Journeo Fleet Systems Limited (formerly 21st Century Fleet Systems Limited)

Annual Report and Financial Statements for the year ended 31 December 2022

Registered number: 01209516

Journeo Fleet Systems Limited (formerly 21st Century Fleet Systems Limited)

Company information

Registered Number 01209516

Registered Office

12 Charter Point Way
Ashby-de-la-Zouch
England
LE65 1NF

Board of Directors
R C Singleton
N Lowe
M W Elliott

Company Secretary

N Lowe

Auditor

Cooper Parry Group Limited
Chartered Accountants and Statutory Auditor
Sky View, Argosy Road
Castle Donington
Derby
DE74 2SA

Banker

National Westminster Bank Plc
16 South Parade
Nottingham
NG1 2JX

Strategic report for the year ended 31 December 2022

Principal activity

The principal activity of the Company in the period under review was that of specialist provider of tailored solutions to the transport community. The solutions include video surveillance to improve passenger and driver safety, vehicle and driver performance monitoring and automatic passenger counting.

Business model

The business model is to compete in the market as an open provider of technology solutions, working with global scale product companies and local specialists to deliver highly reliable and cost-effective solutions for public service vehicle (PSV) fleet operators over the lifecycle of the systems. The service offering includes design, tailoring, installation, on–site support and back-office systems which allow our operators to focus on running their fleets.

We compete by striving to offer better integrated solutions at reduced costs to our customers. We carefully select niche markets where we can generate significant market share to generate the economies of scale needed.

Review of business and key performance indicators

The Company uses a number of key performance indicators (KPI's) to monitor progress against its objectives. The KPI's are

	2022 £'000	2021 £'000
Revenue	**12,494**	9,290
Gross profit	**3,711**	2,919
Underlying administrative expenses	**3,099**	2,430
Operating profit	**660**	604
Net current assets	**931**	590
Cash & cash equivalents	**274**	553

In addition, operational performance measures are monitored at a major account level with exceptions raised to the Board.

The financial performance in the year was in line with expectations. This led to the Company making an operating profit of £660k (2021: £604k).

Revenue increased by £3,204k to £12,494k (2021: £9,290k).

Gross profit was £3,711k (2021: £2,919k) and gross profit margin remained consistent at 30% (2021: 31%).

The net current assets increased by £341k to £931k (2021: £590k). The cash and cash equivalents decreased to £274k from £553k in 2021.

Principal risks and uncertainties

The management of the business and the execution of the Company's strategy are subject to a number of risks. Risks are formally reviewed by the Board and where possible appropriate processes put in place to monitor and mitigate them. If more than one event occurred, it is possible that the overall effect of such events would compound the possible adverse effects on the Company. The key business risks affecting the Company are set out below along with risk mitigation measures:

Dependence on major customers

Currently the business has a high dependence on a small number of customers who are of a far greater scale than the Company. This generates three distinct risks each of which could have a significant impact on the business:

- The loss of any single major customer
- Pressure on price and margin
- Changes to their vehicle replacement or retro-fit schedules

These risks are mitigated by monitoring and managing the business's operational performance measures, including response times and CCTV availability, with operational dashboards agreed with each customer and by regular communication at Director level. A key focus is to win new business with public transport companies in the UK and overseas and thereby reducing reliance on the existing customer base.

Competition

The Company may face increased competition as the technology on vehicles moves away from point solutions to broader integrated solutions. This changing technology landscape creates openings for new product and service entrants who may possess better technical and capital resources than the Company. The Company has to increase technical capability to capitalise on our current market position.

Strategic report for the year ended 31 December 2022 (continued)

Reduction in government spending on public transport

Our Company revenues are strongly linked to the overall health of the UK public transport sector, which in turn is significantly affected by levels of government funding at local, regional and national levels.

We have a fairly diversified position where we operate nationally rather than regionally across bus and rail networks.

Major project delivery

Failure to deliver a major project on time or to specification, or technical performance falling significantly short of customer expectations, would have potentially significant adverse financial and reputational consequences.

Risk assessments are conducted for all projects and the major ones are also subject to Board approval. Major projects are reviewed at various levels and frequencies throughout the project lifecycle.

Dependence on key suppliers

Wherever possible the Company endeavours to retain a choice of suppliers for its components and finished goods. In instances where we are currently reliant on one supplier we are constantly looking for ways to minimise technical and commercial risk.

On certain projects we have technical risk in our suppliers when they are developing systems for our customer's applications. We manage these risks with rigorous project management.

Technology

The future success of the Company's activities depends upon it creating a leading position for innovative systems within the PSV sector. As a smart integrator we require both a breadth of knowledge and a deeper understanding in areas of software integration.

This involves keeping pace with changes and improvements in relevant technology and by having the integration skills necessary to create added value for our customers on the move and in the back-office. The Company currently has a small development team, strong relationships with partner organisations and is looking to strengthen in this area with recent recruitment.

Exposure to liquidity, cash flow and credit risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. We aim to mitigate liquidity risk by managing cash generation by our operations and applying cash collection targets.

Cash flow risk is the risk that inflows and outflows of cash and cash equivalents will not be sufficient to finance the day-to-day operations. We manage cash flow risk by careful negotiation of terms with customers and suppliers.

