Company Registration No 00488182 (England and Wales)

# Redfern Travel Limited

## Directors' Report and Financial Statements
## For The Period Ended 31 March 2013

COMPANIES HOUSE

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# REDFERN TRAVEL LIMITED

## COMPANY INFORMATION

| | | |
|---|---|---|
| **Directors** | I C Wotton | |
| | A F Webster | |
| | A S Shawe | |
| | G N Hopwood | (Appointed 11 January 2012) |
| | M W Bowers | (Appointed 11 January 2012) |
| **Secretary** | A F Webster | |
| **Company number** | 00488182 | |
| **Registered office** | AIT House<br>PO Box 312<br>16 Eldon Place<br>Bradford<br>BD1 1PL | |
| **Auditors** | Garbutt & Elliott LLP<br>Stable Court<br>Beechwoods<br>Elmete Lane<br>Leeds<br>LS8 2LQ | |
| **Bankers** | National Westminster Bank Plc<br>7 Hustlergate<br>Bradford<br>BD1 1PP | |

# REDFERN TRAVEL LIMITED

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# REDFERN TRAVEL LIMITED

## DIRECTORS' REPORT
## *FOR THE PERIOD ENDED 31 MARCH 2013*

The directors present their report and financial statements for the period ended 31 March 2013

**Principal activities and review of the business**
The principal activity of the company continued to be that of travel management

The directors are satisfied with the companies performance in the year and the financial position at the balance sheet date and are optimistic about the future of the company

The key business risks and uncertainties affecting the company are considered to relate to competition from other travel management companies

Given the straight forward nature of the business, the directors are of the opinion that further analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business

The company does not actively use Financial instruments as part of its financial risk management It is exposed to the usual credit risk and cash flow risk associated with selling on credit and manages this through credit control procedures The nature of its financial instrucments means that they are not subject to a price risk or liquidity risk

**Results and dividends**
The results for the period are set out on page 5

An interim ordinary dividend was paid amounting to £414,000 The directors do not recommend payment of a final dividend

The directors recommend that the retained profit (before dividends) amounting to £527,592 be taken to reserves

**Future developments**
The directors aim to continue their expansion in existing markets through organic growth

**Directors**
The following directors have held office since 1 January 2012

| | |
|---|---|
| I C Wotton | |
| A F Webster | |
| A S Shawe | |
| G N Hopwood | (Appointed 11 January 2012) |
| M W Bowers | (Appointed 11 January 2012) |
| J D Scott | (Appointed 11 January 2012 and resigned 10 January 2013) |

**Auditors**
The auditors, Garbutt & Elliott LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006

# REDFERN TRAVEL LIMITED

## DIRECTORS' REPORT (CONTINUED)
## *FOR THE PERIOD ENDED 31 MARCH 2013*

**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 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 accounting 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006 They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

**Statement of disclosure to auditors**

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

On behalf of the board

I C Wotton
**Director**
20 June 2013

# REDFERN TRAVEL LIMITED

## INDEPENDENT AUDITORS' REPORT
## TO THE MEMBERS OF REDFERN TRAVEL LIMITED

We have audited the financial statements of Redfern Travel Limited for the period ended 31 March 2013 set out on pages 5 to 16 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 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 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 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 In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report

**Opinion on financial statements**

In our opinion

- give a true and fair view of the state of the company's affairs as at 31 March 2013 and of its profit for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements

# REDFERN TRAVEL LIMITED

## INDEPENDENT AUDITORS' REPORT (CONTINUED)
## TO THE MEMBERS OF REDFERN TRAVEL 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, or returns adequate for our audit have not been received from branches not visited by us, or
- the 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

Garbutt & Elliott LLP

**Richard Green (Senior Statutory Auditor)**
**for and on behalf of Garbutt & Elliott LLP**

20 June 2013

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

Stable Court
Beechwoods
Elmete Lane
Leeds
LS8 2LQ

# REDFERN TRAVEL LIMITED

## PROFIT AND LOSS ACCOUNT
*FOR THE PERIOD ENDED 31 MARCH 2013*

| | Notes | Period ended 31 March 2013 £ | Year ended 31 December 2011 £ |
|---|---|---|---|
| **Turnover** | 2 | 140,558,126 | 41,851,020 |
| Cost of sales | | (136,561,275) | (39,577,320) |
| **Gross profit** | | 3,996,851 | 2,273,700 |
| Distribution costs | | (1,799,243) | (837,316) |
| Administrative expenses | | (1,262,817) | (671,016) |
| **Operating profit** | 3 | 934,791 | 765,368 |
| Interest payable and similar charges | 4 | (232,277) | (48,072) |
| **Profit on ordinary activities before taxation** | | 702,514 | 717,296 |
| Tax on profit on ordinary activities | 5 | (174,922) | (173,905) |
| **Profit for the period** | 14 | 527,592 | 543,391 |

