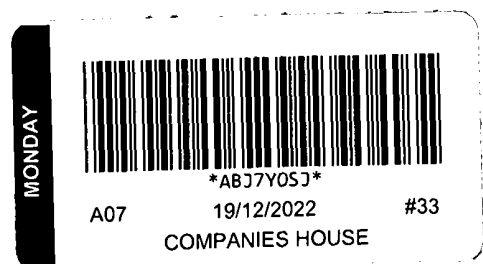


Statesman Travel Limited

Annual Report - 30 June 2022

Company Number 1055301



Statement Travel Limited
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For the year ended 30 June 2022

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Statesman Travel Limited
Corporate directory
For the year ended 30 June 2022

Directors	D Carling J Pherous C Beaton
Registered office	Senator House 85 Queen Victoria Street London England EC4V 4AB
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 7 More London Riverside, London United Kingdom SE1 2RT
Company number	1055301

Statesman Travel Limited
Strategic report
For the year ended 30 June 2022

The directors present their strategic report for the year ended 30 June 2022. The previous comparative period is 8 months from 1 November 2020 to 30 June 2021. The shorter comparative reporting period was due to the sale of the business and the subsequent alignment of year end with Corporate Travel Management Limited, the ultimate parent.

Review of the business and future developments

The principal activity of the company is providing services in business travel management. The Company is expecting to benefit from the synergies of enlarged scale since its acquisition by Corporate Travel Management Limited, coupled with the recovering market following the ending of COVID-19 restrictions and the return to relative normality within the travel industry and customers resuming their travel.

Since 31 December 2021, tensions between Russia and Ukraine escalated to war which has had significant consequences in the global economy leading to pressure on inflation, increased energy prices and fluctuations in exchange rates. Whilst Statesman Travel Limited has been impacted by these global economic factors, there are no other specific significant consequences as a result of the conflict.

Statesman Travel Limited's (The Company) total transactional value was £40,399,089 (8 months to 30 June 2021: £5,163,628) and revenue was £1,619,239 (8 months to 30 June 2021: £392,918) reflecting the increase in demand for travel following the relaxation of COVID-19 restrictions.

Loss before taxation of £2,141,174 (8 months to 30 June 2021: £6,839,984). The loss before taxation in 8 months to 30 June 2021 included the one-off impairment in value of intercompany loans of £5,085,190 which was loan relief as part of the acquisition.

Net liabilities position increased to of £2,289,271 (2021: £478,540) mainly due to the intercompany management fees charges and other operating expenses.

The Company is very conscious of the environmental challenges we face and the community we operate within. To which extent, we have an active CSR programme that supports many philanthropic causes.

The Company is considered a going concern on the basis that the financial liabilities will be settled through dividend flow from its trading subsidiaries in future years and the ultimate parent undertaking has provided written confirmation of their intention to provide any necessary support, to enable the Company to trade and meet its liabilities as they fall due. The directors have received a letter of support from the ultimate parent, Corporate Travel Management Limited stating they will provide sufficient resources to enable the Company to meet its liabilities as they fall due for the foreseeable future. The directors have made enquiries to gain sufficient assurance around this support. Accordingly, the Directors have considered it appropriate to continue to adopt the going concern basis in preparing the Annual report and Financial Statements.

The Company continues to focus on its key strategic drivers, being:

- Winning new clients and retaining current clients;
- Innovating client tools and internal processes to enhance service to clients and improve internal productivity, and
- Staff engagement.

The Company will continue its strategy of growth through:

- The development of technology solutions for clients and travel team.
- New opportunities identified through strategic sales.

For financial risk management, refer to the Financial Instruments section of the Directors' Report.

There are a number of Key Performance Indicators monitored by the Board, including but not limited to:

	Year ended 30 June 2022 £	8 months to 30 June 2021 £
Total transaction value (unaudited)	40,399,089	5,163,628
Loss before taxation	<u>(2,141,174)</u>	<u>(6,839,984)</u>
Current asset ratio (current assets divided by current liabilities)	0.48	0.29

Section 172(1) statement

The Directors, in line with their duties under s172 of the Companies Act 2006, acts in good faith, promote the success of the Company for the benefit of its stakeholders, and in doing so have regard, amongst other matters, to the:

- Likely consequences of any decision in the long term;
- Need to foster the company's business relationships with suppliers, customers and others;
- Impact of the company's operations on the community and environment;
- Company's reputation for high standards of business conduct; and
- Need to act fairly between members of the company

The Directors regard to these matters is embedded in their decision-making process, through the Company's business strategy, culture, governance framework, management information flows and stakeholder engagement processes.

The Company's business strategy is focused on achieving success for the Company in the long-term. In setting this strategy, the Directors take into account the impact of relevant factors and stakeholder interests on the Company's performance. The Directors also identify principal risks facing the business and sets risk management objectives.

The Directors promote a culture of upholding the highest standards of business conduct and regulatory conduct. The Directors ensure these core values are embedded in the policies and procedures, and its risk control and oversight framework applicable to the Company.

