Crown Blue Line Limited
Reports of the Directors and financial statements
for the year ended 30 September 2020
Company number 946385

The Directors present their Strategic and Directors' Reports on and the unaudited financial statements of Crown Blue Line Limited (the "Company") for the year ended 30 September 2020. The Company is a wholly owned subsidiary within the Travelopia Group of companies ("the Group"), headed in the UK by Travelopia Group Holdings Limited (previously named Tim Intermediateco Limited until 30 April 2020).

STRATEGIC REPORT
The Company's principal activity during the year continued to be that of a provider of inland waterways boating holidays operating this activity through branches located in France and the United Kingdom.

Review of the business
The Company's loss on ordinary activities before taxation for the year ended 30 September 2020 was £3,832,734 (2019: £695,569). A dividend was not paid during the year (2019: £3,163,986) and the Directors do not recommend the payment of a final dividend.

To effectively measure the development, performance and position of the Company, the following Key Performance Indicators (KPIs) are of most relevance:

	2020	2019
	£	£
Revenue	**10,126,821**	15,045,075
Loss on ordinary activities before taxation	**(3,832,734)**	(695,569)
Net assets	**53,343,245**	57,263,000

Compared with the previous year, revenue decreased by 32.7%, due the trading limitations created by the pandemic. The Gross margin has been maintained through the very careful curation of costs of sales which were decreased by 35%. The Operating loss is higher than the loss of 2019 mainly due to further impairment to investments of £4,239,100 (2019: £2,377,925). This is somewhat mitigated by a 27% reduction in administration costs, mainly in staff and boat licencing costs management.

Funding, liquidity, post balance sheet events and going concern
Despite the trading difficulties of 2020, the Company has improved its cash situation to £3,458,229 (2019: £534,064. This is mainly due to improved net trade creditor balances of £2,199,000 and reduced capital expenditure.

The rapid global spread of Covid-19 from early March 2020 resulted in global travel restrictions which significantly impacted the Company's and our suppliers' ability to deliver and operate its core products in the year ended 30 September 2020 and up until the date of signing these financial statements.

As part of their assessment of going concern, the Directors of the Company considered the funding and liquidity position of the Company, together with cash flow forecasts of the Company, details of which are set out in Note 2.

In concluding on going concern, the Directors have considered the prospects of the Company in the context of the Company's ownership structure within the Group, as well as the Group's available banking facilities. Travelopia Group Holdings Limited ('TGHL') has agreed to provide financial support to the Company in order that it can continue to trade and meet its liabilities as they fall due.

On 4 May 2020, the Directors of the Group obtained a covenant testing holiday from its Senior Lenders for a period of four financial quarters commencing on and including 30 June 2020 in relation to its Net Debt:Adjusted EBITDA ratio covenant ('net debt covenant'). A minimum liquidity covenant was instead put in place for the period of the net debt covenant holiday and this covenant has subsequently been satisfied. Given the ongoing disruption to travel in 2021, an extension to the net debt covenant holiday will be necessary into FY22 and it is expected that the period that the minimum liquidity covenant is in place will be extended accordingly. At the date of signing these financial statements, the Directors have successfully obtained an extension of the net debt covenant test for one quarter to 30 September 2021. A request for a further and longer extension into FY22 will be pursued by the Directors by this date. However, based on the medium- and longer-term outlook for the Group and the strength of its relationship with its Senior Lenders, the Directors of TGHL have a reasonable expectation that a further extension to the net debt covenant holiday will be agreed.

STRATEGIC REPORT (continued)

Funding, liquidity, going concern and post balance sheet events (continued)
Should the Travelopia Group require additional liquidity to meet its liquidity covenant, its Directors could also seek additional funding from its ultimate parent. Throughout the pandemic and up until the date of signing these financial statements, the Group has not required additional shareholder funding.

Since these matters are ongoing at the date of signing these financial statements, there are possible scenarios where alternative or additional financing could be required by TGHL that is not yet committed. As such, TGHL may not be in a position to continue to provide the support required. As a result, there is a material uncertainty in respect of the ability of the Company to continue as a going concern – refer to Note 2 for further details.

The Directors of the Company and the Group remain confident that with i) a return of some international travel in 2021 as a result of global vaccination programs; ii) the expectation of an extension of the net debt covenant test holiday; and iii) the ability to seek additional funding from its owners; the Company and the Group will have the liquidity and mitigation plans available such that it can continue to navigate through the pandemic.

Following this assessment, the Directors have a reasonable expectation that the Company has sufficient financial resources to continue in existence for the foreseeable future. Accordingly, they have concluded that it is appropriate to prepare these financial statements on a going concern basis and therefore do not include any adjustments that would result if the Company were unable to continue as a going concern.

Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101")
The Company continues to use FRS101 for its basis of accounting.

Principal risks and uncertainties
Successful management of existing and emerging risks is critical to the long-term success of our Group and to the achievement of our strategic objectives. Some levels of business risk must be accepted to seize market opportunities and achieve these objectives. Risk management is therefore an integral component of the Company's governance and oversight.

The global pandemic continues to evolve and as has been demonstrated, can have a dramatic impact on operations in a very short period of time. The continued positive news on the global vaccination programmes will undoubtedly reduce the length of time that global travel restrictions and social distancing measures will be in place for. The Directors continue to monitor developments closely so that swift action can be taken to update policies and procedures in response to the changing situation, with a view to restarting operations as soon as it is safe to do so.

Brexit negotiations have been largely concluded by the end of December 2020, and the successful trade agreement reached with the European Union helps reduce the risk of severe disruption that the travel industry may have faced in 2021, whether this be to customer demand, restrictions on travel or tax and other laws. Whilst there remain some uncertainties in respect of the outcomes reached, the overall risk to the Company from Brexit has diminished significantly as from 1 January 2021. Set against the evolving macroeconomic global environment and the Covid-19 global pandemic, the principal risks and uncertainties faced by the Company are:

- **Liquidity and cashflow risk.** The current global travel restrictions impact the Group's ability to operate and deliver its core products and thus generate revenues. As the duration of such restrictions is currently unknown, there is a risk that if global travel restrictions do not ease within anticipated timeframes then this may have an impact as described in Note 2 of these financial statements.

