

REGISTERED NUMBER: 01472055 (England and Wales)

**REPORT OF THE DIRECTORS AND  
AUDITED  
CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2011  
FOR  
SPECIALISED TRAVEL LIMITED**

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**SPECIALISED TRAVEL LIMITED (REGISTERED NUMBER: 01472055)**

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FOR THE YEAR ENDED 31 DECEMBER 2011**

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**SPECIALISED TRAVEL LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 DECEMBER 2011**

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**DIRECTORS:** R N Savage  
K Aljinovic  
N Barrand  
C M J Hall

**SECRETARY:** R N Savage

**REGISTERED OFFICE:** 12-15 Hanger Green  
London  
W5 3EL

**REGISTERED NUMBER:** 01472055 (England and Wales)

**AUDITORS:** THP Limited  
Chartered Accountants  
and Registered Auditors  
Turnbull House  
226 Mulgrave Road  
Cheam  
Sutton  
Surrey  
SM2 6JT

**BANKERS:** Lloyds TSB  
160-162 High Street  
Acton  
W3 6RA

**SPECIALISED TRAVEL LIMITED (REGISTERED NUMBER: 01472055)**

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 DECEMBER 2011**

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The directors present their report with the financial statements of the company and the group for the year ended 31 December 2011

**PRINCIPAL ACTIVITY**

The principal activity of the group in the year under review was that of travel agents providing group and individual travel arrangements to both leisure and business travellers

**REVIEW OF BUSINESS**

The group's main activities are organised into four divisions

- Business and private travel
- Group travel for professional ensemble
- Concert tours for amateur groups
- Opera and music related holidays

Overall group turnover for the year was up by 7% compared to 2010 and 3% above budgeted projections

The group business and private travel sector remains a difficult and highly competitive market and turnover dropped slightly by 1% on 2010

Group travel sector was down 8% on 2010 The reduction had been anticipated and costs were scaled accordingly

Concert tours had an excellent year, much of which related to a sharp increase in the volume of inbound tours from the United States Turnover in this area had more than doubled from 2010

The opera and music related holidays sector performed well with turnover down by 1% on 2010 Repeat business was up on 2010 levels and one off activities responsible for the reduction in volume

The group's strategy was to concentrate on improving gross profit levels and 2011 showed further progress in this area with a 0 30% increase which, given the general market conditions, was an good return

The French subsidiary Specialised Travel Paris SCI, which owns an apartment in Paris, continued to be seen as a good investment as property values in that arrondissement have continued to rise It also provides a useful base for Directors to conduct business in France

The group returned a consolidated profit for the year of £7,777 (2010 Profit £27,249) The Directors view is that the financial position of the group remains sound and that it is well positioned to take advantage of any opportunities that should arise

**DIVIDENDS**

The total distribution of dividends for the year ended 31 December 2011 was £Nil (2010 £11,000)

**FUTURE DEVELOPMENTS**

Following a further year of consolidation in terms of the market and its stability the group believes it retains both the financial and human resources necessary to continue to succeed in its chosen niches through the continuing economic uncertainty

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2011 to the date of this report

R N Savage  
K Aljinovic  
N Barrand  
C M J Hall

Other changes in directors holding office are as follows

J Gordon-Jones - resigned on 31 March 2011

D Beaumont - resigned on 28 March 2012

**CHARITABLE CONTRIBUTIONS**

The group made charitable donations during the year of £Nil (2010 £400)

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 DECEMBER 2011**

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**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors 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 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 and the group'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 AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

**AUDITORS**

The auditors, THP Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**



R N Savage - Secretary

14 June 2012

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
SPECIALISED TRAVEL LIMITED**

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We have audited the financial statements of Specialised Travel Limited for the year ended 31 December 2011 on pages five to twenty four. 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 a Report of the Auditors 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 Statement of Directors' Responsibilities set out on page three, 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 group's and the parent 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 Report of the Directors 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 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 2011 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

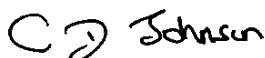
**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**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



Christopher Johnson FCA (Senior Statutory Auditor)  
for and on behalf of THP Limited  
Chartered Accountants  
and Registered Auditors  
Turnbull House  
226 Mulgrave Road  
Cheam  
Sutton  
Surrey  
SM2 6JT