The Directors recognise that building strong and lasting relationships with our stakeholders will help to deliver our strategy in line with our long-term values and operate a sustainable business.

The Directors are supported in the discharge of their duties by:

- The understanding of their duties and obligations under applicable law and regulation
- Ensuring the provision of timely management information and escalation through reporting lines to the Directors from the Company's management team
- Agenda planning for Board meetings to provide sufficient time for the consideration and discussion of key matters

Stakeholders

The Directors understand the importance of engagement with all of its stakeholders and gives appropriate weighting to the outcome of its decisions for the relevant stakeholder in weighing up how best to promote the success of the Company.

The Directors regularly discuss issues concerning regulators and its stakeholder with the management team. In addition to this, the Board seeks to understand the interests and views of the Company's stakeholders by engaging with them directly when required. The below summarises the key stakeholders and their engagement:

Stakeholders	Engagement
Employees	The Company is committed to a policy of recruitment and promotion on the basis of aptitude and ability without discrimination of any kind.
Related parties	The Directors seek to behave in a responsible manner towards our related parties. The Board communicates information relevant to its related parties, such as its financial reporting.
Regulators	The Directors intentions are to behave responsibly and to ensure that the management team operates the business in a responsible manner, acting with the high standards and good governance expected of a regulated business like ours.
Community and environment	The Board also seeks to behave in a responsible manner towards our community and environment.
Customers & Suppliers	The Board strives to foster relationships with both customers and suppliers.

Reputation

The Corporate Travel Management Limited group ("The Group") values being Collaboration, Service, Reward, Innovation, Trust and Empowerment are constantly endorsed and promoted to ensure we really are acting as one company.

Statesman Travel Limited
Strategic report
For the year ended 30 June 2022

Climate Change

The Company and the Group's long-term sustainability are dependent on the long-term economic health of the regions in which it operates. The travel services the Group provides to its clients has an impact on the environment and whilst they do not provide the actual transport or accommodation they on-supply this to the clients by procuring travel services on its behalf. As such, the Group and the Company are exposed to indirect climate change risks due to changing travel patterns.

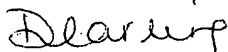
The Group has a diverse portfolio of clients across a number of industries, many of which regard travel as a key success enabler. The Group will therefore manage its risk through engaging with its clients to understand their objectives and assist with informed development of travel solutions which reduce the impact on the environment.

Presentation of Financial Statements

The directors present their report and audited financial statements for the year ended 30 June 2022. The previous comparative period is 8 months to 30 June 2021. The shorter comparative reporting period was due to the sale of the business and the subsequent alignment of year end with Corporate Travel Management Limited, the ultimate parent.

This report is made in accordance with a resolution of directors.

On behalf of the directors



Debbie Carling
Director

17 November 2022

Statesman Travel Limited
Directors' report
For the year ended 30 June 2022

The directors present their report and audited financial statements for the year ended 30 June 2022. The previous comparative period is 8 months to 30 June 2021. The shorter comparative reporting period was due to the sale of the business and the subsequent alignment of year end with Corporate Travel Management Limited, the ultimate parent.

Going Concern

The Company is considered a going concern on the basis that the financial liabilities will be settled through dividend flow from its trading subsidiaries in future years and the ultimate parent undertaking has provided written confirmation of their intention to provide any necessary support, to enable the Company to trade and meet its liabilities as they fall due. The directors have received a letter of support from the ultimate parent, Corporate Travel Management Limited stating they will provide sufficient resources to enable the Company to meet its liabilities as they fall due for the foreseeable future. The directors have made enquiries to gain sufficient assurance around this support. Accordingly, the Directors have considered it appropriate to continue to adopt the going concern basis in preparing the Annual report and Financial Statements.

Results

Refer to the Statement of profit or loss for the profit for the year ended 30 June 2022.

Principal activities

The Company operates as a business travel management company.

Review of business and future developments

Refer to the Strategic Report.

Dividends

The directors recommended a final dividend of £nil (8 months to 30 June 2021: £nil).

Financial instruments

The Company's principal financial instruments are cash, trade receivables, trade payables and general banking facilities all of which are utilised to facilitate normal trading operations.

The main risks from the Company's financial instruments are credit and cash flow.

Credit risk

The Company mitigates credit risk through credit check procedures of all customers prior to commencement of trade and periodic review thereafter.

Cash flow risk

The Company mitigates cash flow risk by use of third party working capital facilities and the setting of appropriate credit terms to correspond with cash outflows.

Statesman Travel Limited
Directors' report
For the year ended 30 June 2022

Material Business risk

Travel industry disruption

The Company's financial prospects are dependent on the strength of the travel industry generally. A decline in the domestic and/or international travel industry, whether as a result of a particular event (such as a war, terrorism, health epidemic/pandemic or a natural disaster), economic conditions (such as a decrease in business demand), geopolitical conditions or any other factors, will likely have a material adverse effect on the Company's business, financial condition and operations.