STRATEGIC REPORT (continued)

Principal risks and uncertainties (continued)

- **Health and Safety.** Ensuring the health and safety of guests and employees is of paramount importance. The immediate risk when operations can restart is the risk of transmission of the coronavirus to our customers. There is the risk of severe illness or death to guests or employees whilst on one of our holidays, whether this arises as a result of Covid-19 or accidents. The Group strives to mitigate this where it can with policies and procedures in place to reduce transmission and accidents, but it is acknowledged it is impossible to guarantee our guests a Covid-19 free holiday. Incidents could also result in reputational and financial damage to the Company and would likely have financial consequences. Insurance policies are in place where practicable in the event that incidents occur, but these cannot cover the health risk caused by Covid-19. The Company is committed to ensuring the health and safety of all of its guests and employees, with health and safety being given the highest profile throughout the Company and Group, instilled within our business culture and shared with our guests.

- **Destination disruption.** Providers of holidays and expeditions are exposed to the inherent risk of domestic and international incidents affecting operations at those destinations. This includes not only the global travel restrictions caused by Covid-19, but also natural catastrophies such as flooding in 2019 and 2020, which have continued to impact the Company operationally and financially early in this financial year. Destination disruption can also include outbreaks of other diseases, war, floods, political instability and terrorism. All of these events, as we saw at the onset of the global pandemic, can cause significant operational disruption and costs to our business. The company follows the advice of the UK Government's Foreign Office and relevant overseas bodies in our source markets to minimise the exposure of our customers.

- **Market Risk.** The Company relies heavily on the demand from its UK and overseas customer bases to take experiential holidays across the world. Changes in macroeconomic and global travel conditions can affect customers demand and willingness to travel, as well as spending power, all of which weaken demand and reduce revenues and margins. The tourism industry is fast-paced and competitive with the emergence of new market participants operating new business models, combined with consumer tastes and preferences evolving all the time. More consumers are booking their holidays online via mobiles and tablets. Climate change and global sustainability may also impact regulation in our industry and influence consumer preferences, more so when there is a return to travel. Terrorism can also affect demand from source markets. There is the risk that if we do not respond adequately to those trends or if our products and services fail to meet changing guest demands and preferences, our revenues and profitability may suffer as a result.

- **Technology risk.** Online reservation systems, websites and platforms form a significant part of the Group's ability to build, develop and sell its products. This would be temporarily disrupted by a technology failure or slowdown. Our businesses continue to upgrade and/or overhaul existing technologies and invest in new technologies to improve their resilience and to enhance the Group's products and services. Failure to successfully implement new IT systems may impact our competitiveness, quality of customer experience and operational efficiency. This could be detrimental to the Group's profitability, in terms of lost bookings, cash outflows and asset impairments.

- **Legal & regulatory compliance.** The Company operates across a range of geographies, which exposes us to a range of legal, tax and other regulatory laws, which must be complied with. Failure to comply may result in fines or sanctions from regulatory bodies, such as ABTA in the UK, which require us to comply with their regulations. Failure to do so could result in the removal of the licence

- **Credit risk.** The Company uses highly reputable and financially strong banking groups with which to deposit its material cash balances. The company also sells its holidays both directly to the end customer and indirectly via agents. Credit risk is considered to be limited as our branded holidays are tailor made or differentiated, there is no concentration of business on key individual agents across the Company and our end customers are required to pay in full ahead of departure.

STRATEGIC REPORT (continued)

Principal risks and uncertainties (continued)

- **Cyber security** We are responsible for protecting the confidentiality, integrity and availability of the data we have for our guests, employees and suppliers. Failure to ensure we have the appropriate level of information security controls increases the risk that an information security breach is not prevented, detected or adequately remediated. This could result in reputational damage, remediation costs and financial penalties for a breach of data protection legislation. We continuously enhance our information security systems to mitigate the risk.
- **Profitability of the Company's subsidiary and dividends received.** Dividends received from the Company's subsidiary are variable and the timing and amount of each dividend is dependent upon the long-term success and profitability of the subsidiary. From time to time some of the Company's profits are generated by dividends received from its subsidiary, and so the Company's profitability from one year to another can therefore vary.
- **Recoverability of the carrying value of investments.** The Company provides capital to its subsidiary undertakings when necessary in order to promote their long-term development and success. The recoverability of each investment will depend upon this long-term success and the future cash flows that are expected to be generated by each subsidiary. To the extent that the fair value of the net assets of an investment or future cash flows do not support the carrying value of the investment, an impairment is required to be recognised in the Company's statement of total comprehensive income
- **Foreign currency exchange risk.** The Company operates internationally and is exposed to foreign currency exchange risk on transactions denominated in a currency other than UK Sterling. The Company, when appropriate enters into derivative financial instrument contracts to forward purchase foreign currency requirements to mitigate the risk of foreign currency losses.

On behalf of the Board

T Fahy
Director

Company Number 946385 Date 30 June 2021

DIRECTORS' REPORT

Directors

The Directors of the Company who were in office during the year and up to the date of signing the financial statements were:

C F Brown
T Fahy

Directors' insurance

Throughout the financial year Travelopia Holdings Limited, an intermediate parent company, maintained Directors' and Officers' Liability insurance policies on behalf of the Directors of the Company. These policies meet the Companies Act 2006 definition of a qualifying third-party indemnity provision.

Audit exemption statement

For the financial year ended 30 September 2020, the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. The members have not required the Company to obtain an audit of its financial statements for the financial period in question in accordance with Section 476. The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

Business review

A fair review of the business, including an analysis of the performance and financial position of the Company, together with details of key performance indicators, dividends, funding and liquidity, future developments and post balance sheet events are included within the Strategic Report.