14 June 2012

**SPECIALISED TRAVEL LIMITED (REGISTERED NUMBER: 01472055)**

**CONSOLIDATED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2011**

	Notes	2011 £	2010 £
<b>TURNOVER</b>	2	<b>13,522,523</b>	12,666,786
Cost of sales		<u>11,540,726</u>	<u>10,849,259</u>
<b>GROSS PROFIT</b>		<b>1,981,797</b>	1,817,527
Administrative expenses		<u>2,009,357</u>	<u>1,799,646</u>
		<b>(27,560)</b>	17,881
Other operating income		<u>42,924</u>	<u>14,838</u>
<b>OPERATING PROFIT</b>	4	<b>15,364</b>	32,719
Interest receivable and similar income		<u>5,453</u>	<u>2,850</u>
		<b>20,817</b>	35,569
Interest payable and similar charges	5	<u>7,284</u>	<u>8,320</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>13,533</b>	27,249
Tax on profit on ordinary activities	6	<u>13,362</u>	<u>14,789</u>
<b>PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION</b>		<b>171</b>	12,460
Minority interest - equity		<u>(3,650)</u>	<u>(869)</u>
<b>RETAINED PROFIT FOR THE FINANCIAL YEAR FOR THE GROUP</b>		<u><b>3,821</b></u>	<u>13,329</u>

**CONTINUING OPERATIONS**

None of the group's activities were acquired or discontinued during the current year or previous year

The notes form part of these financial statements

**SPECIALISED TRAVEL LIMITED (REGISTERED NUMBER: 01472055)**

**CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES  
FOR THE YEAR ENDED 31 DECEMBER 2011**

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	2011 £	2010 £
<b>PROFIT FOR THE FINANCIAL YEAR</b>	<b>3,821</b>	13,329
Exchange adjustments	<u>444</u>	<u>769</u>
<b>TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR</b>	<b><u>4,265</u></b>	<b><u>14,098</u></b>

The notes form part of these financial statements

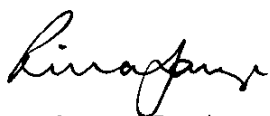


**SPECIALISED TRAVEL LIMITED (REGISTERED NUMBER: 01472055)**

**CONSOLIDATED BALANCE SHEET  
31 DECEMBER 2011**

	Notes	2011		2010	
		£	£	£	£
<b>FIXED ASSETS</b>					
Intangible assets	9		-		35,713
Tangible assets	10		<b>849,049</b>		909,776
Investments	11		-		-
			<b>849,049</b>		945,489
<b>CURRENT ASSETS</b>					
Debtors	12	<b>1,040,955</b>		1,056,779	
Investments	13	<b>13,073</b>		13,073	
Cash at bank and in hand		<b>1,763,119</b>		<b>1,365,172</b>	
		<b>2,817,147</b>		2,435,024	
<b>CREDITORS</b>					
Amounts falling due within one year	14	<b>2,600,756</b>		<b>2,278,563</b>	
<b>NET CURRENT ASSETS</b>			<b>216,391</b>		156,461
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>1,065,440</b>		1,101,950
<b>CREDITORS</b>					
Amounts falling due after more than one year	15		<b>(226,305)</b>		(257,026)
<b>PROVISIONS FOR LIABILITIES</b>	19		-		(1,208)
<b>MINORITY INTERESTS</b>	20		<b>(191,709)</b>		<b>(200,555)</b>
<b>NET ASSETS</b>			<b>647,426</b>		<b>643,161</b>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	21		<b>145,000</b>		145,000
Profit and loss account	22		<b>502,426</b>		<b>498,161</b>
<b>SHAREHOLDERS' FUNDS</b>	28		<b>647,426</b>		<b>643,161</b>

The financial statements were approved by the Board of Directors on 14 June 2012 and were signed on its behalf by



R N Savage - Director

The notes form part of these financial statements

**SPECIALISED TRAVEL LIMITED (REGISTERED NUMBER: 01472055)**

**COMPANY BALANCE SHEET  
31 DECEMBER 2011**

	Notes	2011		2010	
		£	£	£	£
<b>FIXED ASSETS</b>					
Intangible assets	9		-		35,713
Tangible assets	10		<b>84,264</b>		109,299
Investments	11		<b><u>661,563</u></b>		<u>677,719</u>
			<b>745,827</b>		822,731
<b>CURRENT ASSETS</b>					
Debtors	12	<b>1,040,258</b>		1,048,589	
Investments	13	<b>13,073</b>		13,073	
Cash at bank and in hand		<b><u>1,759,358</u></b>		<u>1,361,031</u>	
		<b>2,812,689</b>		2,422,693	
<b>CREDITORS</b>					
Amounts falling due within one year	14	<b><u>2,598,871</u></b>		<u>2,269,064</u>	
<b>NET CURRENT ASSETS</b>			<b><u>213,818</u></b>		<u>153,629</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>959,645</b>		976,360
<b>CREDITORS</b>					
Amounts falling due after more than one year	15		<b>(260,407)</b>		(291,127)
<b>PROVISIONS FOR LIABILITIES</b>	19		<b>-</b>		<u>(1,208)</u>
<b>NET ASSETS</b>			<b><u>699,238</u></b>		<u>684,025</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	21		<b>145,000</b>		145,000
Profit and loss account	22		<b><u>554,238</u></b>		<u>539,025</u>
<b>SHAREHOLDERS' FUNDS</b>	28		<b><u>699,238</u></b>		<u>684,025</u>