Approved by the board and signed on its behalf

DocuSigned by:

Nick Lowe

4306F242E29B4FA...

By order of the Board

N Lowe
Director
11 May 2023

Directors' report

The Directors present their report with the financial statements of the Company for the year ended 31 December 2022.

Change of company name

The company changed its name from 21st Century Fleet Systems Limited to Journeo Fleet Systems Limited on 02 October 2022.

Dividends

The Directors do not propose a dividend for the year ended 31 December 2022 (2021: £Nil).

Going concern

The Company's business activities, together with factors likely to affect its future development, performance and position, are set out in the Strategic Report along with the principal risks and uncertainties.

The Company shares financial resources within the Journeo plc group, and the Directors have therefore considered Group level financial projections when considering going concern.

The Group's net underlying profit for the year was £903k (2021: £634k). As at 31 December 2022 the Group had net current assets of £1,798k (2021: £206k) and net cash reserves of £533k (2021: £1,096k).

On 16th January 2023, the 2016 Loan Notes and the 2018 Loan Notes of the parent company Journeo PLC were converted to Ordinary shares

The Directors have prepared Group cash flow projections for the period to 30 June 2024 based on latest forecasts that show that the Group will be able to operate within the Group current funding resources with significant headroom.

As with all businesses there are particular times of the year where our working capital requirements are at their peak. The Group is well placed to manage these business risks effectively and the Board reviews the Group's performance against budgets and forecasts on a regular basis to ensure action is taken where needed. The Directors also monitor a rolling cash flow forecast, and key management review working capital movements and requirements on a daily basis.

The projections, taking account of reasonably possible changes in trading performance, indicate that the Group will operate within available facilities throughout the projection period and therefore, based on these projections, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future and for at least 12 months from the date of these financial statements. The Directors, therefore continue to adopt the going concern basis in preparing the financial statements.

Directors

The Directors who have held office during the period from 1 January 2022 to the date of this report are as follows:

R C Singleton
M W Elliott
N Lowe

Directors' indemnity

The Company's Articles of Association provide, subject to the provisions of UK legislation, an indemnity for directors and officers of the Company in respect of liabilities they may incur in the discharge of their duties or in the exercise of their powers, including any liabilities relating to the defence of any proceedings brought against them which relate to anything done or omitted; by them as officers or employees of the Company.

Appropriate Directors' and officers' liability insurance cover is in place in respect of all the Company's Directors.

Matters covered in the Strategic Report

As permitted by Paragraph 1A of Schedule 7 of the Companies Act 2006 certain matters which are required to be disclosed in the Directors' report have been omitted as they are included in the Strategic Report. These matters relate to principal activities, business review, key performance indicators, principal risks and uncertainties and future developments.

Research and development

The Company invests in research and development activities relevant to the size and nature of its operations with the aim of supporting future development of the Company.

Directors' report (continued)

Disclosure of information to auditor

Each Director of the company confirms that:

(a) so far as the Director is aware there is no relevant audit information of which the Company's auditor is unaware; and

(b) he has taken all steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Approved by the Board and signed on its behalf by:

DocuSigned by:

Nick Lowe

4306F242E29B4FA...

N Lowe
Director
11 May 2023

Statement of Directors' responsibilities in respect of the financial statements

The Directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. 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 year.

In preparing the Company's 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including Financial Reporting Standard 101 'Reduced Disclosure Framework' has been followed subject to any material departures disclosed and explained in the Company 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.

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.

Approved by the Board and signed on its behalf by:

DocuSigned by:

Nick Lowe

4306F242E29B4FA...

N Lowe
Director
11 May 2023

Independent auditor's report to the members of Journeo Fleet Systems Limited (formerly 21st Century Fleet Systems Limited)

Opinion

We have audited the financial statements of Journeo Fleet Systems Limited (formerly 21st Century Fleet Systems Limited) (the 'Company') for the year ended 31 December 2022, which comprise the statement of comprehensive income, the statement of changes in equity, the statement of financial position and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its comprehensive income for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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.

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.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent auditor's report to the members of Journeo Fleet Systems Limited (formerly 21st Century Fleet Systems Limited) (Continued)

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibility of Directors

As explained more fully in the Directors' responsibilities statement on page 7, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Independent auditor's report to the members of Journeo Fleet Systems Limited (formerly 21st Century Fleet Systems Limited) (Continued)

Auditor's responsibilities for the audit of the financial statements

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

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.

Our assessment focused on key laws and regulations the company has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, United Kingdom Generally Accepted Accounting Practice and relevant tax legislation.

We are not responsible for preventing irregularities. Our approach to detect irregularities included, but was not limited to, the following:

- obtaining an understanding of the entity's policies and procedures and how the entity has complied with these, through discussions and walkthroughs;
- obtaining an understanding of the legal and regulatory framework applicable to the entity and how the entity is complying with that framework;
- an understanding of the entity's risk assessment process, including the risk of fraud;
- designing our audit procedures to respond to our risk assessment;
- performing audit work over the risk of management override of controls including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias, such as the warranty provision; and
- reviewing a sample of the largest construction contracts, understanding the rationale for the stage of completion and assessing the profit take on them.

