and Wales	£1 ordinary	Tour operator
STS Holidays Limited	England and Wales	£1 ordinary	Transport provider
STG Travel Limited	England and Wales	£1 ordinary	Tour operator
Equity Travel Limited	England and Wales	£1 ordinary	Dormant
Equity Total Travel (Transport) Limited	England and Wales	£1 ordinary	Transport provider

Notes to the financial statements

8 Debtors

	31 Jul 08	30 Apr 07
	£ 000	£ 000
Amounts owed by group undertakings	19,804	289
VAT recoverable	18	53
Prepayments and accrued income	78	90
	<u>19,900</u>	<u>432</u>

9 Creditors: amounts falling due within one year

	31 Jul 08	30 Apr 07
	£ 000	£ 000
Trade Creditors	42	-
Amounts owed to group undertakings	20,427	411
Other creditors	101	-
Social security and other taxes	-	119
Accruals and deferred income	15	193
	<u>20,585</u>	<u>723</u>

10 Related party transactions

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8.

11 Share capital

Authorised share capital:

	31 Jul 08	30 Apr 07
	£ 000	£ 000
250,000 Ordinary shares shares of £1 each	250	250
7,217,333 Ordinary A shares shares of £1 each	7,218	7,218
1,000,000 Ordinary B shares shares of £1 each	1,000	1,000
	<u>8,468</u>	<u>8,468</u>

Allotted and called up:

	31 Jul 08		30 Apr 07	
	No	£ 000	No	£ 000
Ordinary shares shares of £1 each	250,000	250	250,000	250
Ordinary A shares shares of £1 each	7,217,333	7,218	7,217,333	7,218
Ordinary B shares shares of £1 each	505,230	505	505,230	505
	<u>7,972,563</u>	<u>7,973</u>	<u>7,972,563</u>	<u>7,973</u>

Notes to the financial statements

12 Profit and loss account

	Period from 1 May 07 to 31 Jul 08 £ 000	Year to 30 Apr 07 £ 000
Balance brought forward	10	1
Profit for the financial period	1,124	2,924
Equity dividends	(1,125)	(2,915)
Balance carried forward	<u>9</u>	<u>10</u>

13 Reconciliation of movements in shareholders' funds

	Period from 1 May 07 to 31 Jul 08 £ 000	Year to 30 Apr 07 £ 000
Profit for the financial period	1,124	2,924
Equity dividends	(1,125)	(2,915)
Net addition to shareholders' funds	<u>(1)</u>	<u>9</u>
Opening shareholders' funds	7,983	7,974
Closing shareholders' funds	<u>7,982</u>	<u>7,983</u>

14 Contingencies

All group undertakings have given an unlimited multilateral guarantee to the group's bankers in respect of amounts owed under the group's banking arrangements. There were no contingent liabilities as at 30 April 2007.

15 Ultimate parent company

The largest group of undertakings for which consolidated accounts are prepared to include the results of this company is headed by EATG (Debtco) Limited.

EATG Sarl, incorporated in Luxembourg is the ultimate parent undertaking for STG Group Ltd.

The company is ultimately controlled by funds managed by DLJ Merchant Banking, Inc., the General Partner of DLJ Merchant Banking IV (Cayman) LP, which is the general partner of DLJMB Overseas Partners IV, LP.