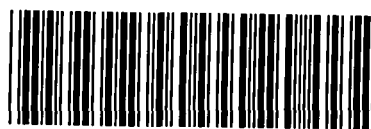


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Registered number
01480303

Statesman Travel Services Limited
Report and Financial Statements
31 December 2018

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Statesman Travel Services Limited
Report and financial statements
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Statesman Travel Services Limited
Company Information

Directors

M J Williamson
K M O'Malley
T Fleming

Secretary

M J Williamson

Auditors

Nexia Smith & Williamson
25 Moorgate
London
EC2R 6AY

Registered office

Senator House
85 Queen Victoria Street
London
EC4V 4AB

Registered number

01480303

Statesman Travel Services Limited
Registered number: 01480303
Directors' Report

The directors present their report and financial statements for the year ended 31 December 2018.

Principal activities

The Company's principal activity during the year was that of travel agents and tour operators. The profit for the year of the Company after taxation was £711,447 (2017: £671,034).

Future developments

Statesman Travel Services Limited remains financially secure and well placed to grow over the next 2 years. Our values and continued investment in our people, our technology and our infrastructure will keep Statesman's "total travel service" at the forefront of the travel management community.

Directors

The following persons served as directors during the year:

M J Williamson
K M O'Malley
T Fleming

Disclosure of information to auditors

Each person who was a director at the time this report was approved confirms that:

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

This information is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Auditor

A resolution to re-appoint the auditor, Nexia Smith & Williamson, will be proposed at the next Annual General Meeting.

Small companies' exemption

The above report has been prepared taking advantage of the small companies' exemption of section 415A of the Companies Act 2006.

This report was approved by the board on 21 March 2019 and signed by its order.



M J Williamson
Director

Statesman Travel Services Limited

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 Accounting Standards (Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and republic of Ireland". 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 estimates that are reasonable and prudent; and
- 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.

Statesman Travel Services Limited
Independent auditors' report
to the members of Statesman Travel Services Limited

Opinion

We have audited the financial statements of Statesman Travel Services Limited (the 'Company') for the year ended 31 December 2018 which comprise Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and the notes to the financial statements, including a summary of significant accounting policies. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusion relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the Report and Financial Statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with those financial statements; and
- the Directors' Report have been prepared in accordance with applicable legal requirements.

Statesman Travel Services Limited
Independent auditors' report
to the members of Statesman Travel Services Limited

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Stephen Drew
Senior Statutory Auditor, for and on behalf of
Nexia Smith & Williamson
Statutory Auditor
Chartered Accountants

25 Moorgate
London
EC2R 6AY

21 March 2019

Statesman Travel Services Limited
Statement of Comprehensive Income
for the year ended 31 December 2018

	Notes	2018 £	2017 £
Turnover	2	2,409,466	2,330,605
Administrative expenses		(1,519,183)	(1,481,307)
Operating profit	3	<u>890,283</u>	<u>849,298</u>
Interest receivable	5	1,019	14
Interest payable	6	(90)	-
Profit before taxation		<u>891,212</u>	<u>849,312</u>
Tax on profit on ordinary activities	7	(179,765)	(178,278)
Profit and total comprehensive income for the year		<u>711,447</u>	<u>671,034</u>

There was no other comprehensive income for the financial year, (2017: £nil).
The notes on pages 9 to 16 form part of these financial statements.

Statesman Travel Services Limited
Statement of Financial Position
as at 31 December 2018

	Notes	2018 £	2017 £
Fixed assets			
Intangible assets	8	271,721	313,001
Tangible assets	9	94,029	18,149
		<u>365,750</u>	<u>331,150</u>
Current assets			
Debtors	10	6,299,691	5,883,164
Cash at bank and in hand		1,911,313	1,147,792
		<u>8,211,004</u>	<u>7,030,956</u>
Creditors: amounts falling due within one year	11	<u>(3,877,093)</u>	<u>(3,383,223)</u>
Net current assets		<u>4,333,911</u>	<u>3,647,733</u>
Total assets less current liabilities		<u>4,699,661</u>	<u>3,978,883</u>
Provisions for liabilities	12	<u>(5,678)</u>	<u>3,653</u>
Net assets		<u>4,693,983</u>	<u>3,982,536</u>
Capital and reserves			
Called up share capital	13	550,000	550,000
Profit and loss account	14	4,143,983	3,432,536
Total equity		<u>4,693,983</u>	<u>3,982,536</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime as set out within part 15 of the Companies Act 2006.

The financial statements were approved by the board on 21 March 2019 and were signed on its behalf by:

M J Williamson
Director



Registered number: 01480303 England and Wales

The notes on pages 9 to 16 form part of these financial statements.

