Mariner International (UK) Limited
Reports of the Directors and financial statements
for the year ended 30 September 2020
Company number 02746852

The Directors present their Strategic and Directors' Reports on and the unaudited financial statements of Mariner International (UK) Limited (the "Company") for the year ended 30 September 2020. The Company is a wholly owned subsidiary within the Travelopia Group of companies ("the Group"), headed in the UK by Travelopia Group Holdings Limited.

STRATEGIC REPORT

The Company's principal activity is that of a holding company for a number of entities within the Yachts and Le Boat Divisions of the Travelopia group of companies (the "Group").

Review of the business

The Company's direct and indirect trading subsidiaries comprise travel sales agents, tour operators and yacht sales companies. A list of subsidiary undertakings is provided in Note 9 of these financial statements.

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

	Year ended 30 September 2020 £'000	Year ended 30 September 2019 £'000
(Loss)/profit on ordinary activities before taxation	**(31,486)**	6,699
Net assets	**32,515**	64,001

Since the Company is an intermediate parent company, its business performance and key performance indicators are driven by both the underlying operating performance of its subsidiaries and the capital structure of the Company. Following a review of recoverability of the carrying value of investments, an impairment charge of £31,486,000 has been recognised within administrative expenses. The Company's loss on ordinary activities before taxation for the year ended 30 September 2020 was £31,486,000 (2019: £6,699,000). Dividends of £nil (2019: £21,995,680) were paid during the year and the Directors do not recommend the payment of a final dividend.

Funding, liquidity post balance sheet events and going concern

At 30 September 2020, the Company had net assets of £32,515,000 (2019: £64,001,000).

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

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

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

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

STRATEGIC REPORT (continued)

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

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

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

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

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

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

Brexit negotiations have been largely concluded by the end of December 2020, and the successful trade agreement reached with the European Union helps reduce the risk of severe disruption that the travel industry may have faced in 2021, whether this be to customer demand, restrictions on travel or tax and other laws. Whilst there remains some uncertainties in respect of the outcomes reached, the overall risk to the Company from Brexit has diminished significantly as from 1 January 2021.

Set against the evolving macroeconomic global environment and the Covid-19 global pandemic, the principal risks and uncertainties are:

- **Profitability of the Company's subsidiaries and dividends received.** Dividends received from the Company's subsidiaries are variable and the timing and amount of each dividend is dependent upon the long-term success and profitability of each subsidiary. Since the majority of the Company's profits are generated by dividends received from its subsidiaries, the Company's profitability from one year to another can vary significantly.
- **Recoverability of the carrying value of investments.** The Company provides capital to its subsidiary undertakings when necessary in order to promote their long-term development and success. The recoverability of each investment will depend upon this long-term success and the future cash flows that are expected to be generated by each subsidiary. To the extent that the future cash flows do not support the carrying value of the investment, an impairment is required to be recognised in the Company's statement of total comprehensive income.

STRATEGIC REPORT (continued)

On behalf of the Board

S B M Cross
Director

Company Number 02746852

Dated 16/7/21

DIRECTORS' REPORT

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

P V Y Cochran
S B M Cross
O R Goodarzi (resigned 16 March 2021)
C A Norton (appointed 16 March 2021)

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

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

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

Statement of Directors' responsibilities
The Directors are responsible for preparing the Reports of the Directors and financial statements in accordance with applicable law and regulations.

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

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

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

DIRECTORS' REPORT (continued)

Statement of Directors' responsibilities (continued)
The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Board

S B M Cross
Director

Company Number 02746852

Dated 16/7/21

	Note	**Year ended 30 September 2020 £'000**	Year ended 30 September 2019 £'000
Administrative (expense)/income		**(31,486)**	6,699
(Loss)/profit on ordinary activities before taxation	6	**(31,486)**	6,699
Tax expense	8	**-**	(1)
(Loss)/profit for the financial year attributable to owners of the parent		**(31,486)**	6,698
Total comprehensive (loss)/income for the year attributable to owners of the parent		**(31,486)**	6,698

	Note	30 September 2020 £'000	30 September 2019 £'000
Non-current assets			
Investments in subsidiaries	9	**18,945**	50,431
		18,945	50,431
Current assets			
Trade and other receivables	10	**13,566**	13,563
Cash and cash equivalents		**7**	10
		13,573	13,573
Total assets		**32,518**	64,004
Current liabilities			
Income tax – group relief payable		**(3)**	(3)
		(3)	(3)
Total liabilities		**(3)**	(3)
Net assets		**32,515**	64,001
Equity			
Called up share capital	11	**-**	-
Share premium account	12	**12,711**	12,711
Capital redemption reserve	12	**105**	105
Profit and loss account	12	**19,699**	51,185
Total equity attributable to owners of the parent		**32,515**	64,001

The notes on pages 9 to 17 form part of these financial statements.