Whilst considering how our audit work addressed the detection of irregularities, we also consider the likelihood of detection based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Independent auditor's report to the members of Journeo Fleet Systems Limited (formerly 21st Century Fleet Systems Limited) (Continued)

Use of our report

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

Cooper Parry Group Limited

Melanie Hopwell (Senior Statutory Auditor)

for and on behalf of
Cooper Parry Group Limited

Chartered Accountants
Statutory Auditor

Sky View
Argosy Road
East Midlands Airport
Castle Donington
Derby
DE74 2SA

Date: 12 May 2023

Statement of comprehensive income
for the year ended 31 December 2022

	Notes	2022 £	2021 £
Revenue	3	**12,494,302**	9,290,442
Cost of sales		**(8,783,172)**	(6,371,091)
Gross profit		**3,711,130**	2,919,351
Underlying administrative expenses		**(3,098,970)**	(2,429,748)
Other income	18	**47,641**	114,402
Underlying profit		**659,801**	604,005
Total administrative expenses		**(3,051,329)**	(2,315,346)
Operating profit		**659,801**	604,005
Finance cost	5	**(199,506)**	(121,606)
Profit before taxation	6	**460,295**	482,399
Taxation charge	7	**—**	—
Profit for the year being total comprehensive income attributable to owners of the company		**460,295**	482,399

The notes on pages 15 to 26 form part of these financial statements.

Statement of changes in equity
for the year ended 31 December 2022

	Share capital £	Share premium account £	Retained earnings £	Total equity shareholders' funds £
Balance at 1 January 2021	1	**313,000**	**1,325,619**	**1,638,620**
Profit and total comprehensive income for the year		**—**	**482,399**	**482,399**
Balance at 31 December 2021	1	**313,000**	**1,808,018**	**2,121,019**
Profit and total comprehensive income for the year		—	460,295	460,295
Balance at 31 December 2022	**1**	**313,000**	**2,268,313**	**2,581,314**

The notes on pages 15 to 26 form part of these financial statements.

Statement of financial position
at 31 December 2022

	Notes	2022 £	2021 £
Assets			
Non-current assets			
Intangible assets	8	**635,425**	541,565
Property, plant and equipment	9	**465,197**	532,537
Investments	10	**1,085,451**	1,085,451
		2,186,073	2,159,553
Current assets			
Inventories	11	**2,414,616**	1,032,104
Trade and other receivables	12	**5,871,151**	4,038,687
Cash and cash equivalents	13	**274,489**	552,676
		8,560,256	5,623,467
Total assets		**10,746,329**	7,783,020
Liabilities			
Current liabilities			
Trade and other payables	14	**(5,458,894)**	(3,619,137)
Loans and borrowings	15	**(1,814,312)**	(1,066,968)
Lease liabilities		**(121,031)**	(120,561)
Provisions	16	**(235,217)**	(227,164)
		(7,629,454)	(5,033,830)
Net current assets		**930,802**	589,637
Non-current liabilities			
Provisions	16	**(271,149)**	(312,592)
Lease liabilities		**(224,653)**	(261,210)
Loans and borrowings	15	**(39,759)**	(54,369)
Total liabilities		**(8,165,015)**	(5,662,001)
Net assets		**2,581,314**	2,121,019
Shareholder's equity			
Share capital	17	**1**	1
Share premium account	17	**313,000**	313,000
Retained earnings	17	**2,268,313**	1,808,018
Total equity		**2,581,314**	2,121,019

The financial statements were approved by the Board of Directors and authorised for issue on 11 May 2023 and were signed on its behalf by:

DocuSigned by:

Nick Lowe

4306F242E29B4FA...

N Lowe
Director

Registered number: 01209516

The notes on pages 15 to 26 form part of these financial statements.

Notes to the financial statements
for the year ended 31 December 2022

1. General information

Journeo Fleet Systems Limited (the 'Company') is a company registered in England and Wales under the Companies Act and is a private company limited by shares. The address of the Company's registered office is shown on page 2. The nature of the Company's operations and its principal activities are set out in the Strategic Report on page 3. The company changed its name from 21st Century Fleet Systems Limited to Journeo Fleet Systems Limited on 02 October 2022.

Consolidated financial statements

The Company is exempt from the requirement to prepare consolidated financial statements under Section 400 of the Companies Act 2006. Consolidated financial statements are prepared by Journeo PLC, the ultimate parent undertaking, and are available from the address set out in note 21. These financial statements therefore present information about the Company as an individual undertaking and not about its group.

2. Significant accounting policies

Basis of preparation

The financial statements are presented in GBP Sterling (£) which is the Company's functional and presentational currency. The financial statements are for the year ended 31 December 2022 (2021: year ended 31 December 2021).

Statement of compliance

The financial statements of the Company are presented in accordance with Financial Reporting Standard 101 'The reduced Disclosure Framework' ("FRS101"). They have been prepared under the historical cost convention. The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been applied consistently throughout the year.