The COVID-19 pandemic has caused unprecedented disruption to the business at usual travel industry as a result of government-imposed travel restrictions, border closures and quarantine requirements. This has resulted in a significant detrimental impact on corporate travel services and as a result, the Company's earnings since March 2020.

Whilst the impact of COVID-19 is rapidly subsiding, there is no certainty that the demand for the Company's services will normalise to a level existing prior to the impact of COVID-19, or how long such a return might take. The Company is leveraged to domestic travel and is able to operate a high-performing domestic-only business until international activity recovers fully.

The diversification of the Company's businesses across a diverse portfolio of customers, including exposure to essential travel clients, provide the Company with greater resilience when there are disruptions to the travel industry.

Impairment risk

The Company assesses whether there is any indication that an asset may be impaired on an ongoing basis. Annually, or when an indicator of impairment exists, the Company makes a formal estimate of the recoverable amount. When the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to the recoverable amount. Adverse outcomes of some of the risk factors listed above, and in particular if market conditions continue to deteriorate, as well as new developments which are not currently apparent, could trigger an impairment and have a negative impact on the reported financial result of the Company.

Directors

The directors who served the Company during the year, and up to the date of the signing of the financial statements unless otherwise noted, were as follows:

D Carling
C Beaton (appointed on 1 July 2022)
J Pherous
J Murray (resigned 30 June 2022)

The Company has made qualifying third party indemnity provisions for the benefit of directors and officers of the Company which were made during the year and exist at the date of this report.

Employees

The Company is committed to a policy of recruitment and promotion on the basis of aptitude and ability without discrimination of any kind. Management actively pursues both the employment of disabled persons whenever a suitable vacancy arises and the continued employment and retraining of employees who become disabled whilst employed by the Company.

The Company is committed to engaging employees in the performance and direction of the company. Through the Company's performance development plans and incentives schemes, employees' objectives are closely aligned to those of the company. Management is committed to continual staff training both in-house and external. Employees also receive monthly business updates and attend an annual conference where, through interactive sessions, ideas around business development and industry innovation are shared.

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Statesman Travel Limited
Directors' report
For the year ended 30 June 2022

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, 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;
- 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;
- make judgements and accounting 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 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.

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.

Directors' confirmation

In the case of each director in office at the date the directors' report is approved:

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

Independent auditors

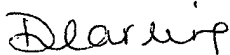
The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

Presentation of financial statements

The presentation of the financial statements are by function and this aligns with the ultimate parent company's consolidated IFRS financial statements.

This report is made in accordance with a resolution of directors.

On behalf of the directors



Debbie Carling
Director

17 November 2022

Independent auditors' report to the members of Statesman Travel Limited

Report on the audit of the financial statements

Opinion

In our opinion, Statesman Travel Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the Statement of financial position as at 30 June 2022; the Statement of profit or loss, the Statement of comprehensive income and the Statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 30 June 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

Auditors' 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 auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries in the underlying books and records, and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations;
- Review of the financial statement disclosures and testing to supporting documentation; and
- Challenging assumptions and judgements made by management in their significant accounting estimates, including those that considered future events that are inherently uncertain.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

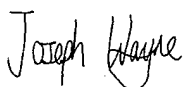
Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Joseph Wayne (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
18 November 2022

Statesman Travel Limited
Statement of profit or loss
For the year ended 30 June 2022

		Year ended	8 months to
	Note	30 June 2022	30 June 2021
		£	£
Revenue	5	1,619,239	392,918
Other income	6	<u>3,987</u>	<u>207,179</u>
Total revenue		<u>1,623,226</u>	<u>600,097</u>
Operating expenses			
Employee benefits expense	7	(1,465,429)	(1,807,096)
Occupancy		(216,049)	(121,172)
Depreciation and amortisation expense		(278,749)	(188,391)
Information technology and telecommunications		(213,355)	(132,007)
Impairment of intercompany loans		-	(5,085,190)
Travel and entertainment		(2,568)	(1,833)
Administrative and general	8	<u>(1,583,062)</u>	<u>(83,218)</u>
Total operating expenses		<u>(3,759,212)</u>	<u>(7,418,907)</u>
Operating loss	7	(2,135,986)	(6,818,810)
Net finance costs	10	<u>(5,188)</u>	<u>(21,174)</u>
Loss before taxation		(2,141,174)	(6,839,984)
Income tax credit	11	<u>330,443</u>	<u>442,180</u>
Loss for the financial year/period		<u><u>(1,810,731)</u></u>	<u><u>(6,397,804)</u></u>

The above statement of profit or loss should be read in conjunction with the accompanying notes

Statesman Travel Limited
Statement of comprehensive income
For the year ended 30 June 2022