Statesman Travel Services Limited
Statement of Changes in Equity
for the years ended 31 December 2018 and 31 December 2017

	Share capital £	Profit and loss account £	Total £
At 1 January 2017	550,000	2,761,502	3,311,502
Profit for the financial year	-	671,034	671,034
At 31 December 2017	<u>550,000</u>	<u>3,432,536</u>	<u>3,982,536</u>
At 1 January 2018	550,000	3,432,536	3,982,536
Profit for the financial year	-	711,447	711,447
At 31 December 2018	<u>550,000</u>	<u>4,143,983</u>	<u>4,693,983</u>

The notes on pages 9 to 16 form part of these financial statements.

Statesman Travel Services Limited
Notes to the financial statements
for the year ended 31 December 2018

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102, "The Financial Reporting Standard applicable in the UK and Republic of Ireland" as applied in the context of the small entities regime.

The legal form of the entity and the registered office can be found in note 19.

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets in accordance with the company's accounting policies.

The financial statements have been prepared on a going concern basis.

Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received, excluding discounts, rebates, value added tax and other sales taxes. Having considered the nature of the business the directors believe the Company to act as agents. The following criteria must also be met before revenue is recognised:

Rendering of Services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably, and;
- the costs incurred and the costs to complete the contract can be measured reliably.

Statesman Travel Services Limited
Notes to the financial statements
for the year ended 31 December 2018

Intangible fixed assets

Intangible fixed assets are measured at cost less accumulative amortisation and any accumulative impairment losses.

Brand and customer relationships are recognised when acquired as part of a business combination at the fair value at the date of acquisition. They are subsequently amortised over their estimated useful life of:

- Brands 2 years
- Customer relationships 10 years

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Leasehold land and buildings	20%
Fixtures, fittings & office equipment	15% - 25%

Financial instruments

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the company becomes a party to the contractual provisions of the instrument.

Trade and other debtors and creditors are classified as basic financial instruments and measured at initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the company will not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank, short-term bank deposits with an original maturity of three months or less and bank overdrafts which are an integral part of the company's cash management.

Financial liabilities and equity instruments issued by the company are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

Interest bearing bank loans, overdrafts and other loans which meet criteria to be classified as basic financial instruments are initially recorded at the present value of cash payable to the bank, which is ordinarily equal to the proceeds received net of direct issue costs. These liabilities are subsequently measured at amortised cost, using the effective interest rate method.

Statesman Travel Services Limited
Notes to the financial statements
for the year ended 31 December 2018

Taxation

The tax expense represents the sum of the tax currently payable and any deferred tax.

The current tax charge is based on the taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the Statement of Financial Position date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the Statement of Financial Position date where transactions or events that result in an obligation to pay more tax in future or a right to pay less tax in the future have occurred at the Statement of Financial Position date.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred tax assets and liabilities are not recognised if the timing differences arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities, when they relate to income taxes levied by the same taxation authority and the company intends to settle on a net basis.

Foreign currency translation

Transactions in foreign currencies are initially recognised at the rate of exchange ruling at the date of the transaction. At the end of each reporting period foreign currency monetary items are translated at the closing rate of exchange. Non-monetary items that are measured at historical cost are translated at the rate ruling at the date of the transaction. All differences are charged to profit or loss.

Employee benefits

Contributions to defined contribution pension schemes are expensed in the period to which they relate. Differences between contributions payable in the year and those actually paid are shown as either accruals or prepayments in the Statement of Financial Position. Short term employee benefits including holiday pay and annual bonuses are accrued as services rendered.

2 Turnover	2018	2017
	£	£
Gross turnover	46,145,994	44,715,365
Cost of sales	(43,736,528)	(42,384,760)
Net turnover	<u>2,409,466</u>	<u>2,330,605</u>

Statesman Travel Services Limited
Notes to the financial statements
for the year ended 31 December 2018

3 Profit before taxation	2018	2017
This is stated after charging:	£	£
Depreciation of owned fixed assets	21,438	27,504
Operating lease rentals	113,350	116,937
Pension costs	14,450	16,593
Auditor's remuneration	12,776	7,475
Bad debt expense	19,807	14,704
Amortisation	41,280	58,775

4 Staff costs	2018	2017
Staff costs during the year, excluding directors was:	£	£
Wages and salaries	801,373	786,739
Social security	74,136	69,195
Other pension costs	14,450	16,593
	<u>889,959</u>	<u>872,527</u>

During the year no director received any emoluments (2017: nil).