Disclosure exemptions adopted

In preparing the financial statements, the Company has taken advantage of all disclosure exemptions available under FRS 101. Therefore, these financial statements do not include:

- a statement of cash flows and related notes;
- a balance sheet at the beginning of the earliest comparative period;
- details of related party transactions entered into between two or more wholly owned members of the Group;
- disclosure of key management personnel compensation;
- capital management disclosure;
- presentation of a comparative reconciliation of the number of shares outstanding at the beginning and at the end of the of the period, the reconciliation of the carrying amount of property, plant and equipment and the reconciliation of the carrying amount of intangible assets;
- certain disclosure in relation to share based payments;
- certain disclosure in relation to impairment testing;
- the effect of future accounting standards not yet adopted; or
- disclosure in respect of financial instruments and fair value measurements.

Revenue

Revenue represents amounts invoiced to customers, net of value added tax and trade discounts. The sale of equipment includes installation of on-vehicle equipment, with the turnover being recognised once the installation has been completed or when the goods are despatched. *There is also revenue from longer term and construction contracts which is recognised as contract work in progress* in accordance with the Company's contract accounting policy as detailed below. For most sales, the enforceable contract is each purchase order, which is an individual, short term contract. As the enforceable contract for most arrangements is the purchase order, the transaction price is determined at the date of each sale and, therefore, there is no future variability within scope of IFRS 15 and no further remaining performance obligations under those contracts.

When the Company sells multiple goods and/or services as a package, the components are separated and accounted for separately.

Revenue received before goods and services are delivered is recognised as deferred income and transferred to the statement of comprehensive income once the goods are delivered and when the services have been performed.

Ongoing revenue from service contracts is recognised on a straight-line basis over the term of the contract.

The Company does provide a warranty period of up to 5 years which is considered to be an assurance-type warranty and therefore no separate performance obligation has been identified.

Notes to the financial statements continued
for the year ended 31 December 2022

2. Significant accounting policies continued

Construction contracts
The Company recognises revenue and costs on construction contracts under the percentage of completion method.

In determining costs incurred up to the year end, any costs relating to future activity on a contract are excluded and are shown as contract work in progress. The aggregate of the cost incurred and the profit or loss recognised on each contract is compared against the progress billings up to the year end. Where costs incurred and recognised profits (less recognised losses) exceed progress billings, the balance is shown as due from customers on construction contracts, under receivables and prepayments. Where the progress billings exceed costs incurred plus recognised profits (less recognised losses), the balance is shown as due to customers on construction contracts, under trade and other payables.

Taxation
Income tax on profit or loss for the year comprises current and deferred tax. Income tax is recognised in the statement of comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the year-end date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the year-end liability method on any temporary differences between the carrying amounts for financial reporting purposes and those for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities.

A deferred tax asset is recognised only to the extent that it is probable that sufficient taxable profit will be available to utilise the temporary difference.

Investments
Fixed asset investments in subsidiaries are shown at cost less provision for impairment.

Property, plant and equipment
The cost of plant and equipment is their purchase price plus any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in a manner intended by management.

Depreciation is calculated so as to write off the cost of property, plant and equipment on a straight-line basis to their estimated residual values over the expected useful economic lives of the assets concerned. Periodic reviews are made of estimated remaining useful lives and residual values and the depreciation rates applied are:

	%
Motor vehicles and fixtures and fittings	20
Plant and machinery	20–33
Right-of-use-assets	Up to 60 months

Impairment
Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If any such condition exists, the recoverable amount of the asset is estimated in order to determine the extent, if any, of the impairment loss. Where the asset does not generate cash flows that are independent from other assets, estimates are made of the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value, less costs to sell, and value in use. In assessing value in use, estimated future cash flows are discounted to their present value using a discount rate appropriate to the specific asset or cash generating unit and by comparing the internal rate of return generated by the cash flows to target return rates established by management. If the recoverable amount of an asset or cash generating unit is estimated to be less than its carrying amount, the carrying value of the asset or cash generating unit is reduced to its recoverable amount. Impairment losses are recognised immediately in the statement of comprehensive income.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if that impairment loss had not been recognised.

Intangible assets
Software
Software which can be separately identified is capitalised to intangible assets at cost of acquisition and amortised over the estimated useful economic lives of between three and five years on a straight-line basis into administrative expenses.

Notes to the financial statements continued
for the year ended 31 December 2022

2. Significant accounting policies continued

Research and development
Expenditure on research is written off in the period in which it is incurred.

Development expenditure is capitalised where it relates to a specific project where technical feasibility has been established, adequate technical, financial and other resources exist to complete the project, the expenditure attributable to the project can be measured reliably and overall project profitability is reasonably certain. In this case, it is recognised as an intangible asset and amortised over its useful economic life of 4 years into administrative expenses. All other development expenditure is recognised as an expense in the period in which it is incurred.

Inventories
Inventory held for resale is stated at the lower of cost and net realisable value. The cost is based on the average weighting method. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Where necessary, provision is made for obsolete, slow moving and defective inventory.

Financial instruments
Cash and cash equivalents
Cash and cash equivalents comprise cash balances and call deposits with maturity of less than or equal to three months and are measured on initial recognition at their fair value and subsequently at amortised cost.

Loans and receivables and other financial liabilities
Trade receivables and trade payables are measured on initial recognition which is the trade date, at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable trade receivables are recognised in the statement of comprehensive income when there is objective evidence that the asset is impaired.

Leasing
Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Each lease payment is allocated between the liability and the finance cost. The finance cost is charged to the statement of comprehensive income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

The Company has applied the expedient to expense short term leases with a term of 12 months or less. These leases are disclosed as operating leases. Rentals payable under operating leases are charged in the statement of comprehensive income on a straight-line basis over the lease term.