	Year ended 30 June 2022 £	8 months to 30 June 2021 £
Loss for the financial year/period	(1,810,731)	(6,397,804)
Other comprehensive income for the year/period,	-	-
Total comprehensive loss for the year/period	<u>(1,810,731)</u>	<u>(6,397,804)</u>

The above statement of comprehensive income should be read in conjunction with the accompanying notes

Statesman Travel Limited
Statement of financial position
As at 30 June 2022

	Note	2022 £	2021 £
Assets			
Current assets			
Cash and cash equivalents		1,250,183	412,474
Trade and other receivables	12	4,601,842	1,436,275
Prepayments and others		126,362	138,301
Total current assets		<u>5,978,387</u>	<u>1,987,050</u>
Non-current assets			
Investments	13	4,084,246	4,084,246
Property, plant and equipment	14	34,563	94,272
Right-of-use assets	15	255,545	474,584
Intangible assets		7,273	7,273
Deferred tax asset	16	20,048	990
Total non-current assets		<u>4,401,675</u>	<u>4,661,365</u>
Total assets		<u>10,380,062</u>	<u>6,648,415</u>
Liabilities			
Current liabilities			
Trade and other payables	17	12,319,396	6,415,161
Lease liabilities	18	234,996	289,529
Income tax		1,902	1,902
Provisions	19	26,088	57,758
Total current liabilities		<u>12,582,382</u>	<u>6,764,350</u>
Non-current liabilities			
Lease liabilities	18	50,951	350,605
Provisions		36,000	12,000
Total non-current liabilities		<u>86,951</u>	<u>362,605</u>
Total liabilities		<u>12,669,333</u>	<u>7,126,955</u>
Net liabilities		<u>(2,289,271)</u>	<u>(478,540)</u>
Equity			
Called up share capital	20	5,874,166	5,874,166
Retained earnings		<u>(8,163,437)</u>	<u>(6,352,706)</u>
Total deficiency in equity		<u>(2,289,271)</u>	<u>(478,540)</u>

The company's number is 1055301.

The notes on pages 16 to 30 are an integral part of these financial statements.

The financial statements on pages 12 to 30 were authorised for issue by the board of directors on 17 November 2022 and were signed on its behalf.



Debbie Carling
Director

17 November 2022

The above statement of financial position should be read in conjunction with the accompanying notes

Statesman Travel Limited
Statement of changes in equity
For the year ended 30 June 2022

	Share capital £	Retained earnings/ (Accumulate d losses) £	Total deficiency in equity £
Balance at 1 November 2020	5,874,166	45,098	5,919,264
Loss after income tax credit for the year	-	(6,397,804)	(6,397,804)
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive loss for the year	-	(6,397,804)	(6,397,804)
Balance at 30 June 2021	5,874,166	(6,352,706)	(478,540)
	Share capital £	Accumulated losses £	Total deficiency in equity £
Balance at 1 July 2021	5,874,166	(6,352,706)	(478,540)
Loss after income tax credit for the year	-	(1,810,731)	(1,810,731)
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive loss for the year	-	(1,810,731)	(1,810,731)
Balance at 30 June 2022	5,874,166	(8,163,437)	(2,289,271)

The above statement of changes in equity should be read in conjunction with the accompanying notes

Statesman Travel Limited
Notes to the financial statements
For the year ended 30 June 2022

Note 1. General information

Statesman Travel Limited ("The Company") operates as a business travel management company.

A private company limited by shares, incorporated and domiciled and registered in England in the United Kingdom. The registered number is 1055301 and the registered address is Senator House, 85 Queen Victoria Street, London, England, EC4V 4AB.

Note 2. 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 consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The financial statements of Statesman Travel Limited have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under the historical cost convention, and in accordance with the Companies Act 2006 as applicable to companies using FRS 101.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- IFRS 7, 'Financial Instruments: Disclosures'.
- Paragraphs 38 of IAS 1, 'Presentation of financial statements' comparative information requirements in respect of:
 - (i) paragraph 79(a)(iv) of IAS 1;
 - (ii) paragraph 73(e) of IAS 16 'Property, plant and equipment';
 - (iii) paragraph 118(e) of IAS 38 'Intangible assets' (reconciliations between the carrying amount at the beginning and end of the period).
- The following paragraphs of IAS 1 'Presentation of financial statements':
 - (i) 10(d), (statement of cash flows),
 - (ii) 16 (statement of compliance with all IFRS),
 - (iii) 38A (requirement for minimum of two primary statements, including cash flow statements),
 - (iv) 38B-D (additional comparative information),
 - (v) 111 (cash flow statement information),
 - (vi) 134-136 (capital management disclosures),
 - (vii) 10(f) (a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements); and
 - (viii) 40A-D (requirements for a third statement of financial position).
- IAS 7, 'Statement of cash flows'.
- Paragraph 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective).
- Paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 of IFRS 9, 'Financial instruments'.
- Paragraph 129 of IFRS 15, 'Revenue recognition'.
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation).
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.
- Paragraph 45(a), (c) and (d) of IFRS 2, 'Share-based payments'.