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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

DIRECTORS' REPORT (continued)

Statement of Directors' responsibilities (continued)
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.

On behalf of the Board

T Fahy
Director

Company Number 946385 Date 30 June 2021

Crown Blue Line Limited
Statement of total comprehensive income for the year ended 30 September 2020

	Note	2020	2019
		£	£
Revenue	6	**10,126,821**	15,045,705
Cost of sales		**(3,844,042)**	(5,284,060)
Gross profit		**6,282,779**	9,761,645
Administrative expenses		**(5,795,191)**	(8,035,370)
Operating profit		**487,588**	1,726,275
Amounts written off investments	14	**(4,239,100)**	(2,377,925)
Loss on disposal of fixed assets		**-**	(7,642)
Loss on ordinary activities before interest and taxation		**(3,751,512)**	(659,292)
Finance expenses	7	**(81,222)**	(36,277)
Loss on ordinary activities before taxation	8	**(3,832,734)**	(695,569)
Tax expense	10	**(75,540)**	(512,637)
Loss for the financial year		**(3,908,274)**	(1,208,206)
Total comprehensive loss for the year attributable to owners of the parent		**(3,908,274)**	(1,208,206)

Crown Blue Line Limited
Balance sheet as at 30 September 2020

	Note	2020 £	2019 £
Non-current assets			
Intangible assets	11	**7,026**	8,981
Property, plant and equipment	12	**1,540,316**	1,798,969
Right of use assets	13	**1,248,427**	-
Investments in subsidiaries	14	**33,857,847**	37,826,947
		36,383,616	39,634,897
Current assets			
Inventories	15	**575,487**	550,573
Trade and other receivables	16	**20,070,018**	20,796,131
Income tax – group relief recoverable		**19,997**	-
Cash and cash equivalents	17	**3,458,229**	534,064
		24,123,731	21,880,768
Total assets		**60,507,347**	61,515,665
Current liabilities			
Trade and other payables	18	**(5,547,282)**	(4,154,149)
Lease liabilities	13	**(361,878)**	-
Provisions for liabilities	19	**(338,259)**	(42,000)
Income tax – group payable		**(278)**	(19,996)
		(6,247,697)	(4,216,145)
Non-current liabilities			
Lease Liabilities		**(916,405)**	-
Deferred tax liabilities	20	**-**	(36,520)
		(952,925)	(36,520)
Total liabilities		**(7,164,102)**	(4,252,665)
Net assets		**53,343,245**	57,263,000
Equity			
Called up share capital	22	**44,979,379**	44,979,379
Share premium account	24	**162,665**	162,665
Profit and loss account	24	**8,201,201**	12,120,956
Total equity attributable to owners of the parent		**53,343,245**	57,263,000

The notes on pages 10 to 26 form part of these financial statements.

Audit exemption statement
For the financial year ended 30 September 2020, the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. The members have not required the Company to obtain an audit of its financial statements for the financial period in question in accordance with Section 476. The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

Approval and authorization for issue
The financial statements on pages 7 to 26 were approved and authorised for issue by the Board of Directors on 30 June 2021 and signed on its behalf by:

T Fahy
Director

	Note	Called up share capital £	Share premium reserve £	Profit and loss account £	Total equity £
At 1 October 2018		44,979,379	162,665	16,493,148	61,635,192
Total comprehensive loss for the year		-	-	(1,208,206)	(1,208,206)
Dividends paid		-	-	(3,163,986)	(3,163,986)
At 30 September 2019		44,979,379	162,665	12,120,956	57,263,000
Foreign exchange movement on branch loan		-	-	(11,481)	(11,481)
Total comprehensive loss for the year		-	-	(3,908,274)	(3,908,274)
At 30 September 2020		44,979,379	162,665	8,201,201	53,343,245

1. **General information**

The Company is a private limited company incorporated and domiciled in England. The address of its registered office is Origin One, 108 High Street, Crawley, West Sussex, RH10 1BD. The Company's registered number is 946385.

The principal activity of the Company continues to be that of a provider of inland waterways boating holidays operating this activity through branches located in France and the United Kingdom.

2. **Basis of preparation**

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of derivative financial assets and liabilities measured at fair value through the statement of total comprehensive income, on a going concern basis and in accordance with the Companies Act 2006 and Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

FRS 101

FRS 101 sets out a reduced disclosure framework for a 'qualifying entity' as defined by Financial Reporting Standard 100 'Application of financial reporting requirements' ("FRS 100") which addresses the financial requirements and disclosure exemptions in the individual financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of EU-adopted International Financial Reporting Standards ("IFRS").

The Company has adopted both the provisions of Statutory Instrument 2015 No.980 'The Companies, Partnerships and Groups (Accounts and Reports) Regulations 2015' ("SI 980") and FRS 101 (September 2015), which permit the use of the formats prescribed in International Accounting Standard 1 'Presentation of financial statements' ("IAS 1") for the primary statements, as opposed to using the formats prescribed by Companies Act 2006.

Going concern

The rapid global spread of Covid-19 from early March 2020 resulted in global travel restrictions which significantly impacted the Company's and our suppliers' ability to deliver and operate its core products in the year ended 30 September 2020 and up until the date of signing these financial statements.

As part of their assessment of going concern, the Directors of the Company have considered the funding and liquidity position together with cash flow forecasts of the Company for the period from the date of approval of these financial statements through to 30 September 2022 to determine the appropriateness of preparing the financial statements on a going concern basis.

At 30 September 2020, the Company had £53,343,245 (2019: £57,263,000) of net assets, including £3,458,228 (2019: £534,064) of cash and no overdraft balances (2019: £nil). At the date of signing these financial statements, the Company's net cash balance was approximately £3,895,280. As a result of the continuing global travel restrictions, the Company may become reliant upon TGHL to continue to trade. TGHL has agreed to provide financial support to the Company for the foreseeable future in order that it can continue to trade and meet its liabilities as they fall due. The Directors of the Company have then made enquiries of TGHL's directors as part of the going concern assessment.