Audit exemption statement
For the financial period ended 30 September 2019, the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. The members have not required the Company to obtain an audit of its financial statements for the financial period in question in accordance with Section 476. The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

Approval and authorisation for issue
The financial statements on pages 6 to 17 were approved and authorised for issue by the Board of Directors and signed on its behalf by:

S B M Cross
Director

Date: 16/7/21

Company number 02746852

	Note	Called up share capital £'000	Share premium account £'000	Capital redemption account £'000	Profit and loss account £'000	Total Equity £'000
At 1 October 2018		-	4,211	105	66,483	70,799
Capital contributions		-	8,500	-	-	8,500
Dividends paid	13	-	-	-	(21,996)	(21,996)
Total comprehensive income for the year		-	-	-	6,698	6,698
At 30 September 2019		-	12,711	105	51,185	64,001
Total comprehensive loss for the year		-	-	-	(31,486)	(31,486)
At 30 September 2020		**-**	**12,711**	**105**	**19,699**	**32,515**

1. General information

The Company is a private limited company incorporated and domiciled in England. The address of its registered office is Origin One, 108 High Street, Crawley, West Sussex, RH10 1BD. The Company's registered number is 02746852.

The principal activity of the Company continues to be that of an intermediate holding company within the Travelopia group of companies (the "Group").

2. Basis of preparation

The Company is exempt by virtue of Section 400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These separate financial statements have been prepared under the historical cost convention, on a going concern basis and in accordance with the Companies Act 2006 and Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

Going Concern

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

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

At 30 September 2020, the Company has £32,515,000 (2019: £64,001,000) of net assets, including £7,000 (2019: £10,000) of cash balances. At the date of signing these financial statements, the Company's net cash balance was approximately £7,000. As a result of the continuing global travel restrictions, the Company may become reliant upon TGHL to continue to trade. TGHL has agreed to provide financial support to the Company for the foreseeable future in order that it can continue to trade and meet its liabilities as they fall due. The Directors of the Company have then made enquiries of TGHL's directors as part of the going concern assessment.

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

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

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

2. Basis of Preparation (continued)

Going Concern (continued)

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

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

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

FRS 101

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

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

Functional and presentational currency

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

3. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to the financial period presented, unless stated otherwise.

New and amended standards adopted by the Company

The Company applied IFRIC 23 for the first time. The nature and effect of the changes as a result of the adoption of this new accounting standard is described below.

IFRIC 23 'Uncertainty over income tax treatments'

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

Investments in subsidiaries

Investments are recognised at cost less accumulated impairment losses.

3. Summary of significant accounting policies (continued)

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

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

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

Cash and cash equivalents
Cash comprises cash at bank. The Company does not invest in deposits held on call with banks or other short-term highly liquid investments.

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

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

Finance expense
Finance expense recognised in the statement of total comprehensive income comprises interest expense on amounts due to Group direct and indirect subsidiaries.

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

Called up share capital
Ordinary shares are classified as equity.

Dividends
Dividend distribution to the Company's shareholders is recognised in the Company's financial statements in the period in which the dividends are approved for payment

4. Reduced disclosures permitted by FRS 101

The Company meets the definition of a qualifying entity of Travelopia Holdings Limited, as defined by FRS 100, as the results of this Company are fully consolidated into the Group financial statements of Travelopia Holdings Limited. Details for obtaining the Group financial statements of Travelopia Holdings Limited can be found in Note 14. Where applicable and required by FRS 101, equivalent disclosures have been provided in the Group's consolidated financial statements in accordance with the Application Guidance to FRS 100. As such, the Company has taken advantage of the following disclosure exemptions as set out in paragraph 8 of FRS 101:

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

5. Critical accounting estimates and judgments

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

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

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

a) Investments in subsidiary undertakings

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

b) Expected credit losses on amounts due from Group undertakings

At 30 September 2020, the Company recognised £13,564,000 (2019: £13,561,000) of amounts due from Group undertakings. IFRS 9 requires the Directors to assess whether the credit risk on a financial asset has increased significantly since initial recognition, as well as the expected credit losses from that financial asset, both of which require significant judgement. In undertaking this assessment, the Directors of the Company have had regard for the matters outlined in Note 2 of these financial statements and have obtained a letter of support from Travelopia Group Holdings Limited confirming its intention to provide sufficient financial support to enable fellow Group subsidiaries to repay amounts due to the Company as they fall due. Following this assessment, the Directors have estimated the expected credit losses in respect of these amounts to be £nil (2019: £nil) and are thus satisfied that no impairment charge is required to be recognised in the income statement.

6. (Loss)/profit on ordinary activities before taxation

	Year ended 30 September 2020 £'000	Year ended 30 September 2019 £'000
(Loss)/profit on ordinary activities before taxation is stated after charging/(crediting):		
Impairment of investments in subsidiary undertakings	**31,486**	-
Foreign exchange gains	**-**	(3)

Auditors' remuneration

There were no audit fees borne by the Company for 2020 (2019: £nil).

7. Employees' and Directors' remuneration

The Company had no employees and therefore incurred no related employee costs in the current or preceding financial year.