New Accounting Standards

We have reviewed the new accounting standards and impact of changes and we can confirm there is no material impact on this year's financial statements.

Note 2. Summary of significant accounting policies (continued)

Going concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operation existence for the foreseeable future. The company continues to adopt the going concern on the basis that the financial liabilities will be settled through the ultimate parent undertaking and has provided written confirmation of their intention to provide any necessary support for 12 months from the date of authorisation of the financial statements, to enable the company to trade and meet its liabilities as and when they fall due. The directors have made necessary inquiries to enable them to rely on the support.

2.2 Consolidation

The Company is a subsidiary of Travel and Transport UK Limited and of its ultimate parent Corporate Travel Management Limited. It is included in the consolidated financial statements of Corporate Travel Management Limited which are publicly available. Therefore the Company is exempt by virtue of section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

These financial statements are separate financial statements.

2.3 Foreign currency translation

(a) Functional and presentation 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 ('the functional currency'). The financial statements are presented in 'Pounds Sterling' (£), which is also the Company's functional currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of profit or loss, except when deferred in other comprehensive income as qualifying cash flow hedges. All other foreign exchange gains and losses are recognised in the Statement of profit or loss within 'Administrative and general'.

2.4 Property, plant and equipment

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of items. Cost may also include transfers from equity of any gain/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the Statement of profit or loss during the financial period in which they are incurred.

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their cost to their residual values over the estimated useful lives as follows:

Fixtures, fittings & equipment	3 – 5 years
Plant and equipment	4 - years
Land and buildings leasehold	5 years (over the lease term)

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting year.

An asset's carrying amount is written down immediately to its recoverable amount if the assets carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Administrative and general' in the Statement of profit or loss.

Note 2. Summary of significant accounting policies (continued)

2.4 Intangible assets

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

The estimated useful life of research and development is 10 years.

Computer software

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 products 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.

Directly attributable costs that are capitalised as part of the software product include software development employee costs and an appropriate portion of relevant overheads. Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Computer software development costs recognised as assets are amortised over their estimated useful lives, which does not exceed three years.

2.5 Impairment of non-financial assets

Non-financial assets not ready to use are not subject to amortisation and are tested annually for impairment. Assets subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its 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 (cash-generating units). Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

2.6 Investments

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

The Company assesses at the end of each reporting period whether there is objective evidence that an asset or group of assets is impaired. An asset or a group of assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and the loss event (or events) has an impact on the estimated future cash flows of the assets or group of financial that can be reliably estimated.

2.7 Impairment of financial assets

Assets carried at amortised cost

The Company assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and the loss event (or events) has an impact on the estimated future cash flows of the financial assets or group of financial assets that can be reliably estimated.

Note 2. Summary of significant accounting policies (continued)

2.8 Trade and other receivables

Trade and other receivables are initially recognised at fair value and, subsequently, measured at amortised cost using the effective interest method, less a provision for impairment in accordance with the simplified approach permitted by IFRS 9. The Company applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all trade and client receivables and contract assets. To measure the expected credit losses, trade and other receivables have been grouped based on their shared characteristics and the days past due. The expected credit loss rates are based on the historical payment profile of receivables prior to 30 June 2022 and 30 June 2021 and the corresponding historical credit losses experienced during this period. The historical loss rates are adjusted to reflect current and forward-looking information affecting the ability of the clients to settle the receivables.

2.9 Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

2.10 Share capital

Contributed capital is classified as equity in Statement of financial position.

2.11 Trade and other payables

Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from proceeds.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.11 Provisions

Provisions are recognised when:

- the company has a present legal or constructive obligation as a result of past events;
- it is probable that an outflow of resources will be required to settle the obligation; and
- the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

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 the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.12 Current and deferred income tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in shareholders' funds, respectively. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date in the countries where the company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Note 2. Summary of significant accounting policies (continued)

Deferred income 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 income 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 income tax assets and liabilities relate to income tax levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; or arise from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realised or deferred income tax liability is settled.

2.13 Employee benefits

The company operates various post-employment schemes, including defined contribution pension plans.

A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. The company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan.

Past-service costs are recognised immediately in the Statement of profit or loss.

For defined contribution plans, the company pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

2.14 Revenue

Transactional revenue

Transactional revenue is revenue derived from clients and suppliers generated from the provision of travel services to clients. The performance obligation is the facilitation of travel related services on behalf of clients. Transactional revenue is the fixed amount per client transaction and is recognised at either the ticketed date of the travel booking or on the date of travel, depending on the terms of the contract.

Transactional revenue also includes Pay Direct Commission, which is recognised when the performance obligation has been satisfied and the amount of the commission is highly probable, which is either upon receipt from the supplier or when it is confirmed commissionable by the supplier.

Other income

Income from Government grants as a result of the COVID-19 pandemic has been recognised in other income. There are no unfulfilled conditions or other contingencies attached to these grants. The company did not benefit directly from any other forms of government assistance. Government grant income is offset by the cost of retaining the staffs.