The financial statements were approved by the Board of Directors on 14 June 2012 and were signed on its behalf by

  
R N Savage Director

The notes form part of these financial statements

**SPECIALISED TRAVEL LIMITED (REGISTERED NUMBER: 01472055)**

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2011**

	Notes	2011 £	2010 £
<b>Net cash inflow from operating activities</b>	1	<b>439,026</b>	<b>274,874</b>
<b>Returns on investments and servicing of finance</b>	2	<b>(1,831)</b>	<b>(5,470)</b>
<b>Taxation</b>		<b>(20,467)</b>	<b>(9,863)</b>
<b>Capital expenditure</b>	2	<b>(8,447)</b>	<b>(21,214)</b>
<b>Equity dividends paid</b>		<b>-</b>	<b>(11,000)</b>
		<b>408,281</b>	<b>227,327</b>
<b>Financing</b>	2	<b>(10,334)</b>	<b>(3,314)</b>
<b>Increase in cash in the period</b>		<b><u>397,947</u></b>	<b><u>224,013</u></b>

**Reconciliation of net cash flow to movement in net funds**

	3		
Increase in cash in the period		<b>397,947</b>	224,013
Cash outflow from decrease in debt and lease financing		<b><u>38,419</u></b>	<u>37,075</u>
Change in net funds resulting from cash flows		<b><u>436,366</u></b>	<u>261,088</u>
<b>Movement in net funds in the period</b>		<b>436,366</b>	261,088
<b>Net funds at 1 January</b>		<b><u>1,093,348</u></b>	<u>832,260</u>
<b>Net funds at 31 December</b>		<b><u>1,529,714</u></b>	<u>1,093,348</u>

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2011

## 1 RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2011 £	2010 £
Operating profit	15,364	32,719
Depreciation charges	83,854	91,403
Loss on disposal of fixed assets	-	3,699
Decrease/(increase) in debtors	16,949	(131,115)
Increase in creditors	<u>322,859</u>	<u>278,168</u>
<b>Net cash inflow from operating activities</b>	<b><u>439,026</u></b>	<b><u>274,874</u></b>

## 2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2011 £	2010 £
<b>Returns on investments and servicing of finance</b>		
Interest received	5,453	2,850
Interest paid	(6,256)	(5,557)
Interest element of hire purchase payments	<u>(1,028)</u>	<u>(2,763)</u>
<b>Net cash outflow for returns on investments and servicing of finance</b>	<b><u>(1,831)</u></b>	<b><u>(5,470)</u></b>
<b>Capital expenditure</b>		
Purchase of tangible fixed assets	(8,447)	(30,205)
Sale of tangible fixed assets	<u>-</u>	<u>8,991</u>
<b>Net cash outflow for capital expenditure</b>	<b><u>(8,447)</u></b>	<b><u>(21,214)</u></b>
<b>Financing</b>		
Capital repayments in year	(9,395)	(3,458)
Amount introduced by directors	-	11,000
Amount withdrawn by directors	<u>(939)</u>	<u>(10,856)</u>
<b>Net cash outflow from financing</b>	<b><u>(10,334)</u></b>	<b><u>(3,314)</u></b>

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2011**

**3 ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.1.11 £	Cash flow £	At 31.12.11 £
Net cash			
Cash at bank and in hand	<u>1,365,172</u>	<u>397,947</u>	<u>1,763,119</u>
	<u>1,365,172</u>	<u>397,947</u>	<u>1,763,119</u>
Liquid resources			
Current asset investments	<u>13,073</u>	<u>-</u>	<u>13,073</u>
	<u>13,073</u>	<u>-</u>	<u>13,073</u>
Debt			
Hire purchase	(16,426)	9,395	(7,031)
Debts falling due within one year	(22,849)	575	(22,274)
Debts falling due after one year	<u>(245,622)</u>	<u>28,449</u>	<u>(217,173)</u>
	<u>(284,897)</u>	<u>38,419</u>	<u>(246,478)</u>
Total	<u>1,093,348</u>	<u>436,366</u>	<u>1,529,714</u>