The Group continues to use external debt financing as part of a balanced capital structure, including a £100m term loan and £78m revolving credit facilities, both of which are fully drawn. The maturity dates of the Group's £100m term loan and revolving credit facility are unchanged at 15 June 2024 and 15 June 2023 respectively.

2. Basis of preparation (continued)

Going concern (continued)

On 4 May 2020, the Directors of the Group obtained a covenant testing holiday from its Senior Lenders for a period of four financial quarters commencing on and including 30 June 2020 in relation to its Net Debt:Adjusted EBITDA ratio covenant ('net debt covenant'). A minimum liquidity covenant was instead put in place for the period of the net debt covenant holiday and this covenant has subsequently been satisfied. Given the ongoing disruption to travel in 2021, an extension to the net debt covenant holiday will be necessary into FY22 and it is expected that the period that the minimum liquidity covenant is in place will be extended accordingly. At the date of signing these financial statements, the Directors have successfully obtained an extension of the net debt covenant test for one quarter to 30 September 2021. A request for a further and longer extension into FY22 will be pursued by the Directors by this date. However, based on the medium- and longer-term outlook for the Group and the strength of its relationship with its Senior Lenders, the Directors of TGHL have a reasonable expectation that a further extension to the net debt covenant holiday will be agreed.

Should the Travelopia Group require additional liquidity at any time, its Directors could also request additional funding from its ultimate parent. However, since the Group has not required additional funding throughout the pandemic and up to the date of signing these financial statements, this request has not needed to be made.

Since these matters are ongoing at the date of signing these financial statements, there are possible scenarios where alternative or additional financing could be required by TGHL that is not yet committed. As such, TGHL may not be in a position to continue to provide the support required. As a result, there is a material uncertainty in respect of the ability of the Company to continue as a going concern and therefore, the Company may be unable to realise its assets and discharge its liabilities in the normal course of business. These financial statements do not include the adjustments that would be necessary should the going concern basis of preparation no longer be appropriate.

The Directors of the Company and the Group remain confident that with i) a return of some international travel in 2021 as a result of global vaccination programs; ii) the expectation of an extension of the net debt covenant test holiday; and iii) the ability to seek additional funding from its owners; the Company and the Group will have the liquidity and mitigation plans available such that it can continue to navigate through the pandemic.

Following this assessment, the Directors of the Company have a reasonable expectation that the Company will have sufficient financial resources to continue in existence for the foreseeable future. Accordingly, they have concluded that it is appropriate to prepare these financial statements on a going concern basis.

Functional and presentational currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ("functional currency"). The financial statements are presented in the Company's functional currency of Sterling, rounded to the nearest pound.

3. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all the financial years presented, other than where stated.

New and amended standards adopted by the Company

The Company applied IFRS 16 and IFRIC 23 for the first time. The nature and effect of the changes as a result of the adoption of these new accounting standards are described below.

IFRS 16 Leases

IFRS 16 'Leases' replaces IAS 17 'Leases' along with three Interpretations (IFRIC 4 'Determining whether an Arrangement contains a Lease', SIC 15 'Operating Leases-Incentives' and SIC 27 'Evaluating the Substance of Transactions Involving the Legal Form of a Lease'). The Standard is effective in the Company's financial statements for the financial year ended 30 September 2020.

3. Summary of significant accounting policies (continued)

New and amended standards adopted by the Company (continued)

IFRS 16 Leases (continued)
The adoption of this new Standard has resulted in the Company recognising a right-of-use asset and related lease liability in connection with all former operating leases except for those identified as low-value or having a remaining lease term of less than 12 months from the date of initial application. The new Standard has been applied using the modified retrospective approach, with the cumulative effect of initially applying the Standard being recognised at the date of initial application. Prior periods have not been restated.

For contracts in place at the date of initial application, the Company has:

- elected to apply the definition of a lease from IAS 17 and IFRIC 4 and has not applied IFRS 16 to arrangements that were previously not identified as lease under IAS 17 and IFRIC 4;
- elected not to include initial direct costs in the measurement of the right-of-use asset for operating leases in existence at the date of initial application of IFRS 16, being 1 October 2019;
- not taken benefit from the use of hindsight for determining the lease term when considering options to extend and terminate leases, but has instead treated any changes to the lease term as a modification in the financial year;
- for leases previously accounted for as operating leases with a remaining lease term of less than 12 months and for leases of low-value assets, applied the optional exemptions to not recognise right of use assets but to account for the lease expense on a straight line basis over the remaining lease term;
- taking these elections into account, measured the lease liability at the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application;
- elected to measure the right of use assets at an amount equal to the lease liability adjusted for any prepaid or accrued lease that existed at the date of transition; and
- instead of performing an impairment review on the right of use assets at the date of initial application, the Company has relied on its historic assessment as to whether leases were onerous immediately before the date of initial application of IFRS 16;

On transition to IFRS 16, the Company recognised an additional £1,629,630 of right of use assets and £1,629,630 of lease liabilities, with no impact on retained earnings. When measuring lease liabilities, the Company discounted lease payments using its incremental borrowing rate at 1 October 2019. The weighted average incremental borrowing rate applied to lease liabilities recognised under IFRS 16 was 4.6%.

The following is a reconciliation of total operating lease commitments at 30 September 2019 (as disclosed in the financial statements as at 30 September 2019) to the lease liabilities recognised at 1 October 2019:

	£
Operating lease commitments at 30 September 2019 as disclosed in the Company's financial statements	**1,965,595**
Discounted using incremental borrowing rate at 1 October 2019	1,602,081
Term differences between IAS 17 and IFRS 16	27,549
Lease liabilities recognised at 1 October 2019	**1,629,630**

Previous lease accounting policy under IAS 17
Leases where the lessor retains substantially all of the benefits and risks of ownership of the asset are classified as operating leases. Payments made under operating leases were recognised in the consolidated income statement on a straight-line basis over the term of the lease. Lease incentives received were recognised in the consolidated income statement as an integral part of the total lease expense over the term of the lease.

