

**CHAMBERS TRAVEL GROUP LIMITED**

**Annual Report**

**For the year ended 31 March 2010**

**Company Registration No 05160716 (England And Wales)**

**TUESDAY**



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**COMPANIES HOUSE**

# CHAMBERS TRAVEL GROUP LIMITED

## DIRECTORS AND ADVISERS

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<b>Directors</b>	C Thelen J Thorpe A Perolls
<b>Secretary</b>	J Hunt
<b>Company number</b>	05160716
<b>Registered office</b>	Broken Wharf House 2 Broken Wharf London EC4V 3DT
<b>Registered auditors</b>	Kingston Smith LLP Orbital House 20 Eastern Road Romford Essex RM1 3PJ

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# CHAMBERS TRAVEL GROUP LIMITED

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# CHAMBERS TRAVEL GROUP LIMITED

## DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2010

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The directors present their report and financial statements for the year ended 31 March 2010

### **Principal activities and review of the business**

The principal activity of the Group continued to be that of business travel management

The Group's performance for the year ended 31 March 2010 reflected the extraordinarily challenging trading environment resulting from the global recession. Gross sales reduced by 11.0% to £56.2 million (2009 £63.1 million)

Income from transaction fees, management fees and commission reduced by 14.6% to £5 million. The profit for the financial year before taxation was £36,554 (2009 £371,094)

The Group was successful in winning new clients and an additional £11 million of annualised gross sales was closed during the year.

Staff numbers and other costs were reduced significantly during the year in line with client down trading. Total costs were down 9.7%.

The use of Chambers managed online booking tools by clients continued to increase. The percentage of online adoption by these clients reached 70% from 63% the previous year.

The Group won "Sales and Account Management Team of the Year" in the Business Travel Awards, Advantage "Best Business Travel Member" and was a finalist for "Best Travel Management Company" in the Business Travel World Awards.

The Group became a member of GlobalStar the worldwide travel management network.

The senior management team was strengthened with the recruitment of two experienced executives to lead the key areas of Operations and Marketing.

The position at year end was stable. There were signs that some clients were starting to increase travel expenditure but not to pre-recession levels. Gross margin per transaction, however, continued to decline as a result of price competition in the market and the move to on-line booking.

The future trading environment is uncertain. The Group expects to continue being successful in winning new business and the decline in total sales volume experienced during the year will be reversed as a result of the significant new business wins in the year ended 31 March 2010. The strategy of providing pan-European travel management services to global clients will be further implemented.

The principal risks to the business are a "double dip" recession, the loss or default of a major customer, airline strikes and major disruption caused by external factors such as the volcanic ash cloud.

### **Results and dividends**

The consolidated profit and loss account for the year is set out on page 5.

### **Directors**

The following directors have held office since 1 April 2009:

C Thelen  
J Thorpe  
A Perolls

# CHAMBERS TRAVEL GROUP LIMITED

## DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2010

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### **Auditors**

Kingston Smith LLP were appointed auditors to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting

### **Statement of 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

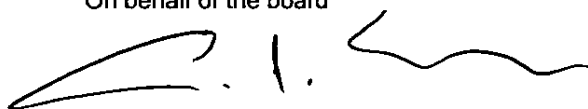
- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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 auditors**

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



C Thelen

Director

4 August 2010

# CHAMBERS TRAVEL GROUP LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CHAMBERS TRAVEL GROUP LIMITED

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We have audited the group and parent company financial statements (the "financial statements") of Chambers Travel Group Limited for the year ended 31 March 2010 set out on pages 5 to 23. 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 pages 1 - 2, 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**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the group's and the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of 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 March 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 year for which the financial statements are prepared is consistent with the financial statements.