2.15 Finance income/(costs)

Interest income and interest expense are recognised using the effective interest method.

Note 2. Summary of significant accounting policies (continued)

2.16 Dividends

Dividends to the company's shareholders are recognised as a liability in the company's financial statements in the period in which the dividends are approved by the company's shareholders.

2.17 Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Extension and termination options are included in the leases. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The extension and termination options held and exercisable only by the Company and not by the respective lessors. Extension option has been included in the lease liabilities. Extension option is only included in the lease term if the lease is reasonably certain to be extended. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter.

The Company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

2.18 Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Note 3. Critical accounting judgements, estimates and assumptions

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual estimates. The estimates that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

(a) Impairment of trade and other receivables

The company makes an estimate of the recoverable value of the trade and other receivables. When assessing impairment of trade and other receivables, management considers factors including the credit rating of the receivables and historical experience.

Note 3. Critical accounting judgements, estimates and assumptions (continued)

(b) Impairment of investments in subsidiaries

The recoverable amount of the investments has been determined based on forecast cash flow scenarios, with the value-in-use (VIU) basis being used for all valuations. Forecasts were determined by management using both internal and external data. The forecasts assume the return of activity to pre-COVID-19 pro-forma levels by FY26 in Europe. Cash flows post FY24-25 are extrapolated using the annual growth rates up to year 5, and the long term growth rates beyond year 5.

The following key assumptions were used in the modelling:

- Recovery path projections through to FY27.
- Pre-tax discount rates - reflect specific risks and conditions relating to the relevant cash-generating units and the countries in which they operate.
- Revenue - the basis used to determine the amount assigned to sales volume is based on historical experience, and adjusted for growth and other known circumstances. This information was overlaid to create three revenue scenarios based on the economic recovery paths.
- Operating expenses - the basis used to determine the amount assigned to the forecast costs are based on historical margins and patterns of revenue, adjusted for growth and other known circumstances.
- Long term growth rates - the growth rate used to extrapolate cash flows beyond the current period is based on historical experience and future expectations for growth in the context of inflation expectations in the countries in which the cash-generating units operate.

Sensitivity to changes in key assumptions

Management recognises that there are various reasons the estimates used in these assumptions may vary. By way of illustration, the movement in the key assumptions above would cause the following impact:

Assumption	Base assumption	Range	Impact to present value of future cashflows	Headroom after sensitivity
Weighted Average Cost of Capital (WACC)	9.63%	0.5%	-£0.4m	£2.2m
		-0.5%	£0.5m	£3.1m
Long-term growth rates	2.00%	0.5%	£0.4m	£3.0m
		-0.5%	-£0.3m	£2.3m

(c) Going concern

The company has made an estimate of future cash flow to support the going concern assumption. This estimate is based on past experience of other global events that have caused a travel downturn and while the impact COVID 19 expected to be temporary, the impact is expected to last several years.

In addition, the Director has received a letter of support from the ultimate parent, Corporate Travel Management Limited stating they will provide sufficient resources to enable the Company to meet its liabilities as they fall due for the foreseeable future. Accordingly, the Director considered it appropriate to continue to adopt the going concern basis in preparing the Annual report and Financial Statements.

(d) Impairment Receivables from related parties

Management has assessed the recoverability of non-financial assets using the value in use method or net assets position as a proxy for fair value under IFRS 9 Financial Instruments. Assumptions regarding future cash flows made on a Group basis, have been applied by the Company. These assumptions have reference to current economic conditions and the estimated ongoing impact of COVID-19. The key assumption used in the modelling was the pre-tax discount rates which reflect specific risks and conditions relating to the relevant investment and the countries in which they operate..

There are not considered to be any critical accounting judgements that do not include estimates.

Note 4. Financial instruments

The company has no financial assets or liabilities measured at fair value through profit or loss in the year (prior period 8 months to 30 June 2021: £nil).

Statesman Travel Limited
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Note 5. Revenue

Revenue has been derived from its principal activity wholly undertaken in the United Kingdom. The financial statements show net of commission earned as revenue.

	Year ended 30 June 2022 £	8 months to 30 June 2021 £
Transaction revenue	<u>1,619,239</u>	<u>392,918</u>

Note 6. Other income

Income from comparable period represents Government grants (Job Retention Scheme) as a result of the COVID-19 pandemic.