3. Summary of significant accounting policies (continued)

New and amended standards adopted by the Company (continued)

New accounting policy under IFRS 16

The Company as a lessee
For any new contracts entered into on or after 1 October 2019, the Company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the Company assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Company;
- the Company has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract; and
- the Company has the right to direct the use of the identified asset throughout the period of use.

The Company assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition of leases as a lessee
At lease commencement date, the Company recognises a right of use asset and a lease liability on the balance sheet.

The right of use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received). The Company depreciates the right of use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term. The Company also assesses the right of use asset for impairment when such indicators exist.

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments. Subsequent to initial measurement, the lease liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right of use asset, or profit and loss if the right of use asset is already reduced to zero.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right of use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

Within the balance sheet, right-of-use assets have been presented separately from property, plant and equipment, whilst lease liabilities have also been presented separately.

IFRIC 23 'Uncertainty over income tax treatments'. The IFRIC clarifies the recognition and measurement of IAS 12 'Income taxes' when there is uncertainty over the tax treatment until such time that the relevant tax authority or court takes a decision in the future. Consequently, a dispute or examination of a particular tax treatment may affect a company's accounting for a current or deferred tax asset or liability. This IFRIC has not had a material impact on the accounting for uncertain tax treatments at the date of adoption at 1 October 2019.

3. Summary of significant accounting policies (continued)

Revenue

The Company recognises revenue from the sale of holidays. Revenue is recognised when control of the services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the services before transferring them to the customer.

Revenue is measured at the fair value of the contractual consideration received or receivable and represents amounts receivable for services in the normal course of business during the accounting period. Revenue is recognised net of discounts, value added tax, and other sales related taxes and is measured as the aggregate amount earned from holidays. Revenue from sale of holidays is comprised of one performance obligation and the transaction price is recognised over the duration of the holiday (taking the time elapsed from departure to return). For the sale of holidays, the Company receives part payment of the holiday by way of a deposit from customers upon booking of the holiday. Using the practical expedient in IFRS 15, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised service to the customer and when the customer pays for that service will be one year or less.

Computer software and software in development

Computer software consists of all software that is not an integral part of the related hardware and is stated at cost less accumulated amortisation and impairment losses.

Costs associated with maintaining computer software programmes are recognised as an expense as incurred.

Development costs that are directly attributable to the design and testing of identifiable and unique software platforms controlled by the Company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

Other development expenditures that do not meet these criteria, together with costs associated with maintaining computer software programmes, are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Amortisation is charged to the statement of total comprehensive income on a straight-line basis over the estimated useful economic life as follows:

Computer software 4 years

Software in development is not amortised. Upon completion of development and bringing the software into use, the costs are re-categorised into computer software and amortisation commences.

3. Summary of significant accounting policies (continued)

Property, plant and equipment and depreciation
Property, plant and equipment are stated at historical purchase cost, including any costs attributable to bringing an asset to its working condition for its intended use, less accumulated depreciation.

Depreciation is charged on a straight-line basis to the residual value over the estimated useful lives of the assets which are as follows:

Boats	7 to 24 years
Short lease property improvements	Over period of lease
Plant, equipment and motor vehicles	3 to 10 years

Useful lives are estimated taking into account the rate of technological change and intensity of use of the assets and are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Investments in subsidiaries
Investments are recognised at cost less accumulated impairment losses.

Inventories
Inventories are stated at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less estimated selling expenses. Where necessary, provision is made for obsolete, slow-moving or defective goods.

Impairment of non-financial assets
Non-financial assets are not subject to amortisation are tested annually for impairment. Non-financial assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If such an indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised in the statement of total comprehensive income whenever the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows.

Financial assets
The Company classifies its financial assets at amortised cost. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. Financial assets at amortised cost are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Company's financial assets comprise receivables and cash in the balance sheet.

Impairment of financial assets
The Company's financial assets held at amortised cost are assessed at the end of each reporting period for impairment. Impairment losses are incurred only if there is objective evidence of the impairment as a result of one or more events after the initial recognition of the asset (a 'loss event') and that the loss event has an impact on the estimated future cash flows of the asset that can be reliably estimated.

Trade and other receivables
Trade and other receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets, if not, they are presented as non-current assets. Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. The Company recognises a loss allowance for expected credit losses on all receivable balances from customers subsequently measured at amortised cost, using the 'general approach' permitted under IFRS 9.

3. Summary of significant accounting policies (continued)

Cash and cash equivalents
Cash comprises cash at bank. The Company does not invest in deposits held on call with banks or other short term highly liquid investments. Cash and cash equivalents include cash balances that are held in the Group's cash pooling header company where this cash is immediately available for use and for which there is no restriction over its access. Overdrawn positions within the cash pooling header company are presented as bank overdrafts within current liabilities.

Trade and other payables
Trade and other payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from third party suppliers or other Group companies. Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost. If payment is expected in one year or less they are classified as current liabilities, if not, they are presented as non-current liabilities.

Provisions
A provision is recognised in the balance sheet when the Company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation and the amount has been reliably estimated. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risk specific to the liability. The increase in the provision due to passage of time is recognised as a financial expense. If provisions is expected to be utilised in one year or less, they are classified as current liabilities, if not, they are presented as non-current liabilities.

Foreign currency translation
Foreign currency transactions are initially translated into the Company's functional currency using the actual rate at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the exchange rate prevailing on the balance sheet date. Foreign exchange gains and losses resulting from translation to year-end rates are recognised in the statement of total comprehensive income.

Marketing and other direct sales costs
Marketing, advertising and other promotional costs, including those related to the production of brochures, are expensed as expenditure is incurred.