# CHAMBERS TRAVEL GROUP LIMITED

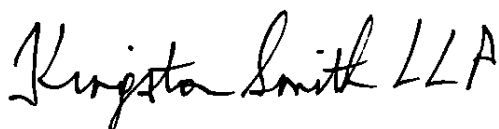
## INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE MEMBERS OF CHAMBERS TRAVEL GROUP LIMITED

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### **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



**Brian Pope (Senior Statutory Auditor)**  
for and on behalf of Kingston Smith LLP

*5 August 2010.*

**Chartered Accountants**  
**Statutory Auditor**

Orbital House  
20 Eastern Road  
Romford  
Essex  
RM1 3PJ

# CHAMBERS TRAVEL GROUP LIMITED

## CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2010

		2010 £	2009 £
	Notes		
<b>Turnover</b>	<b>2</b>	5,029,014	5,890,665
Administrative expenses		(5,025,322)	(5,562,382)
Other operating income		52,262	53,447
<b>Operating profit</b>	<b>3</b>	55,954	381,730
Other interest receivable and similar income		1,729	13,893
Interest payable and similar charges	<b>4</b>	(21,129)	(24,529)
<b>Profit on ordinary activities before taxation</b>		36,554	371,094
Tax on profit on ordinary activities	<b>5</b>	(41,070)	(124,107)
<b>(Loss)/profit on ordinary activities after taxation</b>		(4,516)	246,987
Minority interests		8,559	(8,530)
<b>Profit for the financial year</b>	<b>16</b>	4,043	238,457

The profit and loss account has been prepared on the basis that all operations are continuing operations



# CHAMBERS TRAVEL GROUP LIMITED

## STATEMENT OF RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 MARCH 2010

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	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
<b>(Loss)/profit for the financial year</b>	<b>(4,516)</b>	<b>246,987</b>
Currency translation differences on foreign currency net investments	2,140	(307)
<b>Total recognised gains and losses relating to the year</b>	<b>(2,376)</b>	<b>246,680</b>

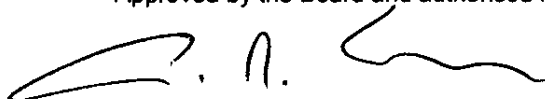
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# CHAMBERS TRAVEL GROUP LIMITED

## BALANCE SHEETS AS AT 31 MARCH 2010

	Notes	Group 2010 £	2009 £	Company 2010 £	2009 £
<b>Fixed assets</b>					
Intangible assets	7	668,883	716,254	-	-
Tangible assets	8	41,735	165,908	-	-
Investments	9	-	-	1,735,714	1,718,990
		<u>710,618</u>	<u>882,162</u>	<u>1,735,714</u>	<u>1,718,990</u>
<b>Current assets</b>					
Debtors	10	2,598,056	1,950,675	16,017	235,778
Cash at bank and in hand		405,789	576,797	332	441
		<u>3,003,845</u>	<u>2,527,472</u>	<u>16,349</u>	<u>236,219</u>
<b>Creditors: amounts falling due within one year</b>	11	<u>(2,239,282)</u>	<u>(1,903,352)</u>	<u>(529)</u>	<u>(220,954)</u>
<b>Net current assets</b>		<u>764,563</u>	<u>624,120</u>	<u>15,820</u>	<u>15,265</u>
<b>Total assets less current liabilities</b>		<u>1,475,181</u>	<u>1,506,282</u>	<u>1,751,534</u>	<u>1,734,255</u>
<b>Creditors amounts falling due after more than one year</b>	12	<u>(515,246)</u>	<u>(329,348)</u>	<u>(761,615)</u>	<u>(613,352)</u>
<b>Provisions for liabilities</b>	13	<u>-</u>	<u>(4,998)</u>	<u>-</u>	<u>-</u>
		<u>959,935</u>	<u>1,171,936</u>	<u>989,919</u>	<u>1,120,903</u>
<b>Capital and reserves</b>					
Called up share capital	15	75,500	75,500	75,500	75,500
Share premium account	16	226,500	226,500	226,500	226,500
Other reserves	16	(186,553)	24,500	(186,553)	24,500
Profit and loss account	16	830,119	823,936	874,472	794,403
<b>Shareholders' funds</b>	18	<u>945,566</u>	<u>1,150,436</u>	<u>989,919</u>	<u>1,120,903</u>
<b>Minority interests</b>	17	<u>14,369</u>	<u>21,500</u>	<u>-</u>	<u>-</u>
		<u>959,935</u>	<u>1,171,936</u>	<u>989,919</u>	<u>1,120,903</u>