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

There are no recognised gains and losses other than those passing through the profit and loss account

# REDFERN TRAVEL LIMITED

## BALANCE SHEET
*AS AT 31 MARCH 2013*

| | Notes | 2013 £ | 2013 £ | 2011 £ | 2011 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | 7 | | 908,519 | | 105,530 |
| **Current assets** | | | | | |
| Stocks | 8 | 500 | | 500 | |
| Debtors | 9 | 15,432,347 | | 3,107,914 | |
| Cash at bank and in hand | | 115,738 | | 111,888 | |
| | | 15,548,585 | | 3,220,302 | |
| **Creditors: amounts falling due within one year** | 10 | (14,034,397) | | (2,396,717) | |
| **Net current assets** | | | 1,514,188 | | 823,585 |
| **Total assets less current liabilities** | | | 2,422,707 | | 929,115 |
| **Creditors: amounts falling due after more than one year** | 11 | | (1,590,000) | | (210,000) |
| | | | 832,707 | | 719,115 |
| **Capital and reserves** | | | | | |
| Called up share capital | 13 | | 50,000 | | 50,000 |
| Profit and loss account | 14 | | 782,707 | | 669,115 |
| **Shareholders' funds** | 15 | | 832,707 | | 719,115 |

Approved by the Board and authorised for issue on 20 June 2013

I C Wotton
**Director**

**Company Registration No 00488182**

# REDFERN TRAVEL LIMITED

## CASH FLOW STATEMENT
*FOR THE PERIOD ENDED 31 MARCH 2013*

| | | Period ended 31 March 2013 | | Year ended 31 December 2011 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **Net cash (outflow)/inflow from operating activities** | | (3,328,799) | | 289,145 |
| **Returns on investments and servicing of finance** | | | | |
| Interest paid | (232,277) | | (48,072) | |
| **Net cash outflow for returns on investments and servicing of finance** | | (232,277) | | (48,072) |
| **Taxation** | | (519,729) | | (270,570) |
| **Capital expenditure** | | | | |
| Payments to acquire tangible assets | (946,843) | | (45,770) | |
| **Net cash outflow for capital expenditure** | | (946,843) | | (45,770) |
| **Equity dividends paid** | | (414,000) | | (327,000) |
| **Net cash outflow before management of liquid resources and financing** | | (5,441,648) | | (402,267) |
| **Financing** | | | | |
| Other new long term loans | 1,380,000 | | - | |
| **Net cash inflow/(outflow) from financing** | | 1,380,000 | | - |
| **Decrease in cash in the period** | | (4,061,648) | | (402,267) |

# REDFERN TRAVEL LIMITED

## NOTES TO THE CASH FLOW STATEMENT
*FOR THE PERIOD ENDED 31 MARCH 2013*

| 1 Reconciliation of operating profit to net cash (outflow)/inflow from operating activities | 2013 | 2011 |
|---|---|---|
| | £ | £ |
| Operating profit | 934,791 | 765,368 |
| Depreciation of tangible assets | 143,854 | 77,005 |
| Increase in debtors | (12,046,407) | (788,807) |
| Increase in creditors within one year | 7,638,963 | 235,579 |
| **Net cash (outflow)/inflow from operating activities** | (3,328,799) | 289,145 |

| 2 Analysis of net debt | 1 January 2012 | Cash flow | Other non-cash changes | 31 March 2013 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Net cash | | | | |
| Cash at bank and in hand | 111,888 | 3,850 | - | 115,738 |
| Bank overdrafts | (963,959) | (4,065,498) | - | (5,029,457) |
| | (852,071) | (4,061,648) | - | (4,913,719) |
| Bank deposits | - | - | - | - |
| Debt | | | | |
| Debts falling due after one year | (210,000) | (1,380,000) | - | (1,590,000) |
| **Net debt** | (1,062,071) | (5,441,648) | - | (6,503,719) |

| 3 Reconciliation of net cash flow to movement in net debt | 2013 | 2011 |
|---|---|---|
| | £ | £ |
| Decrease in cash in the period | (4,061,648) | (402,267) |
| Cash inflow from increase in debt | (1,380,000) | - |
| **Movement in net debt in the period** | (5,441,648) | (402,267) |
| Opening net debt | (1,062,071) | (659,804) |
| **Closing net debt** | (6,503,719) | (1,062,071) |

# REDFERN TRAVEL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS
## *FOR THE PERIOD ENDED 31 MARCH 2013*

**1 Accounting policies**

**1.1 Accounting convention**
The financial statements are prepared under the historical cost convention

**1.2 Turnover**
Turnover represents amounts receivable for goods and services net of VAT and trade discounts

**1.3 Tangible fixed assets and depreciation**
Tangible fixed assets other than freehold land 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

| | |
|---|---|
| Freehold buildings | 5% straight line |
| Leasehold property improvements | 10% straight line |
| Plant and machinery | 30%/33 3%/50% straight line |
| Fixtures, fittings and equipment | 15% straight line |