Current and deferred tax
The tax expense for the year comprises current and deferred tax and is recognised in the statement of total comprehensive income. Current tax is the expected tax payable (or recoverable) for the current financial year using the average tax rate for the year. To the extent available, the amount is first recovered from, or surrendered to, other Group companies as group relief.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates that have been enacted or substantively enacted at the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be used.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same tax authority.

Finance income and finance expense
Finance income recognised in the statement of total comprehensive income mainly comprises interest receivable on trading balances due from Group undertakings. Finance expense recognised in the statement of total comprehensive income mainly comprises of bank interest.

Called up share capital
Ordinary shares are classified as equity.

4. Reduced disclosures permitted by FRS 101

The Company meets the definition of a qualifying entity of Travelopia Group Holdings Limited, as defined by FRS 100, as the results of this Company are fully consolidated into the Group financial statements of Travelopia Group Holdings Limited. Details for obtaining the Group financial statements of Travelopia Group Holdings Limited can be found in Note 25. Where applicable and required by FRS 101, equivalent disclosures have been provided in the Group's consolidated financial statements in accordance with the Application Guidance to FRS 100. As such, the Company has taken advantage of the following disclosure exemptions as set out in paragraph 8 of FRS 101:

IFRS	Relevant paragraphs of IFRS	Disclosure exemptions taken
IFRS 7 'Financial instruments'	All paragraphs	All disclosure requirements.
IFRS 13 'Fair value measurement'	91 to 99	All disclosure requirements in respect of the valuation techniques and inputs used for the fair value measurement of assets and liabilities.
IAS 1 'Presentation of financial statements'	38	Paragraph 79(a)(iv) of IAS 1.
	38 A to D	Certain additional comparative information.
	10(d) and 111	A statement of cash flows and related information.
	10(f) and 40 A to D	A balance sheet as at the beginning of the preceding financial period when an entity applies an accounting policy retrospectively or when it reclassifies items in its financial statements.
	16	A statement of compliance with all IFRS.
	134 to 136	Information on the Company's objectives, policies and processes for managing capital.
IAS 7 'Statement of cash flows'	All paragraphs	IAS 7 disclosures in full.
IAS 8 'Accounting policies, changes in accounting estimates and errors'	30 and 31	New standards and interpretations that have been issued but which are not yet effective.
IAS 24 'Related party transactions'	17 and the requirements to disclose transactions between two group subsidiaries.	Detailed related party transaction information including key management compensation and transactions with other wholly owned subsidiaries of the Group.
IFRS 15 'Revenue from contracts with customers'	The requirements of the second sentence of paragraph 110 and paragraphs 113(a) 114, 115, 118, 119(a) to (c), 120 to 127 and 129	Disaggregation of revenue, explanations of significant changes in contract balances, timing of satisfaction of performance obligations, unsatisfied performance obligations, significant judgements in application of the standard.

5. Critical accounting estimates and judgements

The preparation of financial statements in conformity with FRS 101 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis.

The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are material to the carrying value of assets, liabilities and total comprehensive income for the year are disclosed as follows:

a) Investments in subsidiary undertakings

Judgement is required in the assessment of the carrying amount of the investments in the Company's direct undertakings. Estimation of the recoverable amount of investments requires the Company to assess future cash flows projected to be generated by the subsidiary, which in turn is dependent upon a variety of factors including prevailing economic conditions and consumer demand for that entity's products.

b) Cash and cash equivalents

During the financial year ended 30 September 2020, the Company became party to the Group's zero balancing cash pooling facilities whereby the Company's Sterling overdraft balances are swept to nil daily into a bank account of Travelopia Central Operations Limited, which acts as the cash pool header company. At 30 September 2020, the cash balance held in the pooled account of Travelopia Central Operations Limited was £3,190,000 (2019: £nil). Judgement has been required to determine whether this balance meets the definition of cash and cash equivalents, or whether the balance should be presented as amounts due to a fellow Group subsidiary. The Directors consider that in view of the nature of the pooling facilities and the immediate and unrestricted access to this balance, the definition of cash and cash equivalents has been met.

6. Revenue

Analysis of revenue by geography:

	Year ended 30 September 2020	Year ended 30 September 2019
	£	£
United Kingdom and Ireland	1,287,062	2,316,537
Rest of Europe	8,684,630	10,363,379
Rest of the World	155,129	2,365,789
	10,126,821	15,045,705

7. Finance expense

	Year ended 30 September 2020	Year ended 30 September 2019
	£	£
Interest expense on lease liabilities (Note 13)	64,169	-
Bank interest	17,053	36,277
Total finance expense	81,222	36,277

8. Loss on ordinary activities before taxation

	Year ended 30 September 2020 £	Year ended 30 September 2019 £
Loss on ordinary activities before taxation is stated after charging/(crediting):		
Depreciation on property, plant and equipment (Note 12)	**454,595**	404,194
Depreciation of right-of use assets (Note 13)	**412,263**	-
Impairment of investments	**4,239,100**	2,377,924
Restructuring costs	**200,542**	31,726
Foreign exchange (gains)/losses	**(171,079)**	209,723

Auditors' remuneration
The Company is exempt from an audit in the current financial year. The auditors' remuneration for the financial year ended 30 September 2020 was £nil (2019: £nil).

9. Employees and Directors

Employee costs for the Company during the year were:

	Year ended 30 September 2020 £	Year ended 30 September 2019 £
Wages and salaries	**3,735,051**	4,858,395
Social security costs	**1,198,990**	1,517,909
Other pension costs	**7,095**	3,975
	4,941,136	6,380,279

The pension costs relating to the Travelopia Defined Contribution Scheme, and charged to the statement of total comprehensive income, amounted to £7,095 (2019: 3,975). There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

The average number of persons (including Directors) employed by the Company during the year was: 176 (2019: 214).