Pensions
The Company operates a defined contribution scheme. The pension cost charge to the statement of comprehensive income is the contributions payable to the pension scheme for the period.

Finance cost
The company policy is to classify all the relevant costs of financing assets, loans and other borrowings as Finance Costs (see Note 15).

Provisions
Provisions are recognised when the Company has a present obligation as a result of a past event and it is probable that the Company will be required to settle that obligation. Provisions are measured at the Directors' best estimate of the net expenditure required to settle the obligation at the year-end date and are discounted to present value where the effect is material.

Foreign currencies
Transactions in foreign currencies are recorded at the rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange prevailing at the year-end date. All differences are taken to the statement of comprehensive income.

The assets and liabilities of foreign operations are translated to Sterling at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Sterling at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in the statement of comprehensive income.

Share capital, share premium and retained earnings
Ordinary Shares are classified as equity. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs. Retained earnings include all current and prior period retained profits / losses.

Notes to the financial statements continued
for the year ended 31 December 2022

2. Significant accounting policies continued

Share-based payments
The share-based payments are calculated by and recharged from the parent company. Share based payments granted after 7 November 2002 are measured at their fair value at the date of grant using a Black Scholes model. The fair value determined at the grant date is expensed on a straight line basis over the vesting period, based upon the Company's estimate of participants eligible to receive shares at the point of vesting.

Going concern
The Company's business activities, together with factors likely to affect its future development, performance and position, are set out in the Strategic Report along with the principal risks and uncertainties.

The Company shares financial resources within the Journeo plc group, and the Directors have therefore considered Group level financial projections when considering going concern.

The Group's net underlying profit for the year was £903k (2021: £634k). As at 31 December 2022 the Group had net current assets of £1,798k (2021: £206k) and net cash reserves of £533k (2021: £1,096k).

On 16th January 2023, the 2016 Loan Notes and the 2018 Loan Notes of the parent company Journeo PLC were converted to Ordinary shares

The Directors have prepared Group cash flow projections for the period to 30 June 2024 based on latest forecasts that show that the Group will be able to operate within the Group current funding resources with significant headroom.

As with all businesses there are particular times of the year where our working capital requirements are at their peak. The Group is well placed to manage these business risks effectively and the Board reviews the Group's performance against budgets and forecasts on a regular basis to ensure action is taken where needed. The Directors also monitor a rolling cash flow forecast, and key management review working capital movements and requirements on a daily basis.

The projections, taking account of reasonably possible changes in trading performance, indicate that the Group will operate within available facilities throughout the projection period and therefore, based on these projections, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future and for at least 12 months from the date of these financial statements. The Directors, therefore continue to adopt the going concern basis in preparing the financial statements.

Critical accounting estimates and judgements
The preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on Directors' best knowledge of the amount, event or actions, actual results may differ from those estimates. The significant judgements made by the Directors in applying the Company's accounting policies and the key sources of estimation uncertainty were:

(i) Note 7 - Deferred tax
Determining the amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities. A deferred tax asset is recognised only to the extent that it is probable that sufficient taxable profit will be available to utilise the temporary difference.

(ii) Note 8 – Impairment of intangibles
Determining whether intangibles are impaired requires an estimation of the recoverable value of the individual asset. Where assets generate cash flows that are independent of other assets then the value-in-use calculation requires the Company to estimate future cash flows expected to arise from the asset at a suitable discount rate in order to calculate the present value.

(iii) Note 10 - Impairment of investments
Determining whether investments are impaired requires an estimation of the recoverable value of the individual asset. Where assets generate cash flows that are independent of other assets then the value in use calculation requires the Company to estimate future cash flows expected to arise from the asset at a suitable discount rate in order to calculate the present value.

The key assumptions for the value in use calculations are those regarding cash flow forecasts, growth rates and discount rates. The cash flow forecasts are derived from the most recent financial budgets for the next five years approved by management and extrapolated in perpetuity assuming no growth. The discount rates needed to equate the net present value from these cash flows to the carrying value of the investment are then compared to the required rate of return from the cash generating unit based upon an assessment of the time value of money, prevailing interest rates and the risks specific to the cash generating unit. If this discount rate is in excess of the required rate of return then it is assumed that no impairment has occurred to the carrying value of goodwill.

The discount rate applied to equate the net present value of the forecast cash flows to the carrying value of the investment was 77%, whereas the required rate of return from the cash generating unit is deemed to be 13%. In view of this, the Directors consider that no impairment of the investment is required.

Notes to the financial statements continued
for the year ended 31 December 2022

2. Significant accounting policies continued

(iv) Note 11 - Provision for obsolete and slow-moving inventory
Determining the level of provision necessary for obsolete and slow-moving inventory requires management to make judgements in estimating the net realisable value of the Company's inventory based upon stock turnover statistics and management's knowledge of market changes. Provisions are made on an item-by-item basis.

(v) Note 16 - Warranty provisions
Determining the level of provision necessary for product warranties requires management to make judgements in estimating the likely future costs based upon historical cost experience, expected future trends and management's experience. Provisions are estimated on a per vehicle basis.