Approved by the Board and authorised for issue on 4 August 2010



C Thelen  
Director

Company Registration No. 05160716

# CHAMBERS TRAVEL GROUP LIMITED

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2010

	£	2010 £	£	2009 £
<b>Net cash inflow from operating activities</b>		106,761		56,449
<b>Returns on investments and servicing of finance</b>				
Interest received	1,729		13,893	
Interest paid	(40,890)		(4,768)	
<b>Net cash (outflow)/inflow for returns on investments and servicing of finance</b>		(39,161)		9,125
<b>Taxation</b>		(73,720)		(104,354)
<b>Capital expenditure</b>				
Payments to acquire tangible assets	-		(60,128)	
<b>Net cash outflow for capital expenditure</b>		-		(60,128)
<b>Net cash outflow before management of liquid resources and financing</b>		(6,120)		(98,908)
<b>Financing</b>				
Purchase of own shares	(211,053)		-	
Increase in long term debt	250,000		-	
Other new short term loans	-		200,000	
Repayment of long term bank loan	(5,726)		-	
Repayment of other short term loans	(200,000)		-	
<b>Net cash (outflow)/inflow from financing</b>		(166,779)		200,000
<b>(Decrease)/increase in cash in the year</b>		(172,899)		101,092

# CHAMBERS TRAVEL GROUP LIMITED

## NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2010

1	Reconciliation of operating profit to net cash inflow from operating activities		2010	2009
			£	£
	Operating profit		55,954	381,730
	Depreciation of tangible assets		124,173	138,444
	Amortisation of intangible assets		47,371	47,371
	Increase in debtors		(625,481)	261,351
	Increase in creditors within one year		504,744	(772,447)
	Net cash inflow from operating activities		106,761	56,449

2	Analysis of net debt	1 April 2009	Cash flow	Other non-cash changes	31 March 2010
		£	£	£	£
	Net cash				
	Cash at bank and in hand	576,797	(171,008)	-	405,789
	Bank overdrafts	(58,271)	(1,891)	-	(60,162)
		518,526	(172,899)	-	345,627
	Debts falling due within one year	(200,000)	141,624	-	(58,376)
	Debts falling due after one year	(329,348)	(185,898)	-	(515,246)
		(529,348)	(44,274)	-	(573,622)
	Net debt	(10,822)	(217,173)	-	(227,995)

3	Reconciliation of net cash flow to movement in net debt	2010	2009
		£	£
	(Decrease)/increase in cash in the year	(172,899)	518,085
	Cash inflow from increase in debt	(44,274)	(200,000)
	Movement in net debt in the year	(217,173)	318,085
	Opening net debt	(10,822)	(328,907)
	Closing net debt	(227,995)	(10,822)

# CHAMBERS TRAVEL GROUP LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010

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### **1 Accounting policies**

#### **1.1 Accounting convention**

The financial statements are prepared under the historical cost convention

#### **1.2 Compliance with accounting standards**

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

#### **1.3 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 March 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.

#### **1.4 Turnover**

Turnover consists primarily of commissions and fees earned on sales of travel tickets, insurance and foreign currency, exclusive of value added tax. Commissions and fees are earned at the time of sale. All foreign transactions were made at the ruling exchange rate at the time of the transaction. The financial statements show net commissions earned as turnover. Refer to note 2 for further details.

Incentive income is released to the profit and loss account on an achieved transaction basis.

#### **1.5 Goodwill**

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life.