The notes form part of these financial statements

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2011**

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**1 ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and are in accordance with applicable accounting standards

**Basis of consolidation**

The group profit and loss account and balance sheet consist of the financial statements of the parent company and its subsidiary undertakings ,

- Specialised Travel (C O A ) Limited
- Blair Travel & Leisure Limited
- Travel For The Arts Limited
- Specialised Travel Paris SCI

for the year ended 31 December 2011

No profit and loss account is presented for the parent company as permitted by Section 408 of the Companies Act 2006

**Turnover**

Turnover represents the invoiced value of services provided, stated net of value added tax, and is recognised by reference to date of departure

Income that is invoiced within the year but relates to a date of departure after the year end is deferred on the balance sheet and included within creditors

**Goodwill**

Goodwill, being the amount paid in connection with the acquisition of a business in 2002, has been fully amortised over its expected useful life of ten years. The directors believe that there remains a value in the branding of the acquired business and accordingly goodwill is retained in the accounts

**Tangible fixed assets**

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

Freehold land	-	not depreciated
Freehold buildings	-	straight line over 50 years
Office Equipment	-	20% on cost
Fixtures and fittings	-	20% on cost
Motor Vehicles	-	25% reducing balance
Computer hardware and software	-	33% on cost and 20% on cost

Depreciation charges are calculated from the month of acquisition

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date

Deferred tax assets are recognised to the extent that they are recoverable against future trading profit, on the basis of all available evidence. Provision is made at the prevailing tax rates in respect of all material timing differences

**Foreign currencies**

Monetary assets and liabilities denominated in a foreign currency are translated into sterling at the foreign exchange rates ruling at the balance sheet date. Fixed assets are translated into sterling at the rates ruling on the date of acquisition as adjusted for any profits or losses from related financial instruments. Revenue and expenses in foreign currencies are recorded in sterling at the average rate for the financial year, in accordance with SSAP 20

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2011

1 ACCOUNTING POLICIES - continued

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet and depreciated over their estimated useful lives

The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease

**Pension costs and other post-retirement benefits**

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to the profit and loss account in the period to which they relate

2 TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the group

An analysis of turnover by geographical market is given below

	2011 £	2010 £
United Kingdom	9,751,532	9,901,321
Europe	547,255	299,081
United States of America	2,491,284	1,128,339
South America	72,246	50,867
Asia	596,766	1,195,464
Africa	63,440	91,714
	<u>13,522,523</u>	<u>12,666,786</u>

3 STAFF COSTS

	2011 £	2010 £
Wages and salaries	973,648	768,456
Social security costs	115,925	85,352
Other pension costs	41,586	38,654
	<u>1,131,159</u>	<u>892,462</u>

The average monthly number of employees during the year was as follows

	2011	2010
Operational	24	20
Administration	<u>5</u>	<u>5</u>
	<u>29</u>	<u>25</u>

4 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	2011 £	2010 £
Operating leases - property	61,809	66,272
Depreciation - owned assets	41,643	38,329
Depreciation - assets on hire purchase contracts	6,498	17,362
Loss on disposal of fixed assets	-	3,699
Goodwill amortisation	35,713	35,712
Auditors' remuneration	18,750	18,250
Auditors' remuneration for non audit work	1,549	1,558
Foreign exchange differences	<u>(28,510)</u>	<u>65,661</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2011