Average number of employees during the year, excluding directors was:	Number	Number
Operations	<u>31</u>	<u>31</u>

5 Interest receivable	2018	2017
	£	£
Interest receivable	1,019	14
	<u>1,019</u>	<u>14</u>

6 Interest payable	2018	2017
	£	£
Interest payable	90	-
	<u>90</u>	<u>-</u>

Statesman Travel Services Limited
Notes to the financial statements
for the year ended 31 December 2018

7 Taxation	2018	2017
	£	£
Current tax		
In respect of the current year	170,434	182,947
Deferred tax		
In respect of the current year	9,331	(4,669)
	<u>179,765</u>	<u>178,278</u>

The differences between the total tax expense shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	2018	2017
	£	£
Profit before taxation	<u>891,212</u>	<u>849,312</u>
Tax on profit on ordinary activities at standard UK corporation tax rate of 19% (2017: 19%)	169,330	163,467
Effects of:		
Expenses not deductible for tax purposes	1,104	19,480
Deferred tax	9,331	(4,669)
Current tax charge for period	<u>179,765</u>	<u>178,278</u>

8 Intangible fixed assets

	Brand	Customer relationships	Total
	£	£	£
Cost			
At 1 January 2018	<u>60,000</u>	<u>412,751</u>	<u>472,751</u>
At 31 December 2018	<u>60,000</u>	<u>412,751</u>	<u>472,751</u>
Amortisation			
At 1 January 2018	60,000	99,750	159,750
Provided during the year	-	41,280	41,280
At 31 December 2018	<u>60,000</u>	<u>141,030</u>	<u>201,030</u>
Net book value			
At 31 December 2018	<u>-</u>	<u>271,721</u>	<u>271,721</u>
At 31 December 2017	<u>-</u>	<u>313,001</u>	<u>313,001</u>

The intangible assets represent the acquisition of the Greaves brand and associated customer relationships. These are being written off in equal annual instalments of 2 and 10 years respectively.

Statesman Travel Services Limited
Notes to the financial statements
for the year ended 31 December 2018

9 Tangible fixed assets

	Leasehold, land and buildings £	Fixtures, fittings & office equipment £	Total £
Cost			
At 1 January 2018	91,118	582,262	673,380
Additions	74,263	23,055	97,318
At 31 December 2018	165,381	605,317	770,698
Depreciation			
At 1 January 2018	83,526	571,705	655,231
Charge for the year	13,928	7,510	21,438
At 31 December 2018	97,454	579,215	676,669
Net book value			
At 31 December 2018	67,927	26,102	94,029
At 31 December 2017	7,592	10,557	18,149

10 Debtors

	2018 £	2017 £
Trade debtors	2,446,299	2,053,267
Amounts owed by group undertakings	3,567,987	3,567,191
Other debtors	285,405	262,706
	6,299,691	5,883,164

Amounts owed by group undertakings are intercompany loans of £3,567,987 (2017: £3,567,191) receivable from Statesman Travel Group Limited. The loans are interest free, unsecured and repayable on demand.

11 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	3,129,390	2,635,934
Amounts owed to group undertakings	386,680	359,925
Corporation tax	170,434	184,694
Other creditors	190,589	202,670
	3,877,093	3,383,223

Amounts owed to group undertakings are intercompany loans of £386,680 (2017: £359,925) payable to Statesman Travel Limited. The loans are interest free, unsecured and repayable on demand.

Statesman Travel Services Limited
Notes to the financial statements
for the year ended 31 December 2018

12 Provisions for liabilities	2018	2017
Deferred taxation:	£	£
Accelerated capital allowances	<u>5,678</u>	<u>(3,653)</u>
	2018	2017
	£	£
At 1 January 2018	(3,653)	1,016
Deferred tax (credit)/expense in profit and loss account	9,331	(4,669)
At 31 December 2018	<u>5,678</u>	<u>(3,653)</u>

13 Called up share capital	Nominal value	Number	2018	2017
			£	£
Allotted, called up and fully paid:				
Ordinary shares	£1 each	550,000	550,000	550,000
			<u>550,000</u>	<u>550,000</u>

14 Reserves

Profit and loss account

This reserve relates to the cumulative retained earnings less amounts distributed to shareholders.

15 Other financial commitments

Lease agreements in respect of properties for an average of five years with fixed rentals over the lease.

	2018	2017
Falling due:	£	£
within one year	17,538	9,414
within two to five years	<u>35,779</u>	<u>-</u>
	<u>53,317</u>	<u>9,414</u>

16 Contingent liabilities

The Company has given its unlimited guarantee of amounts due from time to time to the Company's bankers Wells Fargo, secured by a fixed and floating charge on the Company's assets in respect of which no amount was outstanding at 31 December 2018 (2017: nil).

17 Related party transactions

The Company has taken advantage of the exemption provided by paragraph 33.1A of FRS 102 not to disclose group related party transactions as it is wholly owned by the immediate parent company Statesman Travel Limited. Travel and Transport Inc., is the ultimate controlling party.

Statesman Travel Services Limited
Notes to the financial statements
for the year ended 31 December 2018

18 Ultimate controlling party

Statesman Travel Limited is the immediate parent company and wholly owned by Travel and Transport Inc., incorporated in the USA, which is the ultimate parent company. Travel and Transport UK Limited, the immediate parent of Statesman Travel Limited is incorporated in the United Kingdom. Copies of the group financial statements of Travel and Transport UK Limited are available from Companies House.

19 General information

Statesman Travel Services Limited is a private company, limited by shares and incorporated in England and Wales. The address of the registered office is:

Senator House
85 Queen Victoria Street
London
EC4V 4AB