#### **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 less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Leasehold	10% per annum straight line basis
Fixtures, fittings & equipment	20% or 33% per annum straight line basis

#### **1.7 Leasing**

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

#### **1.8 Investments**

Fixed asset investments are stated at cost less provision for diminution in value.

#### **1.9 Pensions**

The Group operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

Company contributions to the personal pension scheme of employees are charged to the profit and loss account as incurred.

#### **1.10 Deferred taxation**

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

# CHAMBERS TRAVEL GROUP LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2010

### 1 Accounting policies

(continued)

#### 1.11 Foreign currency translation

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

For foreign subsidiaries the profit and loss account items are translated at the appropriate average exchange rates for the year, whereas balance sheet items are translated at the spot rate. Any exchange differences arising from the translation of foreign subsidiaries' profit and loss account items at average rates and balance sheet items at the spot rates are charged to shareholders' equity. Any exchange differences from translation of foreign subsidiaries' equity at the start of the year at the rates on the balance sheet day are charged to shareholders' equity.

Any exchange differences from intercompany accounts with foreign subsidiaries, which in reality constitute an addition to equity for the particular subsidiary, and any exchange differences from hedging of foreign subsidiaries' equity are charged to shareholders' equity.

#### 1.12 Employee Benefit Trust

In accordance with UITF abstract 38 the net assets represented by contributions made by the Company to the trustees of the Chambers Travel Group Employee Benefit Trust ("the Trust") are to be consolidated with those of the Company, until the shares held by the Trust are allocated unconditionally to employees or former employees of the Company. As a consequence, cash loaned to the Trust which has been utilised in purchasing shares in Chambers Travel Group Limited has been deducted from shareholders' funds. £211,053 had been loaned by the company to the Trust as at the year end.

### 2 Turnover

The total turnover of the group for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

Under Application Note G to FRS5, the financial statements show net commission earned as turnover. The gross amounts receivable in respect of ticket sales are:

	2010 £	2009 £
Gross value of Sales	56,165,477	63,089,972
Gross value of Cost of Sales	(51,136,463)	(57,199,307)
	<u>5,029,014</u>	<u>5,890,665</u>

# CHAMBERS TRAVEL GROUP LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2010

<b>3 Operating profit</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Operating profit is stated after charging		
Amortisation of intangible assets	47,371	47,371
Depreciation of tangible assets	124,173	137,376
Loss on foreign exchange transactions	162	-
Operating lease rentals	176,534	172,739
Auditors' remuneration (company £nil, 2009 £nil)	10,000	9,500
and after crediting		
Profit on foreign exchange transactions	-	(3,179)

All auditors' remuneration is borne by a subsidiary company

<b>4 Interest payable</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
On bank loans and overdrafts	1,368	4,768
Other interest	19,761	19,761
	<u>21,129</u>	<u>24,529</u>

# CHAMBERS TRAVEL GROUP LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2010

<b>5 Taxation</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
<b>Domestic current year tax</b>		
U K corporation tax	40,959	136,948
Adjustment for prior years	27,009	(1,039)
	<hr/>	<hr/>
<b>Current tax charge</b>	<b>67,968</b>	<b>135,909</b>
 <b>Deferred tax</b>		
Deferred tax credit current year	(26,898)	(11,802)
	<hr/>	<hr/>
	<b>41,070</b>	<b>124,107</b>
	<hr/>	<hr/>
 <b>Factors affecting the tax charge for the year</b>		
Profit on ordinary activities before taxation	36,554	371,094
	<hr/>	<hr/>
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 28.00% (2009 - 28.00%)	10,235	103,906
	<hr/>	<hr/>
Effects of		
Non deductible expenses	12,763	10,734
Depreciation in excess of capital allowances	26,483	11,781
Amortisation	13,264	13,264
Adjustment to previous periods	27,009	(1,039)
Provisions adjustment	(21,984)	1,821
Losses carried forward	6,024	-
Marginal rate relief	(5,826)	(4,558)
	<hr/>	<hr/>
	<b>57,733</b>	<b>32,003</b>
	<hr/>	<hr/>
<b>Current tax charge</b>	<b>67,968</b>	<b>135,909</b>
	<hr/>	<hr/>