<b>4</b>	<b>OPERATING PROFIT - continued</b>	<b>2011</b>	<b>2010</b>
		<b>£</b>	<b>£</b>
	Directors' remuneration	<b>336,017</b>	263,854
	Directors' pension contributions to money purchase schemes	<b><u>22,237</u></b>	<u>24,099</u>
	The number of directors to whom retirement benefits were accruing was as follows		
	Money purchase schemes	<b><u>6</u></b>	<u>6</u>
	Information regarding the highest paid director is as follows		
		<b>2011</b>	2010
		<b>£</b>	<b>£</b>
	Emoluments etc	<b>111,074</b>	68,833
	Pension contributions to money purchase schemes	<b><u>7,200</u></b>	<u>7,200</u>
<b>5</b>	<b>INTEREST PAYABLE AND SIMILAR CHARGES</b>	<b>2011</b>	2010
		<b>£</b>	<b>£</b>
	Bank interest	<b>62</b>	124
	Bank loan interest	<b>6,194</b>	5,433
	Hire purchase interest	<b><u>1,028</u></b>	<u>2,763</u>
		<b><u>7,284</u></b>	<u>8,320</u>
<b>6</b>	<b>TAXATION</b>		
	<b>Analysis of the tax charge</b>		
	The tax charge on the profit on ordinary activities for the year was as follows	<b>2011</b>	2010
		<b>£</b>	<b>£</b>
	Current tax		
	UK corporation tax	<b>15,695</b>	20,466
	Deferred tax		
	Origination and reversal of timing differences	<b><u>(2,333)</u></b>	<u>(5,677)</u>
	Tax on profit on ordinary activities	<b><u>13,362</u></b>	<u>14,789</u>
	<b>Factors affecting the tax charge</b>		
	The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below	<b>2011</b>	2010
		<b>£</b>	<b>£</b>
	Profit on ordinary activities before tax	<b><u>13,533</u></b>	<u>27,249</u>
	Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20.247% (2010 - 21%)	<b>2,740</b>	5,722
	Effects of		
	Expenses not deductible for tax purposes	<b>388</b>	675
	Depreciation in excess of capital allowances	<b><u>12,567</u></b>	<u>14,069</u>
	Current tax charge	<b><u>15,695</u></b>	<u>20,466</u>

The standard rate of corporation tax used above is determined by comparing the profits chargeable to corporation tax for the year with the corporation tax charged



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2011

7 **PROFIT OF PARENT COMPANY**

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £15,213 (2010 - £16,704)

8 **DIVIDENDS**

	2011 £	2010 £
"A" ordinary shares of £1 each Interim	<u>-</u>	<u>11,000</u>

9 **INTANGIBLE FIXED ASSETS**

<b>Group</b>	<b>Goodwill £</b>	
<b>COST</b>		
At 1 January 2011 and 31 December 2011		<u>357,142</u>
<b>AMORTISATION</b>		
At 1 January 2011		321,429
Amortisation for year		<u>35,713</u>
At 31 December 2011		<u>357,142</u>
<b>NET BOOK VALUE</b>		
At 31 December 2011		<u>-</u>
At 31 December 2010		<u>35,713</u>
 <b>Company</b>		
<b>COST</b>		
At 1 January 2011 and 31 December 2011		<u>357,142</u>
<b>AMORTISATION</b>		
At 1 January 2011		321,429
Amortisation for year		<u>35,713</u>
At 31 December 2011		<u>357,142</u>
<b>NET BOOK VALUE</b>		
At 31 December 2011		<u>-</u>
At 31 December 2010		<u>35,713</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2011

## 10 TANGIBLE FIXED ASSETS

Group	Freehold land and buildings £	Office equipment £	Fixtures and fittings £
<b>COST</b>			
At 1 January 2011	836,590	152,521	40,410
Additions	-	-	444
Exchange differences	(21,033)	-	-
At 31 December 2011	<u>815,557</u>	<u>152,521</u>	<u>40,854</u>
<b>DEPRECIATION</b>			
At 1 January 2011	36,113	123,269	37,876
Charge for year	14,659	9,532	1,396
At 31 December 2011	<u>50,772</u>	<u>132,801</u>	<u>39,272</u>
<b>NET BOOK VALUE</b>			
At 31 December 2011	<u>764,785</u>	<u>19,720</u>	<u>1,582</u>
At 31 December 2010	<u>800,477</u>	<u>29,252</u>	<u>2,534</u>
	Motor vehicles £	Computer hardware and software £	Totals £
<b>COST</b>			
At 1 January 2011	141,687	106,589	1,277,797
Additions	-	8,003	8,447
Exchange differences	-	-	(21,033)
At 31 December 2011	<u>141,687</u>	<u>114,592</u>	<u>1,265,211</u>
<b>DEPRECIATION</b>			
At 1 January 2011	76,367	94,396	368,021
Charge for year	16,330	6,224	48,141
At 31 December 2011	<u>92,697</u>	<u>100,620</u>	<u>416,162</u>
<b>NET BOOK VALUE</b>			
At 31 December 2011	<u>48,990</u>	<u>13,972</u>	<u>849,049</u>
At 31 December 2010	<u>65,320</u>	<u>12,193</u>	<u>909,776</u>

Included in cost of land and buildings is freehold land of £187,293 (2010 - £187,293) which is not depreciated

The net book value of tangible fixed assets includes £14,748 (2010 - £47,103) in respect of assets held under hire purchase contracts