(vi) Note 17 - Share-based payments
In determining the fair value of equity settled share-based payments and the related charge to the statement of comprehensive income, the Company makes assumptions about future events and market conditions. In particular, judgement must be made as to the likely number of shares that will vest and the fair value of each award granted. The share options have a life of ten years and the exercise period is determined to be five years. The fair value is determined using the Black Scholes valuation model. At each year end the Company revises its estimate of the number of options that are expected to become exercisable. It recognises the impact of the revision of the original estimates, if any, in the statement of comprehensive income with a corresponding adjustment to equity.

(vii) Note 19 - Construction contracts
Determining the outcome of a construction contract requires management to make judgements on whether the outcome can be estimated reliably and this includes estimates of future costs. The percentage completion of a contract also requires management to make judgements and estimates which are based on costs incurred and project progress.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable; and contract costs are recognised when incurred.

When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs are recognised over the period of the contract, respectively, as revenue and expenses. This is normally measured either by the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work are included to the extent that they have been agreed with the customer. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately in the statement of comprehensive income.

Notes to the financial statements continued
for the year ended 31 December 2022

3. Revenue
The revenue split between goods and services is:

	2022 £	2021 £
Goods	**8,946,221**	6,020,357
Services	**3,548,081**	3,270,085
	12,494,302	9,290,442

Geographical segments

	2022 £	2021 £
UK	**11,909,553**	8,768,596
International		
– Scandinavia	**458,106**	457,169
– Other EU	**37,600**	42,870
– Non-EU	**89,043**	21,807
Total international	**584,749**	521,846
Total	**12,494,302**	9,290,442

4. Employee information
The average monthly number of persons (including Executive Directors) employed by the Company during the year was:

	2022 Number	2021 Number
By activity:		
Administration	**13**	12
Technical	**5**	3
Operations	**30**	29
	48	44

Staff costs (for the above persons)

	2022 £	2021 £
Wages and salaries	**1,958,812**	1,712,042
Social security costs	**222,553**	186,517
Pension costs	**56,097**	50,352
Share-based payments – recharge from Parent Company	**22,608**	24,467
	2,260,070	1,973,378

Directors' emoluments & pensions

	2022 £	2021 £
Emoluments	**459,821**	421,767
Pensions contributions	**12,145**	14,989
	471,966	436,756

The amounts in respect of the highest paid director are as follows:

	2022 £	2021 £
Emoluments	**232,434**	213,248
Pension contributions	**—**	2,844
	232,434	216,092

Notes to the financial statements continued
for the year ended 31 December 2022

5. Finance cost

	2022 £	2021 £
Interest receivable	—	1
Interest payable	**(170,604)**	(88,710)
IFRS16 interest	**(28,902)**	(32,896)
	(199,506)	(121,606)

6. Profit before taxation
This is stated after charging / (crediting):

	2022 £	2021 £
Operating lease rentals:		
– Rent of land and buildings	**2,667**	1,845
– Hire of plant and equipment	**81,843**	68,403
Amortisation	**209,723**	181,493
Depreciation:		
– Right of use assets	**148,446**	146,683
– Vehicle, property, plant and equipment owned	**61,125**	51,143
Trade receivables impairment / (write back)	**224**	(6,000)
Research and Development expenditure	**47,982**	124,853
Write down of inventories	**125,986**	27,625
Exchange losses	**65,743**	1,845

Profit before taxation is also stated after charging:

	2022 £	2021 £
Auditor's remuneration:		
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	**26,625**	25,300
Fees payable to the Company's Auditor for non-audit related services	**11,000**	10,000
	37,625	36,300

7. Taxation
(a) Analysis of charge/ in year:

	2022 £	2021 £
Current tax		
Total tax charge for the year	—	—

(b) Factors affecting the total tax charge for the year
The tax assessed for the year differs from the standard rate of corporation tax in the UK at 19% (2021: 19%). The differences are explained below:

	2022 £	2021 £
Profit before tax	**460,295**	482,399
Profit multiplied by standard rate of corporation tax in the UK of 19% (2021: 19%)	**87,456**	91,656
Effects of:		
Expenses not deductible for tax purposes	**6,819**	5,750
Income not taxable	**(9,052)**	(21,736)
Fixed asset differences	**(2,129)**	—
Additional reduction for R&D expenditure	**(64,691)**	—
Change in unrecognised deferred tax assets	**(18,403)**	(75,670)
Total tax charge for the year	—	—

Notes to the financial statements continued
for the year ended 31 December 2022

7. Taxation continued

(c) Deferred tax:
The Company has an unrecognised deferred tax asset in respect of trading losses of approximately £270k (2021: £174k). On 3 March 2021, the Chancellor of the Exchequer announced that the corporation tax rate would increase to a maximum of 25% from 1 April 2023._This was substantively enacted on 24 May 2021. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised, based on tax law and the corporation tax rates that have been enacted, or substantively enacted, at the balance sheet date. As such, the deferred tax rate applicable at 31 December 2022 is 25% and deferred tax has been re-measured at this rate.