## 6 Profit for the financial year

As permitted by section 408 of the Companies Act 2006, the holding company's profit and loss account has not been included in these financial statements. The profit for the financial year is made up as follows:

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Holding company's profit for the financial year	80,069	102,496
	<hr/>	<hr/>



# CHAMBERS TRAVEL GROUP LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2010

### 7 Intangible fixed assets Group

	<b>Goodwill £</b>
<b>Cost</b>	
At 1 April 2009 & at 31 March 2010	1,019,927
<b>Amortisation</b>	
At 1 April 2009	303,673
Charge for the year	47,371
At 31 March 2010	351,044
<b>Net book value</b>	
At 31 March 2010	668,883
At 31 March 2009	716,254

### 8 Tangible fixed assets Group

	<b>Land and buildings Leasehold £</b>	<b>Fixtures, fittings &amp; equipment £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 April 2009 & at 31 March 2010	11,684	479,567	491,251
<b>Depreciation</b>			
At 1 April 2009	4,965	320,378	325,343
Charge for the year	1,168	123,005	124,173
At 31 March 2010	6,133	443,383	449,516
<b>Net book value</b>			
At 31 March 2010	5,551	36,184	41,735
At 31 March 2009	6,719	159,189	165,908

# CHAMBERS TRAVEL GROUP LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2010

### 9 Fixed asset investments

Company	Shares in group undertakings £
<b>Cost</b>	
At 1 April 2009	1,718,990
Additions	16,724
At 31 March 2010	1,735,714
<b>Net book value</b>	
At 31 March 2010	1,735,714
At 31 March 2009	1,718,990

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet

#### Holdings of more than 20%

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

Company	Country of registration or incorporation	Shares held	
		Class	%
<b>Subsidiary undertakings</b>			
Chambers Travel Management Limited	England and Wales	Ordinary	100
Interact Events Limited	England and Wales	Ordinary	100
Chambers Elite Limited	England and Wales	Ordinary	100
Chambers Travel Netherlands BV	Holland	Ordinary	100
SAS Chambers Travel Europe	France	Ordinary	60

The principal activity of these undertakings for the last relevant financial year was as follows

	<b>Principal activity</b>
Chambers Travel Management Limited	Commercial Travel Agent
Interact Events Limited	Trustee of Employee Benefit Trust
Chambers Elite Limited	Dormant
Chambers Travel Netherlands BV	Dormant
SAS Chambers Travel Europe	Commercial Travel Agent

# CHAMBERS TRAVEL GROUP LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2010

### 10 Debtors

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Trade debtors	1,367,972	1,234,893	-	-
Amounts owed by group undertakings	-	-	-	200,000
Other debtors	828,095	645,825	16,017	35,778
Prepayments and accrued income	380,089	69,957	-	-
Deferred tax asset (see note 13)	21,900	-	-	-
	<u>2,598,056</u>	<u>1,950,675</u>	<u>16,017</u>	<u>235,778</u>

Included within other debtors is an amount of £83,959 (2009 £83,959) which has a charge over it in respect of a rent deposit deed dated 7 December 2004

### 11 Creditors . amounts falling due within one year

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Bank loans and overdrafts	118,538	58,271	-	-
Trade creditors	1,549,101	917,258	-	-
Corporation tax	127,433	133,185	-	664
Other taxes and social security costs	305,632	199,623	-	-
Other creditors	8,810	433,486	-	219,761
Accruals and deferred income	129,768	161,529	529	529
	<u>2,239,282</u>	<u>1,903,352</u>	<u>529</u>	<u>220,954</u>

The bank overdraft is secured by a fixed and floating debenture charge over the company's current and future assets. The bank overdraft is repayable on demand.