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2011

## 10 TANGIBLE FIXED ASSETS - continued

## Company

	Office equipment £	Fixtures and fittings £	Motor vehicles £	Computer hardware and software £	Totals £
<b>COST</b>					
At 1 January 2011	152,521	40,410	141,687	106,589	441,207
Additions	-	444	-	8,003	8,447
At 31 December 2011	<u>152,521</u>	<u>40,854</u>	<u>141,687</u>	<u>114,592</u>	<u>449,654</u>
<b>DEPRECIATION</b>					
At 1 January 2011	123,269	37,876	76,367	94,396	331,908
Charge for year	9,532	1,396	16,330	6,224	33,482
At 31 December 2011	<u>132,801</u>	<u>39,272</u>	<u>92,697</u>	<u>100,620</u>	<u>365,390</u>
<b>NET BOOK VALUE</b>					
At 31 December 2011	<u>19,720</u>	<u>1,582</u>	<u>48,990</u>	<u>13,972</u>	<u>84,264</u>
At 31 December 2010	<u>29,252</u>	<u>2,534</u>	<u>65,320</u>	<u>12,193</u>	<u>109,299</u>

The net book value of tangible fixed assets includes £14,748 (2010 - £47,103) in respect of assets held under hire purchase contracts

## 11 FIXED ASSET INVESTMENTS

## Group

	Unlisted investments £
<b>COST</b>	
At 1 January 2011 and 31 December 2011	<u>20,000</u>
<b>PROVISIONS</b>	
At 1 January 2011 and 31 December 2011	<u>20,000</u>
<b>NET BOOK VALUE</b>	
At 31 December 2011	<u>-</u>
At 31 December 2010	<u>-</u>

## Company

	Shares in group undertakings £
<b>COST</b>	
At 1 January 2011	1,100,537
Disposals	(16,156)
At 31 December 2011	<u>1,084,381</u>
<b>PROVISIONS</b>	
At 1 January 2011 and 31 December 2011	<u>422,818</u>
<b>NET BOOK VALUE</b>	
At 31 December 2011	<u>661,563</u>
At 31 December 2010	<u>677,719</u>

**SPECIALISED TRAVEL LIMITED (REGISTERED NUMBER: 01472055)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2011**

**11 FIXED ASSET INVESTMENTS - continued**

The group or the company's investments at the balance sheet date in the share capital of companies include the following

**Subsidiaries**

**Specialised Travel (C.O.A.) Limited**

Nature of business Tour operator

	%		
Class of shares	holding		
Ordinary	100 00	<b>2011</b>	2010
		£	£
Aggregate capital and reserves		<b><u>35,000</u></b>	<u>35,000</u>

**Blair Travel & Leisure Limited**

Nature of business Dormant

	%		
Class of shares	holding		
Ordinary	50 00	<b>2011</b>	2010
		£	£
Aggregate capital and reserves		<b><u>2</u></b>	<u>2</u>

The remaining 50% of the share capital is owned by R N Savage

**Travel For The Arts Limited**

Nature of business Dormant

	%		
Class of shares	holding		
Ordinary	100 00	<b>2011</b>	2010
		£	£
Aggregate capital and reserves		<b><u>100</u></b>	<u>100</u>

**Specialised Travel Paris SCI**

Country of incorporation France

Nature of business Property investment and management

	%		
Class of shares	holding		
Capital Social	75 00	<b>2011</b>	2010
		£	£
Aggregate capital and reserves		<b><u>(68,349)</u></b>	<u>(53,751)</u>
Loss for the year		<b><u>(14,598)</u></b>	<u>(3,475)</u>

The remaining 25% of the share capital is owned by R N Savage

**12 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Trade debtors	974,134	992,243	974,134	992,243
Amounts owed by group undertakings	-	-	-	281
Other debtors	697	8,471	-	-
Deferred tax asset	1,125	-	1,125	-
Prepayments and accrued income	<u>64,999</u>	<u>56,065</u>	<u>64,999</u>	<u>56,065</u>
	<b><u>1,040,955</u></b>	<b><u>1,056,779</u></b>	<b><u>1,040,258</u></b>	<b><u>1,048,589</u></b>

**SPECIALISED TRAVEL LIMITED (REGISTERED NUMBER: 01472055)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2011**

**12 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued**

Deferred tax asset

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Accelerated capital allowances	<u>1,125</u>	<u>-</u>	<u>1,125</u>	<u>-</u>

**13 CURRENT ASSET INVESTMENTS**

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Listed investments	573	573	573	573
Other investment	<u>12,500</u>	<u>12,500</u>	<u>12,500</u>	<u>12,500</u>
	<u>13,073</u>	<u>13,073</u>	<u>13,073</u>	<u>13,073</u>

Market value of listed investments at 31 December 2011 held by the group and the company - £278