	Year ended 30 September 2020 Number	Year ended 30 September 2019 Number
Administration	**38**	37
Engineers and boatyard	**111**	152
Management	**27**	25
	176	214

Directors' remuneration
The Directors received no remuneration for their services as Directors of the Company (2019: £nil). The Company's Directors are directors of a number of fellow subsidiary companies and their remuneration was paid by another Group company, which makes no recharge to the Company (2019: £nil). It is not possible to make an accurate apportionment of their emoluments in respect of each of the subsidiaries.

10. Tax expense

The tax expense can be summarised as follows:

(i) Analysis of tax expense in the year

	Year ended 30 September 2020 £	Year ended 30 September 2019 £
Current tax:		
Current tax on profits for the year	-	279
Adjustment in respect of previous years	(19,997)	-
Foreign tax suffered	132,057	537,047
Total current tax	112,060	537,326
Deferred tax:		
Origination and reversal of temporary differences:		
- current year	(36,520)	(30,504)
- effect of change in tax rate	-	5,815
Total deferred tax (Note 20)	(36,520)	(24,689)
Total tax expense in the statement of total comprehensive income	75,540	512,637

(ii) Factors affecting the tax expense in the year

The tax expense (2019: expense) for the year ended 30 September 2020 is higher than (2019: higher than) the standard rate of corporation tax in the UK of 19% (2019: 19%). The differences are shown in the table below:

	Year ended 30 September 2020 £	Year ended 30 September 2019 £
Loss on ordinary activities before taxation	(3,832,734)	(695,569)
Loss on ordinary activities multiplied by the effective standard rate of UK corporation tax of 19% (2019: 19%)	(728,219)	(132,158)
Effects of:		
- Expenses not deductible for tax purposes	805,421	458,486
- Adjustment in respect of previous periods	(19,997)	-
- Foreign tax suffered	132,057	537,047
- Tax rate changes	-	5,815
- Deferred tax amounts not recognised	70,242	-
- Other differences	-	(1,246)
- Foreign branch exemption	(183,964)	(355,307)
Total tax expense in the statement of total comprehensive income	75,540	512,637

(iii) Factors affecting the future tax charge

In March 2021, the UK Chancellor of the Exchequer announced that he intends to increase the main rate of UK corporation tax to 25% from 1 August 2023. As the proposed change had not been substantively enacted at the balance sheet date, the measurement of deferred taxes in these financial statements is unaffected by the announcement

11. Intangible assets

	Computer Software £
Cost:	
At 1 October 2019	10,481
Exchange adjustment	240
At 30 September 2020	**10,721**
Accumulated amortisation:	
At 1 October 2019	1,500
Exchange adjustment	33
Charge for the year	2,162
At 30 September 2020	**3,695**
Net book value:	
At 30 September 2020	**7,026**
At 30 September 2019	8,981

12. Property, plant and equipment

	Boats £	Plant, equipment and motor vehicles £	Short leasehold property improvements £	Total £
Cost:				
At 1 October 2019	346,983	2,872,748	1,118,437	4,338,168
Exchange adjustment	-	64,270	25,402	89,672
Additions	386	227,447	1,182	229,015
Transfer to inventory	(64,500)	-	-	(64,500)
Disposals	-	(1,508)	-	(1,508)
At 30 September 2020	**282,869**	**3,162,957**	**1,145,021**	**4,590,847**
Accumulated depreciation:				
At 1 October 2019	-	1,624,638	914,561	2,539,199
Exchange adjustment	-	36,210	20,751	56,961
Disposals	-	(224)	-	(224)
Charge for the year	859	417,932	35,804	454,595
At 30 September 2020	**859**	**2,078,556**	**971,116**	**3,050,531**
Net book value:				
At 30 September 2020	**282,010**	**1,084,401**	**173,905**	**1,540,316**
At 30 September 2019	346,983	1,248,110	203,876	1,798,969

13. Leases

The Company has lease contracts with respect to boat bases and motor vehicles. The amounts recognised in the financial statements in relation to these leases are as follows:

(a) Carrying amount of right of use asset

	Land and buildings £	Motor Vehicles £	Total £
Cost			
At 1 October 2019 on transition to IFRS 16	1,525,776	103,854	1,629,630
Disposals	(6,676)	(2,357)	(9,033)
Foreign exchange	46,117	4,030	50,147
At 30 September 2020	**1,565,217**	**105,227**	**1,670,744**
Accumulated depreciation			
Provided in the financial year	(359,305)	(52,959)	(412,263)
Disposals	556	2,357	2,913
Foreign exchange	(11,221)	(1,747)	(12,968)
At 30 September 2020	**(369,969)**	**(52,349)**	**(422,318)**
Net book value			
At 30 September 2020	**1,195,248**	**53,179**	**1,248,427**

(b) *Analysis of lease liabilities*

	Land and buildings £	Motor Vehicles £	Total £
Lease liabilities			
At 1 October 2019 on transition to IFRS 16	(1,525,776)	(103,854)	(1,629,630)
Repayments	395,647	56,429	452,075
Interest charged	(58,997)	(5,172)	(64,169)
Disposals	6,178	-	6,178
Foreign exchange	(40,375)	(2,361)	(42,736)
At 30 September 2020	**(1,223,324)**	**(54,959)**	**(1,278,823)**
At 30 September 2020			
Analysed as:			
Current	(330,752)	(31,125)	(361,878)
Non-current	(892,572)	(23,834)	(916,405)
	(1,223,324)	**(54,959)**	**(1,278,283)**

A maturity analysis of contractual undiscounted lease liabilities is set out below:

	30 September 2020 £'000
Less than one year	(410,415)
One to two years	(401,634)
Two to five years	(190,080)
	(494,672)
Total contractual undiscounted lease liabilities	**(1,496,802)**

13. Leases (continued)

(c) Amounts recognised in the statement of total comprehensive income

	Year ended 30 September 2020 £
Depreciation of right of use assets (as analysed by asset class in the asset table above)	412,263
Interest expense on lease liabilities (included in finance costs)	64,169
Expenses related to short-term leases (included in administrative expenses)	88,995