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

**1 5 Stock**
Stock is valued at the lower of cost and net realisable value

**1 6 Pensions**
The company operates a defined contribution scheme for the benefit of its employees Contributions payable are charged to the profit and loss account in the period they are payable

**1 7 Deferred taxation**
Full provision is made for deferred tax arising from timing differences existing at the balance sheet date where there exists an obligation to pay more, or right to pay less tax, with the following exceptions

- Provision is made for tax on gains arising from the revaluation of fixed assets, or gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into the replacement assets and charged to tax only where the replacement assets are sold

- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be sufficient taxable profits from which the future reversal of the underlying timing difference can be deducted

Deferred tax balances are not discounted and are calculated at the tax rates that are expected to apply in the period in which timing differences are expected to reverse

**1.8 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 profit and loss account

## 2 Turnover

The total turnover of the company for the period has been derived from its principal activity wholly undertaken in the United Kingdom

## 3 Operating profit

| | 2013 | 2011 |
|---|---|---|
| | £ | £ |
| Operating profit is stated after charging | | |
| Depreciation of tangible assets | 143,854 | 77,005 |
| Auditors' remuneration (including expenses and benefits in kind) | 11,250 | 9,000 |
| and after crediting | | |
| Profit on foreign exchange transactions | - | (6,232) |

## 4 Interest payable

| | 2013 | 2011 |
|---|---|---|
| | £ | £ |
| On loans repayable after five years | 122,636 | 10,500 |
| On amounts payable to factors | 109,641 | 37,572 |
| | 232,277 | 48,072 |

| 5 | Taxation | 2013 £ | 2011 £ |
|---|---|---|---|
| | **Domestic current year tax** | | |
| | U K corporation tax | 174,922 | 188,415 |
| | **Total current tax** | 174,922 | 188,415 |
| | **Deferred tax** | | |
| | Deferred tax charge/credit current year | - | (14,510) |
| | | 174,922 | 173,905 |
| | **Factors affecting the tax charge for the period** | | |
| | Profit on ordinary activities before taxation | 702,514 | 717,296 |
| | Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 24 50% (2011 - 26 50%) | 172,116 | 190,083 |
| | Effects of | | |
| | Depreciation add back | 35,244 | 20,406 |
| | Capital allowances | (31,686) | (18,157) |
| | Other tax adjustments | (752) | (3,917) |
| | | 2,806 | (1,668) |
| | **Current tax charge for the period** | 174,922 | 188,415 |

| 6 | Dividends | 2013 £ | 2011 £ |
|---|---|---|---|
| | Ordinary interim paid | 414,000 | 327,000 |

## 7 Tangible fixed assets

| | Freehold buildings | Leasehold property improvements | Plant and machinery | Fixtures, fittings and equipment | Total |
|---|---|---|---|---|---|
| | £ | £ | £ | £ | £ |
| **Cost** | | | | | |
| At 1 January 2012 | - | 99,943 | 319,695 | 177,820 | 597,458 |
| Additions | 624,489 | 29,428 | 101,207 | 191,719 | 946,843 |
| At 31 March 2013 | 624,489 | 129,371 | 420,902 | 369,539 | 1,544,301 |
| **Depreciation** | | | | | |
| At 1 January 2012 | - | 49,564 | 303,296 | 139,068 | 491,928 |
| Charge for the period | 25,408 | 13,703 | 34,518 | 70,225 | 143,854 |
| At 31 March 2013 | 25,408 | 63,267 | 337,814 | 209,293 | 635,782 |
| **Net book value** | | | | | |
| At 31 March 2013 | 599,081 | 66,104 | 83,088 | 160,246 | 908,519 |
| At 31 December 2011 | - | 50,379 | 16,399 | 38,752 | 105,530 |

## 8 Stocks

| | 2013 | 2011 |
|---|---|---|
| | £ | £ |
| Finished goods and goods for resale | 500 | 500 |

## 9 Debtors

| | 2013 | 2011 |
|---|---|---|
| | £ | £ |
| Trade debtors | 14,029,420 | 2,867,385 |
| Corporation tax | 278,026 | - |
| Other debtors | 122,746 | 65,161 |
| Prepayments and accrued income | 1,002,155 | 175,368 |
| | 15,432,347 | 3,107,914 |