8. Intangible fixed assets

	Purchased Software £	Development costs £	Total £
Cost			
At 1 January 2022	125,692	950,105	1,075,797
Additions	12,530	291,052	303,582
At 31 December 2022	**138,222**	**1,241,157**	**1,379,379**
Amortisation			
At 1 January 2022	74,291	459,940	534,231
Charge for the year	15,871	193,852	209,723
At 31 December 2022	**90,162**	**653,792**	**743,954**
Net book value			
At 31 December 2022	48,060	587,365	**635,425**
At 31 December 2021	51,401	490,164	541,565

9. Property, plant and equipment

	Motor Vehicles	Fixture and Fittings £	Right-of-Use Asset £	Plant and machinery £	Total £
Cost					
At 1 January 2022	77,210	21,840	753,987	189,699	1,042,736
Additions	—	3,231	104,873	34,127	142,231
Disposals	—	—	(16,101)	—	(16,101)
At 31 December 2022	**77,210**	**25,071**	**842,759**	**223,826**	**1,168,866**
Depreciation					
At 1 January 2022	4,447	12,560	363,798	129,394	510,199
Charge for the year	18,352	5,513	148,446	37,260	209,571
Disposals	—	—	(16,101)	—	(16,101)
At 31 December 2022	**22,799**	**18,073**	**496,143**	**166,654**	**703,669**
Net book amounts					
At 31 December 2022	**54,411**	**6,998**	**346,616**	**57,172**	**465,197**
At 31 December 2021	72,763	9,280	390,189	60,305	532,537

At 31 December 2022, the Vehicles include items with a carrying value of £54k pledged as security for loans included in note 15.

10. Investments

	Shares in group undertakings £
Cost	
At 1 January 2022 and 31 December 2022	1,085,451
Net book value amounts at 31 December 2021 and 31 December 2022	**1,085,451**

Notes to the financial statements continued
for the year ended 31 December 2022

10. Investments continued

Subsidiary undertakings
Details of the Company's subsidiary undertakings at 31 December 2022 are as follows:

Name of undertaking	Nature of business	*Country of incorporation*
Direct subsidiaries		
21st Century Integrated Systems Limited	Former holding company of RSL Group	UK
Indirect subsidiaries		
Journeo Passenger Systems Limited (formerly known as 21st Century Passenger Systems Limited)	Sale, manufacture and installation of passenger systems	UK
RSL Cityspace Limited	Sale and service of information kiosks	UK
RSL StreetNet Limited	Dormant	UK
Cityspace Limited	Dormant	UK

All subsidiaries are wholly owned. All subsidiaries registered office address is the same as the Company; 12 Charter Point Way, Ashby-de-le-Zouch LE65 1NF.

11. Inventories

	2022 £	2021 £
Finished goods and goods for resale	**2,414,616**	1,032,104

12. Trade and other receivables

	2022 £	2021 £
Current		
Trade receivables	**3,878,037**	2,282,260
Less: provision for impairment of receivables	**(9,496)**	(12,111)
Trade receivables – net	**3,868,541**	2,270,149
Amounts owed by group undertakings	**1,517,517**	1,040,960
Other receivables and prepayments	**238,018**	352,056
Amounts due from contract customers	**247,075**	375,522
	5,871,151	4,038,687

13. Cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	**274,489**	552,676

14. Trade and other payables

	2022 £	2021 £
Current		
Trade payables	**1,498,939**	1,026,175
Other taxation and social security	**404,288**	613,788
Amounts owed to group undertakings	**2,911,273**	1,395,901
Other payables and accruals	**310,740**	95,970
Deferred income	**333,654**	426,503
Deferred income relating to contracts	**—**	60,800
	5,458,894	3,619,137

Notes to the financial statements continued
for the year ended 31 December 2022

15. Loans and borrowings

	31 December 2022			31 December 2021		
	Current	**Non-current**	**Total**	Current	Non-current	Total
	£	**£**	**£**	£	£	£
Bank loans	**1,814,312**	**39,759**	**1,854,071**	1,066,968	54,369	1,121,337

The fair value of the loans and borrowings is not substantially different from the carrying value.

The main terms of the bank loans are:

Bank	Loan name	Interest rate	Term	Final payment	Loan value
Close Brothers	Invoice finance	2.35% over base		Repayable on demand	1,801,171
BMW Finance	BMW	2.2%	3 years	December 2025	52,900
					1,854,071

The invoice finance facility is secured by a debenture over all assets of the Group's principal trading entities, Journeo Fleet Systems Limited (formerly 21st Century Fleet Systems Limited) and Journeo Passenger Systems Limited (formerly 21st Century Passenger Systems Limited).

At 31 December 2022, Plant and Equipment with a carrying value of £54k (2021: £73k) are pledged as security for loans.

16. Provisions

	Total
	£
Balance at 1 January 2022	539,756
Charged	332,687
Released	(366,077)
Movement in the year	(33,390)
Balance at 31 December 2022	506,366
Included in current liabilities	235,217
Included in non-current liabilities	271,149

The warranty provision represents management's best estimate of the Company's liability for warranties granted on products sold based on past experience and industry averages for defective products. The warranty provision is expected to be fully released by 31 December 2027.