Included within other creditors of the Group are unpaid pension contributions of £7,990 (2009 - £6,504)

# CHAMBERS TRAVEL GROUP LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2010

### 12 Creditors amounts falling due after more than one year

	Group 2010 £	2009 £	Company 2010 £	2009 £
Bank loans	185,898	-	-	-
Preference shares classed as a financial liability	329,348	329,348	329,348	329,348
Amounts owed to group undertakings	-	-	432,267	284,004
	<u>515,246</u>	<u>329,348</u>	<u>761,615</u>	<u>613,352</u>
<b>Analysis of loans</b>				
Wholly repayable within five years	244,274	200,000	432,267	484,004
Included in current liabilities	(58,376)	(200,000)	-	(200,000)
	<u>185,898</u>	<u>-</u>	<u>432,267</u>	<u>284,004</u>
<b>Loan maturity analysis</b>				
In more than one year but not more than two years	185,898	-	432,267	284,004
	<u>185,898</u>	<u>-</u>	<u>432,267</u>	<u>284,004</u>
<b>Preference shares classified as financial liabilities</b>				
In more than five years	329,348	329,348	329,348	329,348
	<u>329,348</u>	<u>329,348</u>	<u>329,348</u>	<u>329,348</u>

During the year the Group took out a bank loan, which is repayable in 48 monthly instalments. Interest is being charged at base rate plus 4.23%. The bank loan is secured by an unlimited debenture and an omnibus guarantee and set off agreement.

At the year end there were 329,348 irredeemable 6% preference shares in issue.

# CHAMBERS TRAVEL GROUP LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2010

### 13 Provisions for liabilities

The deferred tax asset (included in debtors, note 10) is made up as follows

	Group 2010 £		Company 2010 £
Balance at 1 April 2009	4,998		-
Profit and loss account	(26,898)		-
Balance at 31 March 2010	(21,900)		-

	Group 2010 £	2009 £	Company 2010 £	2009 £
Decelerated capital allowances	(19,663)	6,819	-	-
Other timing differences	(2,237)	-	-	-
Tax losses available	-	(1,821)	-	-
	(21,900)	4,998	-	-

### 14 Pension and other post-retirement benefit commitments

#### Defined contribution

	2010 £	2009 £
Contributions payable by the group for the year	46,682	35,207

# CHAMBERS TRAVEL GROUP LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2010

15 Share capital	2010 £	2009 £
<b>Authorised</b>		
150,000 Ordinary shares of £1 each	150,000	150,000
350,000 6% irredeemable preference shares of £1 each	350,000	350,000
	<u>500,000</u>	<u>500,000</u>
 <b>Allotted, called up and fully paid</b>		
75,500 Ordinary shares of £1 each	<u>75,500</u>	<u>75,500</u>

Refer to note 12 for details of preference shares in issue

The Chambers Travel Group Employee Benefit Trust holds an option to acquire 15,277 of the ordinary shares in issue for cash consideration of the higher of £25 and the fair value of each share. This option will lapse on 17 December 2012 if not exercised.

# CHAMBERS TRAVEL GROUP LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2010

### 16 Statement of movements on reserves Group

	Share premium account £	Revaluation reserve £	Other reserves (see below) £	Profit and loss account £
Balance at 1 April 2009	226,500	-	24,500	823,936
Profit for the year	-	-	-	4,043
Foreign currency translation differences	-	-	-	2,140
Movement during the year	-	-	(211,053)	-
Balance at 31 March 2010	<u>226,500</u>	<u>-</u>	<u>(186,553)</u>	<u>830,119</u>

#### Other reserves

##### Capital redemption reserve

Balance at 1 April 2009 & at 31 March 2010

24,500

##### Employee Benefit Trust

Purchase of own shares

(211,053)

Balance at 31 March 2010

(211,053)

#### Company

	Share premium account £	Other reserves (see below) £	Profit and loss account £
Balance at 1 April 2009	226,500	24,500	794,403
Profit for the year	-	-	80,069
Movement during the year	-	(211,053)	-
Balance at 31 March 2010	<u>226,500</u>	<u>(186,553)</u>	<u>874,472</u>