**14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Bank loan (see note 16)	22,274	22,849	22,274	22,849
Hire purchase contracts (see note 17)	6,490	9,395	6,490	9,395
Trade creditors	1,016,551	961,452	1,016,551	961,452
Corporation tax	15,694	20,466	15,694	20,466
Social security and other taxes	28,286	45,578	28,286	45,578
Other creditors	6,707	15,247	4,822	5,748
Directors' current accounts	-	939	-	939
Accruals and deferred income	<u>1,504,754</u>	<u>1,202,637</u>	<u>1,504,754</u>	<u>1,202,637</u>
	<u>2,600,756</u>	<u>2,278,563</u>	<u>2,598,871</u>	<u>2,269,064</u>

**15 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Bank loan (see note 16)	217,173	245,622	217,173	245,622
Hire purchase contracts (see note 17)	541	7,031	541	7,031
Trade creditors	8,591	4,373	8,591	4,373
Amounts owed to group undertakings	-	-	34,102	34,101
	<u>226,305</u>	<u>257,026</u>	<u>260,407</u>	<u>291,127</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2011

## 16 LOANS

An analysis of the maturity of loans is given below

	Group		Company	
	2011 £	2010 £	2011 £	2010 £
Amounts falling due within one year or on demand Bank loan	<u>22,274</u>	<u>22,849</u>	<u>22,274</u>	<u>22,849</u>
Amounts falling due between one and two years Bank loan	<u>22,274</u>	<u>22,849</u>	<u>22,274</u>	<u>22,849</u>
Amounts falling due between two and five years Bank loan	<u>66,822</u>	<u>68,546</u>	<u>66,822</u>	<u>68,546</u>
Amounts falling due in more than five years Repayable by instalments Bank loan	<u>128,077</u>	<u>154,227</u>	<u>128,077</u>	<u>154,227</u>

The loan is repayable in 180 consecutive equal monthly instalments. Interest is charged at 1.5% per annum above the bank's Euribor rate and is added to the monthly repayment of principal.

## 17 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES

## Group

	Hire purchase contracts	
	2011 £	2010 £
Gross obligations repayable		
Within one year	<u>7,195</u>	<u>10,423</u>
Between one and five years	<u>600</u>	<u>7,795</u>
	<u>7,795</u>	<u>18,218</u>
Finance charges repayable		
Within one year	<u>705</u>	<u>1,028</u>
Between one and five years	<u>59</u>	<u>764</u>
	<u>764</u>	<u>1,792</u>
Net obligations repayable		
Within one year	<u>6,490</u>	<u>9,395</u>
Between one and five years	<u>541</u>	<u>7,031</u>
	<u>7,031</u>	<u>16,426</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2011

## 17 OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS AND LEASES - continued

## Company

	Hire purchase contracts	
	2011 £	2010 £
Gross obligations repayable		
Within one year	<b>7,195</b>	10,423
Between one and five years	<u>600</u>	<u>7,795</u>
	<b><u>7,795</u></b>	<b><u>18,218</u></b>
Finance charges repayable		
Within one year	<b>705</b>	1,028
Between one and five years	<u>59</u>	<u>764</u>
	<b><u>764</u></b>	<b><u>1,792</u></b>
Net obligations repayable		
Within one year	<b>6,490</b>	9,395
Between one and five years	<u>541</u>	<u>7,031</u>
	<b><u>7,031</u></b>	<b><u>16,426</u></b>

The following operating lease payments are committed to be paid within one year

## Group

	Land and buildings		Other operating leases	
	2011 £	2010 £	2011 £	2010 £
Expiring				
Within one year	<b>770</b>	616	<b>4,582</b>	2,280
Between one and five years	-	-	<b>5,922</b>	7,120
In more than five years	<u>56,706</u>	<u>56,706</u>	-	-
	<b><u>57,476</u></b>	<b><u>57,322</u></b>	<b><u>10,504</u></b>	<b><u>9,400</u></b>

## Company

	Land and buildings		Other operating leases	
	2011 £	2010 £	2011 £	2010 £
Expiring				
Within one year	<b>770</b>	616	<b>4,582</b>	2,280
Between one and five years	-	-	<b>5,922</b>	7,120
In more than five years	<u>56,706</u>	<u>56,706</u>	-	-
	<b><u>57,476</u></b>	<b><u>57,322</u></b>	<b><u>10,504</u></b>	<b><u>9,400</u></b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2011