**10 Creditors· amounts falling due within one year**

| | 2013 £ | 2011 £ |
|---|---|---|
| Bank loans and overdrafts | 5,029,457 | 963,959 |
| Trade creditors | 8,631,593 | 754,887 |
| Corporation tax | - | 66,781 |
| Other taxes and social security costs | 45,635 | 38,700 |
| Other creditors | 29,122 | 420,645 |
| Accruals and deferred income | 298,590 | 151,745 |
| | 14,034,397 | 2,396,717 |

The aggregate amount of creditors for which security has been given amounted to £5,029,457 (2011 - £963,959)

**11 Creditors· amounts falling due after more than one year**

| | 2013 £ | 2011 £ |
|---|---|---|
| Other loans | 1,590,000 | 210,000 |
| **Analysis of loans** | | |
| Wholly repayable within five years | 1,590,000 | 210,000 |
| | 1,590,000 | 210,000 |
| **Loan maturity analysis** | | |
| In more than two years but not more than five years | 1,590,000 | 210,000 |

Other loans represents directors' loans, as disclosed in note 19

**12 Pension and other post-retirement benefit commitments**

**Defined contribution**

The company operates a defined contribution pension scheme The assets of the scheme are held separately from those of the company in an independently administered fund The pension cost charge represents the following

| | 2013 £ | 2011 £ |
|---|---|---|
| Contributions payable by the company for the period | 181,583 | 494 |

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
*FOR THE PERIOD ENDED 31 MARCH 2013*

| 13 Share capital | 2013 £ | 2011 £ |
|---|---|---|
| **Allotted, called up and fully paid** | | |
| 50,000 Ordinary shares of £1 each | 50,000 | 50,000 |

**14 Statement of movements on profit and loss account**

| | Profit and loss account £ |
|---|---|
| Balance at 1 January 2012 | 669,115 |
| Profit for the period | 527,592 |
| Dividends paid | (414,000) |
| Balance at 31 March 2013 | 782,707 |

| 15 Reconciliation of movements in shareholders' funds | 2013 £ | 2011 £ |
|---|---|---|
| Profit for the financial period | 527,592 | 543,391 |
| Dividends | (414,000) | (327,000) |
| Net addition to shareholders' funds | 113,592 | 216,391 |
| Opening shareholders' funds | 719,115 | 502,724 |
| Closing shareholders' funds | 832,707 | 719,115 |

## 16 Directors' remuneration

| | 2013 £ | 2011 £ |
|---|---|---|
| Remuneration for qualifying services | 446,340 | 28,761 |
| Company pension contributions to defined contribution schemes | 145,833 | - |
| | 592,173 | 28,761 |

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2011 - 2)

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

| | | |
|---|---|---|
| Remuneration for qualifying services | 158,847 | 25,137 |

## 17 Employees

**Number of employees**

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

| | 2013 Number | 2011 Number |
|---|---|---|
| Administration | 10 | 7 |
| Sales / other | 64 | 28 |
| | 74 | 35 |

| **Employment costs** | 2013 £ | 2011 £ |
|---|---|---|
| Wages and salaries | 2,099,999 | 868,968 |
| Social security costs | 125,595 | 72,620 |
| Other pension costs | 181,583 | 494 |
| | 2,407,177 | 942,082 |

## 18 Control

The company's ultimate parent undertaking is A I T Travel Limited, a company incorporated in England and Wales

The parent undertaking of the largest group for which consolidated accounts are available is A I T Travel Limited The parent undertaking of the smallest group for which consolidated accounts are available is Alpha-Omega (Travel) Limited Consolidated accounts are available from Companies House, Crown Way, Cardiff, CF14 3UZ

## 19 Related party relationships and transactions

**Loans to directors**
The following directors had loans during the period The movement on these loans are as follows

| Description | % Rate | Opening Balance £ | Amounts Advanced £ | Interest Charged £ | Amounts Repaid £ | Closing Balance £ |
|---|---|---|---|---|---|---|
| I C Wotton | 4 00 | 70,000 | 2,080,000 | 40,878 | (1,660,878) | 530,000 |
| A F Webster | 4 00 | 70,000 | 2,080,000 | 40,878 | (1,660,878) | 530,000 |
| A S Shawe | 4 00 | 70,000 | 2,080,000 | 40,880 | (1,660,880) | 530,000 |
| | | 210,000 | 6,240,000 | 122,636 | (4,982,636) | 1,590,000 |

The above balances are included within Creditors amounts falling due after more than one year, other loans

**Other transactions**
Transactions with group companies

The company has taken advantage of the exemption in Financial Reporting Standard Number 8 from the requirement to disclose transactions with group companies on the ground that consolidated financial statements are prepared by the ultimate parent company

A I T Yorkshire Limited

During the year the company was charged rent amounting to £23,683 (2011 - £75,821) by A I T Yorkshire Limited, a company in which the directors of this company are directors and shareholders The company also purchased freehold buildings from A I T Yorkshire Limited amounting to their market value of £624,489