	Year ended 30 June 2022 £	8 months to 30 June 2021 £
Government grants	-	198,167
Others	<u>3,987</u>	<u>9,012</u>
Other income	<u>3,987</u>	<u>207,179</u>

Note 7. Operating Loss

Operating loss is stated after charging:

	Year ended 30 June 2022 £	8 months to 30 June 2021 £
Wages and salaries	1,276,162	1,600,317
Social security costs	151,433	165,087
Other pension costs	<u>37,834</u>	<u>41,692</u>
Total Staff Costs	<u>1,465,429</u>	<u>1,807,096</u>

	Year ended 30 June 2022 £	8 months to 30 June 2021 £
Net foreign exchange (gains)/losses	(51,874)	43,907
Depreciation of property, plant and equipment	59,709	42,364
Depreciation of right-of-use assets	219,039	146,026
Impairment of trade receivables	41,486	7,825
Interest expense on the lease liabilities	16,617	16,533
Audit fee payable to the current auditors	45,250	53,250
Fees payable to the prior auditors	-	50,360

Statesman Travel Limited
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Note 8. General & Administrative Expenses

	Year ended 30 June 2022 £	8 months to 30 June 2021 £
Insurance	7,640	25,171
General Office Expenses	10,297	7,854
Advertising & Promotion	23	483
Postage & Stationary	1,848	10,660
Consulting Fees	-	2,945
Memberships & Subs	28,278	40,094
Audit Fees	36,185	103,610
Foreign Exchange (gains) / losses	(34,422)	43,907
Bank Fees	5,134	4,624
Management Fees / (income)	1,486,593	(163,955)
Bad Debt Expense	41,486	7,825
	<u>1,583,062</u>	<u>83,218</u>

The management fee for the year represents expenses paid to group companies. (8 months to 30 June 2021: management fee receivable was introduced in line with the CTM Group upon the acquisition in October 2020).

Note 9. Employees and directors

The average monthly number of persons (including directors) employed by the company during the current and previous year was:

	Year ended 30 June 2022 No.	8 months ended 30 June 2021 No.
Office and administration	26	25
Operations	2	19
Average number of employees	<u>28</u>	<u>44</u>

Directors

The directors' remunerations were as follows:

	Year ended 30 June 2022 £	8 months to 30 June 2021 £
Remuneration for qualifying services	-	295,138
Defined contribution schemes	-	10,666
	<u>-</u>	<u>305,804</u>

Post-employment benefits are accruing for nil (2021: nil) under defined contribution schemes.

The remuneration of the Directors was paid by a group company, which makes no recharge to the Company, and the Directors received no remuneration for their services as Directors of the Company. These Directors were also Directors of a number of companies within the Group and it is not possible to make an apportionment of their remuneration in respect of the Company and each of the Group companies for which they are a Director.

Statesman Travel Limited
Notes to the financial statements
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Note 9. Employees and directors (continued)

Highest paid director

The highest paid director's remuneration is as follows:

	Year ended 30 June 2022 £	8 months to 30 June 2021 £
Aggregate remuneration	-	305,804
	<u>-</u>	<u>305,804</u>

There is no defined benefit pension scheme.

Note 10. Net finance costs

	Year ended 30 June 2022 £	8 months to 30 June 2021 £
Interest income/(expense)	11,429	(4,642)
Interest expenses - lease liabilities	<u>(16,617)</u>	<u>(16,532)</u>
	<u>(5,188)</u>	<u>(21,174)</u>

Finance income and costs represent total interest income and expense on financial liabilities not measured at fair value through profit and loss.

Note 11. Income tax credit

Tax credits included in Statement of profit or loss:

	Year ended 30 June 2022 £	8 months to 30 June 2021 £
<i>Current tax</i>		
UK Corporation tax on loss for the year	(537,596)	(463,293)
<i>Deferred tax:</i>		
Origination and reversal of temporary differences	<u>207,153</u>	<u>21,113</u>
Aggregate income tax credit	<u>(330,443)</u>	<u>(442,180)</u>

The tax credit for the year is lower (8 months to 30 June 2021: lower) than the standard rate of corporation tax in the UK for the year ended 30 June 2022 of 19.00% (8 months to 30 June 2021: 19.00%). The differences have been explained below:

Loss before income tax credit	<u>(2,141,174)</u>	<u>(6,839,984)</u>
Tax at the statutory tax rate of 19% (2021: 19%)	(406,823)	(1,299,597)
Tax effect amounts which are not (taxable)/ deductible in calculating taxable income:		
Non deductible expenses	<u>76,380</u>	<u>857,417</u>
Income tax credit	<u>(330,443)</u>	<u>(442,180)</u>

Statesman Travel Limited
Notes to the financial statements
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Note 11. Income tax credit (continued)

Tax credit for the year is lower (8 months to 30 June 2021: lower) than the standard rate of corporation tax in the UK for the year ended 30 June 2022 of 19.00% (8 months to 30 June 2021: 19.00%). The differences have been explained above.

In the Spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25% (rather than remaining at 19%, as previously enacted). The new law was substantively enacted on 24 May 2021. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

Note 12. Trade and other receivables

	2022 £	2021 £
Trade receivables	4,250,705	864,045
Amounts owed by group undertakings	331,372	572,230
VAT recoverable	19,765	-
	<u>4,601,842</u>	<u>1,436,275</u>

Amounts owed by group undertakings are unsecured, have no fixed date of repayment and are repayable on demand. The interest rate applied is based on a 3-month base rate for the currency plus a margin. Interest is calculated daily and charged monthly.