17. Share capital

Called up share capital

	2022 Number	2021 Number	**2022 £**	2021 £
Authorised, Allotted, called up and fully paid:				
A ordinary shares 0.1p each	**1,000**	1,000	**1**	1
B ordinary Shares 0.1p each	**155**	155	**—**	—
	1,155	1,155	**1**	1

Class A ordinary shares are entitled to one vote in any circumstances. Class B shares rank pari passu in all respects with the A shares except they do not rank for any dividend or distribution paid or made by reference to a record date falling prior to their date of issue.

The share premium account represents the amount received on the issue of ordinary shares by the Company, in excess of their nominal value and is non-distributable.

The retained earnings represent the cumulative profits or losses net of dividends paid.

Notes to the financial statements continued
for the year ended 31 December 2022

17. Share capital continued

Employee Shareholder Plan
On 15 February 2015, the 21st Century Technology Employee Shareholder Plan (the "Plan") was implemented following approval at a general meeting of the Company. Details of the B Ordinary Shares of 0.1p in the capital of Journeo Fleet Systems Limited (formerly 21st Century Technology Solutions Limited) ("Shares" and "Solutions", respectively) are set out below:

The Shares carry the right for the holder, to require the holder(s) of A Ordinary Shares, jointly and severally, in Solutions to acquire the Shares (the "Put Option"). The option may be exercised:

(a) at the discretion of the Executive where a compulsory share transfer event occurs (such as a cessation of employment); and

(b) if (i) not less than three years nor more than ten years have elapsed since the Shares were acquired; and (ii) the share price of Ordinary Shares in the capital of the Company (or such other company as may then be the parent company of Solutions) is not less than 112p per share.

The price per Share payable under the Put Option shall be equal to the amount by which the market capitalisation of the Company (as determined by the middle-market price of the Company's shares averaged over the last ten dealing days preceding the valuation date) exceeds £378,787, divided by the total number of issued shares in the capital of Fleet Systems.

The price may be settled, at the discretion of the Company, in cash or by the issue or transfer of such number of Ordinary Shares in the Company to the relevant value, calculated by reference to the middle-market price of the Company's shares averaged over the last ten dealing days preceding the valuation date. Should the Company exercise its discretion described above and issue the Executives with Ordinary Shares in the Company in exchange for the Shares in Solutions, the Executives' holdings in the Company would represent, following the same allotment, 7% of the fully diluted share capital of the Company.

Directors' interests in the Employee Shareholder Plan

	As at 31 December 2021	Issued in the year	As at 31 December 2022	Exercise price	Date from which exercisable	Expiry date
21st Century Technology Employee Shareholder Plan						
R C Singleton	100	—	**100**	112.0p	13/02/2018	13/02/2025

Although the employee shares awarded under the Plan are not strictly share options, they have the same characteristics as premium-priced share options. Accordingly, the Plan is accounted for in accordance with IFRS 2 'Share-based Payment' using a Black Scholes option pricing model to give a proxy for the fair value of the services provided by the Executives, the key inputs to which are:

Option type	Grant date	Exercise price (pence)	Share price on grant date (pence)	Expected term (years)	Vesting period (years)	Option life (years)	Expected volatility	Risk free rate
Employee Shareholder Plan	13/02/2015	104	4.88	5	3	10	139%	1.68%

No dividend yield has been assumed for any of the above options and none of the share options' performance conditions are linked to the market price of the Company's shares.

The aggregate credit recognised in the Group financial statements in the year was £Nil (2021: £Nil), all of which was recharged to the company through the intercompany account.

Share options
The Company's holding company operates several employee share option schemes under which a number of the Company's employees have been issued with share options in the Parent Company. The fair value determined at the grant date is expensed to the holding company's income statement on a straight-line basis over the vesting period, based upon the Company's estimate of participants eligible to receive shares at the point of vesting. The amount relating to employees of the Company is recharged to it through the intercompany account. Management charges included in the administrative expenses for this year was £22,608 (2021: £24,467).

Notes to the financial statements continued
for the year ended 31 December 2022

18. Other income

	2022 £	2021 £
Other income		
R&D Tax credit	**47,641**	114,402
	47,641	114,402

19. Contract Accounting

	2022 £	2021 £
Contracts in progress at dates of statement of financial position:		
Amounts due from contract customers included in trade and other receivables	**247,075**	375,522
Amounts due to contract customers included in trade and other payables	—	(60,800)
	247,075	314,722
Contract costs incurred plus recognised profit less recognised losses to date	**1,895,751**	931,966
Less: progress billings	**(1,648,676)**	(617,244)
	247,075	314,722

At 31 December 2022, retentions held by customers for contract work amounted to £nil (2021: £nil). Advances received from customers for contract work were £nil (2021: £61k).

At 31 December 2022, no amounts (2021: £nil) included in trade and other receivables and arising from construction contracts are due for settlement after more than twelve months.

20. Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £56,097 (2021: £50,352). Contributions totalling £1,012 (2021: £1,012) were payable to the fund at the statement of financial position date.

21. Controlling party

The Company's ultimate parent company and ultimate controlling party is Journeo PLC, a company incorporated in England and Wales. The parent undertaking of the largest and smallest group, which includes the Company and for which group accounts are prepared, is Journeo PLC. Copies of the group financial statements are available from https://journeo.com/investor/reports-and-presentations/.

22. Contingent liabilities

The Company has an unlimited Intercompany guarantee and a debenture in respect of all assets of the Company.