18 SECURED DEBTS

The following secured debts are included within creditors

	Group		Company	
	2011 £	2010 £	2011 £	2010 £
Hire purchase contracts	7,031	16,426	7,031	16,426
Bank loan	<u>239,447</u>	<u>268,471</u>	<u>239,447</u>	<u>268,471</u>
	<u>246,478</u>	<u>284,897</u>	<u>246,478</u>	<u>284,897</u>

The bank loan is secured on the assets of R N Savage and C M J Hall

The hire purchase debt is secured on the relevant fixed asset

19 PROVISIONS FOR LIABILITIES

	Group		Company	
	2011 £	2010 £	2011 £	2010 £
Deferred tax				
Accelerated capital allowances	<u>-</u>	<u>1,208</u>	<u>-</u>	<u>1,208</u>
<b>Group</b>				
				Deferred tax £
Balance at 1 January 2011				1,208
Transfer to profit and loss account				(2,333)
Balance at 31 December 2011				<u>(1,125)</u>
<b>Company</b>				
				Deferred tax £
Balance at 1 January 2011				1,208
Transfer to profit and loss account				(2,333)
Balance at 31 December 2011				<u>(1,125)</u>

20 MINORITY INTERESTS

Equity minority interests represent the share of the profits less losses on ordinary activities attributable to the interests of equity shareholders in subsidiaries which are not wholly owned by the group

21 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid Number	Class	Nominal value	2011 £	2010 £
142,000	"A" ordinary	£1	142,000	142,000
3,000	"B" ordinary	£1	<u>3,000</u>	<u>3,000</u>
			<u>145,000</u>	<u>145,000</u>



**22 RESERVES**

**Group**

	<b>Profit and loss account £</b>
At 1 January 2011	<b>498,161</b>
Profit for the year	<b>3,821</b>
Exchange adjustments	<b>444</b>
	<b><u>502,426</u></b>

**Company**

	<b>Profit and loss account £</b>
At 1 January 2011	<b>539,025</b>
Profit for the year	<b>15,213</b>
	<b><u>554,238</u></b>

**23 PENSION COMMITMENTS**

The group makes contributions to the Specialised Travel Group Stakeholder Scheme, a defined contribution pension scheme, the assets of which are held separately from those of the company in an independently administered fund. The cost of contributions to the scheme amounted to £41,586 (2010 £38,654). Contributions outstanding at the balance sheet date amounted to £4,822 (2010 £5,748).

**24 CONTINGENT LIABILITIES**

Guarantees have been given to the bank in respect of the bonding requirements of industry regulatory bodies amounting to £286,036 (2010 £341,506). These guarantees are secured by a charge over the personal assets of a director.

**25 TRANSACTIONS WITH DIRECTORS**

At the year end R N Savage owed the company £Nil (2010 £407) for services provided which were made under normal commercial terms, these amounts are included within trade debtors, note 12.

At the year end K Aljinovic owed the company £313 (2010 owed by the company £67) for services provided which were made under normal commercial terms, these amounts are included within trade debtors note 12 (2010 creditors, note 14).

At the year end J Gordon-Jones owed the company £Nil (2010 £2,524) for services provided which were made under normal commercial terms, these amounts are included within trade debtors, note 12.

At the year end D Beaumont owed the company £1,787 (2010 £609) for services provided which were made under normal commercial terms, these amounts are included within trade debtors, note 12.

**26 RELATED PARTY DISCLOSURES**

The director R N Savage received dividends of £Nil (2010 £11,000) during the year.

The group made at arms length flight sales to The Tenebrae Choir of £12,015, a company in which R N Savage became a director in May 2011.

**27 ULTIMATE CONTROLLING PARTY**

The company and group were controlled by R N Savage throughout the period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2011

28 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

<b>Group</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Profit for the financial year	<b>3,821</b>	13,329
Dividends	<u>-</u>	<u>(11,000)</u>
	<b>3,821</b>	2,329
Other recognised gains and losses relating to the year (net)	<u>444</u>	<u>769</u>
<b>Net addition to shareholders' funds</b>	<b>4,265</b>	3,098
Opening shareholders' funds	<u>643,161</u>	<u>640,063</u>
<b>Closing shareholders' funds</b>	<u>647,426</u>	<u>643,161</u>
<b>Company</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Profit for the financial year	<b>15,213</b>	16,704
Dividends	<u>-</u>	<u>(11,000)</u>
	<b>15,213</b>	5,704
<b>Net addition to shareholders' funds</b>	<b>15,213</b>	5,704
Opening shareholders' funds	<u>684,025</u>	<u>678,321</u>
<b>Closing shareholders' funds</b>	<u>699,238</u>	<u>684,025</u>