Trade receivables are stated after provisions for impairment of £48,614 (8 months to 30 June 2021: £7,825).

Note 13. Investments

	2022 £	2021 £
Investment in subsidiary	<u>4,084,246</u>	<u>4,084,246</u>

Investment comprises equity shares in the company below and it is not publicly traded:

Name	Country of incorporation	Registered address	Ownership interest 2022 %	Ownership interest 2021 %
Statesman Travel Services Limited	United Kingdom	Senator House, 85 Queen Victoria Street, London, EC4V 4AB, United Kingdom	10	10

The principal activity of the company is providing services in business travel management, tailored travel management solution and delivering customer service excellence.

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Note 14. Property, plant and equipment

	Land and buildings leasehold £	Plant and equipment £	Fixtures, fittings and equipment £	Total £
At 1 Oct 2021				
Cost	315,928	225,866	6,140	547,934
Accumulated depreciation	(309,426)	(140,911)	(3,325)	(453,662)
Net book amount	6,502	84,955	2,815	94,272
Year ended 30 June 2022				
Additions	-	-	-	-
Depreciation	(3,120)	(55,487)	(1,102)	(59,709)
	3,382	29,468	1,713	34,563
At 30 June 2022				
Cost	315,928	225,866	6,140	547,934
Accumulated depreciation	(312,546)	(196,398)	(4,427)	(513,371)
Net book amount	3,382	29,468	1,713	34,563

Note 15. Right-of-use assets

	2022 £	2021 £
Buildings - right-of-use	620,610	620,610
Less: Accumulated depreciation	(365,065)	(146,026)
	255,545	474,584
	255,545	474,584
	Year ended 30 June 2022 £	8 months to 30 June 2021 £
Amounts recognised in the income statement:		
Depreciation charge of right-of-use	219,039	146,026
Interest expense (included in finance costs)	16,617	16,532

Note 16. Deferred tax asset

	2022 £	2021 £
The amount comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Provisions	10,572	2,292
Accelerated capital allowances	9,476	(1,302)
Deferred tax asset	20,048	990

Movement for the year:

Statesman Travel Limited
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Note 16. Deferred tax asset (continued)

	At 1 July 2021 £	(Charged)/ credited in year via P&L £	(Charged)/ credited in year via equity £	At 30 June 2022 £
Deferred tax				
Provisions	2,291	8,281	-	10,572
Accelerated capital allowances	(1,301)	10,777	-	9,476
	<u>990</u>	<u>19,058</u>	<u>-</u>	<u>20,048</u>

Note 17. Trade and other payables

	2022 £	2021 £
Trade payables	2,711,134	877,335
Amounts due to group and subsidiary undertakings	8,918,447	4,443,633
Deferred income	-	339,007
Accruals	610,448	595,614
Taxation and social security	45,828	149,301
Other creditors	33,539	10,271
	<u>12,319,396</u>	<u>6,415,161</u>

Amounts owed by group undertakings are unsecured, have no fixed date of repayment and are repayable on demand. The interest rate applied is based on a 3-month base rate for the currency plus a margin. Interest is calculated daily and charged monthly.

Note 18. Lease liabilities

	2022 £	2021 £
<i>Current liabilities</i>		
Lease liability	<u>234,996</u>	<u>289,529</u>
<i>Non-current liabilities</i>		
Lease liability	<u>50,951</u>	<u>350,605</u>
	<u>285,947</u>	<u>640,134</u>

Note 19. Provisions

	2022 £	2021 £
Annual leave	<u>26,088</u>	<u>57,758</u>

Statesman Travel Limited
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Note 20. Called up share capital

Ordinary shares of £1 each authorised.

	2022 No. of shares	2021 No. of shares	2022 £	2021 £
Ordinary shares - fully paid	<u>5,874,166</u>	<u>5,874,166</u>	<u>5,874,166</u>	<u>5,874,166</u>

All shares rank pari passu in all respects.

Note 21. Related party transactions

As permitted by FRS 101, the company has taken advantage of the exemption available under that standard in relation to "related party transactions" from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.

See note 9 for disclosure of the directors' remuneration.

There are no other related party transactions requiring disclosure.

Note 22. Control

The immediate parent undertaking of the company is Travel and Transport UK Limited incorporated in England and Wales, whose registered office is Senator House, 85 Queen Victoria Street, London, England, EC4V 4AB. The ultimate parent undertaking and controlling party of this company is Corporate Travel Management Limited, incorporated in Australia, whose registered office is Level 24 307 Queen Street, Brisbane, Queensland, 4000, Australia. Corporate Travel Management Limited is the largest and smallest group of undertakings for which consolidated financial statements are drawn up. Consolidated financial statements for the group are available at www.asx.com.au.

Note 23. Events after the reporting period

No matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Carla Beaton being appointed as a Director on 1 July 2022.