14. Investments in subsidiaries

	Investments in subsidiaries £
Cost:	
At 30 September 2020	40,204,871
Accumulated impairment:	
At 1 October 2019	(2,377,924)
Impairment	(4,239,100)
At 30 September 2020	**(6,617,024)**
Net book value:	
At 30 September 2020	**33,587,847**
At 30 September 2019	37,826,947

List of investments in subsidiaries at 30 September 2020:

Name of undertaking	Country of incorporation	Registered address	Share class	% held by directly by the Company	Total % held by Group Companies
Porter and Haylett Limited	United Kingdom	Origin One, 108 High Street, Crawley, West Sussex, RH10 1BD	£1.00 Ordinary shares	100	100

The Directors believe that the book value of its investment, following impairment is supported by the higher of underlying net assets or their recoverable value.

15. Inventories

	2020 £	2019 £
Boat spares and consumables	575,487	550,573

16. Trade and other receivables

	2020 £	2019 £
Amounts due from Group undertakings	19,665,179	20,408,287
Other receivables	111,420	23,939
Prepayments and accrued income	293,419	363,905
	20,070,018	20,796,131

Amounts due from Group undertakings

Amounts due from Group undertakings are unsecured, bear no interest and are repayable on demand.

17. Cash and cash equivalents

	2020	2019
	£	£
Cash and cash equivalents	**3,458,229**	534,064

Included within the cash at bank balance is an amount of £3,196,000 that is held on behalf of the Company in the bank account of Travelopia Central Operations Limited, which acts as the Company's cash pool header company.

18. Trade and other payables

	2020	2019
	£	£
Trade payables	**476,190**	266,051
Amounts due to Group undertakings	**999,502**	773,099
Other payables	**533,022**	434,379
Accruals and deferred income	**2,147,583**	1,386,068
Taxation and social security	**146,845**	207,423
Overseas tax payable	**1,244,140**	1,087,129
	5,547,282	4,154,149

Amounts due to Group undertakings
Amounts due to Group undertakings are unsecured, bear no interest and are repayable on demand.

19. Provisions for liabilities

Analysis of the movements during the year:

	Restructuring
	£
At 1 October 2019	42,000
Provided during the year	296,259
At 30 September 2020	**338,259**

	2020	2019
Analysed as:	**£**	£
- Current	**338,259**	42,000
	338,259	42,000

Restructuring
The current year provisions relate to a dilapidation provision of £42,000 for the Scottish base property and the remainder of £296,259 is provided for cases and costs associated with restructures in some French bases.

20. Deferred tax assets and liabilities

	2020	2019
	£	£
Accelerated capital allowances	-	36,520

Movements in deferred taxation during the current year are analysed as follows:

	Accelerated capital allowances
	£
At 1 October 2018	61,209
Charged to the statement of total comprehensive income	(24,689)
At 30 September 2019	36,520
Adjustment in respect of prior years	(8)
Charged to the statement of total comprehensive income	(36,512)
At 30 September 2020	-

Accelerated capital allowances principally relate to timing differences in respect of property, plant and equipment.

Unrecognised deferred tax assets
Deferred income tax assets are recognised for tax loss carry-forwards to the extent that the realisation of the related tax benefit through future taxable profits is probable. The Company did not recognise deferred income tax assets as follows:

Depreciation in excess of capital allowances principally relates to timing differences in respect of computer software, property, plant and equipment. Deferred tax assets totalling £200,415 (2019: £18,868) have not been recognised, in respect of depreciation in excess of capital allowances (£43,733; 2019: £36,520 liability recognised) and losses (£156,682; 2019: £18,868), as there is insufficient evidence the assets will be recovered. All deferred tax assets may be recovered in future if suitable taxable profits arise against which the assets may be offset.

21. Operating lease commitments

Prior to 1 October 2019, the Company recognised operating leases in line with IAS 17. Leases where the Company does not retain substantially all the risks and rewards of ownership of the asset were classified as operating leases. Operating lease rental payments were recognised as an expense in the income statement on a straight-line basis over the lease term. The Company's total obligations under non-cancellable operating lease contracts as at 30 September 2019 in line with IAS 17 are payable as follows:

Land and buildings	2019
	£
No later than one year	408,365
Later than one year and no later than five years	678,276
Later than five years	759,965
	1,846,606

Equipment	2019
	£
No later than one year	65,764
Later than one year and no later than five years	53,225
	118,989

From 1 October 2019, the Company no longer recognises operating leases in line with IAS 17 and instead recognises right-of-use assets and lease liabilities in line with IFRS 16. Refer to Note 13 for further details.

22. Called up share capital

	2020	2019
	£	£
Issued and fully paid		
44,979,379 (2019: 44,979,379) ordinary shares of £1.00 each	**44,979,379**	44,979,379

23. Dividend

	Year ended 30 September 2020	Year ended 30 September 2019
	£	£
Ordinary interim dividend paid	-	3,163,986

An interim dividend of £0.07 per share was paid in cash in the prior year.

24. Reserves

The following describes the nature and purpose of each reserve within equity:

Reserve	Description and purpose
Share premium	Amount subscribed for share capital in excess of nominal value.
Profit and loss account	All other net gains and losses and transactions with owners (e.g. dividends) not recognised elsewhere.

25. Ultimate parent company and controlling party

The ultimate controlling party of the Company is KKR & Co Inc., on behalf of funds under its management. The immediate parent company is Travelopia France SARL.

The smallest and largest group in which the results of the Company are consolidated is that headed by Travelopia Group Holdings Limited. Copies of the Travelopia Group Holdings Limited financial statements are available from the Company Secretary, Travelopia Holdings Limited, Origin One, 108 High Street, Crawley, West Sussex, RH10 1BD. No other financial statements include the results of the Company.