#### Other reserves

##### Capital redemption reserve

Balance at 1 April 2009 & at 31 March 2010

24,500

##### Employee Benefit Trust

Purchase of own shares

(211,053)

Balance at 31 March 2010

(211,053)

# CHAMBERS TRAVEL GROUP LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2010

### 16 Statement of movement on reserves

(continued)

During the year, the Chambers Travel Group created an Employee Benefit Trust ("the Trust"). The purpose of the Trust is to encourage and facilitate the acquisition and holding of shares in the Company by and for the benefit of the employees and former employees of the Company and any Subsidiary and their spouses, widows and widowers, children and step-children under the age of 18 and in such manner as the trustee may determine from time to time.

Contributions to the Trust are not charged to the profit and loss account until the shares vest in employees and former employees of the company. Chambers Travel Group Limited made a £10 contribution to the Trust during the year and a loan of £211,053. During the year the Trust purchased 9,223 ordinary shares for cash consideration of £22.77 per share.

The Employee Benefit Trust reserve in note 15 represents the contributions paid into the Trust which were used to acquire the ordinary shares in Chambers Travel Group Limited. In the directors' opinion the value of the investments is not less than the cost.

### 17 Minority interests

2010

2009

£

£

Minority interests' share of net assets and liabilities in subsidiary undertakings

14,369

21,500

### 18 Reconciliation of movements in shareholders' funds Group

2010

2009

£

£

Profit for the financial year

4,043

238,457

Other recognised gains and losses

2,140

(307)

Purchase of own shares

(211,053)

-

Net (depletion in)/addition to shareholders' funds

(204,870)

238,150

Opening shareholders' funds

1,150,436

912,286

Closing shareholders' funds

945,566

1,150,436

### Company

2010

2009

£

£

Profit for the financial year

80,069

102,496

Purchase of own shares

(211,053)

-

Opening shareholders' funds

1,120,903

1,018,407

Closing shareholders' funds

989,919

1,120,903



# CHAMBERS TRAVEL GROUP LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2010

### 19 Contingent liabilities

#### Group

In the prior year the company obtained the following bonds

- £nil (2009 £400,000) in favour of the International Air transport Association
- £nil (2009 £10,000) in favour of the Air Traveler Organisers' Licensing Scheme

These Bonds were supported by the security referred to in note 22

### 20 Financial commitments

At 31 March 2010 the group had annual commitments under non-cancellable operating leases as follows

	Land and buildings	
	2010	2009
	£	£
Expiry date		
In over five years	186,266	172,739

### 21 Directors' emoluments

	2010	2009
	£	£
Emoluments for qualifying services	337,383	315,254

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 2 (2009- 2)

Emoluments disclosed above include the following amounts paid to the highest paid director

Emoluments for qualifying services	188,250	202,996
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During the year £33,955 (2009 £41,245) was paid to Emissario Limited, a company in which Mr J Thorpe who is a director of this company is interested

### 22 Transactions with directors

Mr C Thelen, a director of the company, had given security over £nil (2009 £300,000) of his personal property in order to support the bond in favour of the International Air Transport Association referred to in note 19

During the year, preference share dividends of £19,761 (2009 £19,761) were paid to Mr C Thelen

# CHAMBERS TRAVEL GROUP LIMITED

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2010

### 23 Employees

#### Number of employees

The average monthly number of employees (including directors) during the year was

	2010 Number	2009 Number
Office and Administration	18	18
Sales and Marketing	70	94
	<u>88</u>	<u>112</u>

#### Employment costs

	2010 £	2009 £
Wages and salaries	2,711,873	3,329,703
Social security costs	268,895	363,266
Other pension costs	46,682	35,207
	<u>3,027,450</u>	<u>3,728,176</u>

### 24 Control

The controlling party of the company by virtue of his majority shareholding is Mr C Thelen