Directors' remuneration

The details of Directors' remuneration for services provided to the Company and its subsidiaries are as follows:

	Year ended 30 September 2020 £'000	Year ended 30 September 2019 £'000
Directors' remuneration	**649**	567
Pension contributions	**21**	32
	670	599

The remuneration above is in respect of qualifying services of two directors (2019: 2) and was paid by a fellow subsidiary undertaking which makes no recharge to the Company. The other directors received no remuneration for their services as directors of the Company (2019: £nil). These directors are directors of a number of fellow subsidiary companies and their remuneration was paid by another Group company, which makes no recharge to the Company (2019: £nil). It is not possible to make an accurate apportionment of their emoluments in respect of each of the subsidiaries.

8. Tax expense

The tax expense can be summarised as follows:

(i) Analysis of tax expense in the year

	Year ended 30 September 2020 £'000	Year ended 30 September 2019 £'000
Current tax:		
- Amounts payable to fellow subsidiaries for group relief	**-**	1
Total current tax	**-**	1
Total tax expense in the statement of total comprehensive income	**-**	1

8. Tax expense (continued)

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

	Year ended 30 September 2020 £'000	Year ended 30 September 2019 £'000
(Loss)/profit on ordinary activities before taxation	**(31,486)**	6,699
(Loss)/profit on ordinary activities multiplied by the effective standard rate of UK corporation tax of 19% (2019: 19%)	**(5,982)**	1,273
Effects of:		
- Expenses not deductible for tax purposes	**5,982**	(1,272)
Total tax expense in the statement of total comprehensive income	**-**	1

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

There are no unrecognised deferred tax assets or unprovided deferred tax liabilities at either 30 September 2020 or 30 September 2019.

9. Investments in subsidiaries

	Investments in subsidiary undertakings £'000
Cost:	
At 1 October 2019 and at 30 September 2020	83,412
Impairment:	
At 1 October 2019	32,981
Charged during the year	31,486
At 30 September 2020	64,467
Net book value:	
At 30 September 2020	**18,945**
At 30 September 2019	50,431

Following a review of recoverability of the carrying value of investments, an impairment charge of £31,486,000 has been recognised within administrative expenses.

9. Investments in subsidiaries (continued)

List of investments in subsidiaries at 30 September 2020:

Name of undertaking	Country of incorporation	Registered address	Share class	% held by directly by the Company	Total % held by Group companies
Alkor Yat Turizm Isletmeciligi AS	Turkey	Tuzla Mahallesi 556, Sokak No: 6/A, Fethiye, Mugla, Turkey	TRY0.10 Ordinary shares	0.00	99.95
Crown Blue Line France SAS	France	Le Grand Bassin, 11400 Castlenaudary.	€16.00 Ordinary shares	0.00	100.00
Crown Blue Line Gmbh	Germany	Theodor-Heuss-Strasse 53-638, 61118, Bad Vilbel, Germany	€1.00 Ordinary shares	0.00	100.00
Crown Holidays Limited	United Kingdom	Origin One, 108 High Street, Crawley, West Sussex, RH10 1BD	£0.50 Ordinary shares	100.00	100.00
FCM (BVI) Limited	British Virgin Islands	c/o Belomont Trust Limited, Belmont Chambers, Tropical Isle Blg, Nibbs Street, Road Town, Tortola, VG1110.	US$100.00 Ordinary shares	1.00	100.00
Hellenic Sailing Holidays SA	Greece	Marina Zeas, Freattyda, PO Box 18536, Piraeus, Greece	€3.00 Ordinary shares	0.00	100.00
Hellenic Sailing SA	Greece	Marina Zeas, Freattyda, PO Box 18536, Piraeus, Greece	€30.00 Ordinary shares	16.83	100.00
Mariner International Grenada Limited	Grenada	Nos. 4 & 6 Lucas Street, St. George's.	XCD1.00 Ordinary shares	0.00	100.00
Mariner International Travel (UK) Limited	United Kingdom	Origin One, 108 High Street, Crawley, West Sussex, RH10 1BD	£0.05 Ordinary shares	100.00	100.00
Mariner Yachts (Proprietary) Limited	South Africa	2nd Floor Marina Centre, Lobby 1, West Quay Road, V&A Waterfront.	ZAR1.00 Ordinary shares	0.00	100.00
Maxi Yen SL	Spain	Jose Rover Motta, 27, 07006 Palma de Mallorca.	ESP1,000.00 Ordinary shares	0.00	100.00
Sunsail (Antigua) Limited	Antigua and Barbuda	9 Factory Road, St John's.	XCD1.00 Ordinary shares	0.00	100.00
Sunsail (Australia) Pty Limited	Australia	Suite 1502, 275 Alfred Street, North Sydney NSW 2060.	AUD1.00 Ordinary shares	100.00	100.00
Sunsail (Seychelles) Limited	Seychelles	Eden Marina, Eden Island, Mahe, Seychelles.	INR100.00 Ordinary shares	0.00	100.00
Sunsail (Thailand) Co Limited	Thailand	Phuket Boat Lagoon, 20/5 Moo 2, Thepkrasattri Road, Koh Kaew, Phuket, 83200.	THB100.00 Ordinary B shares	0.00	100.00
Sunsail Adriatic d.o.o.	Croatia	Ljudevita Posavskog 4, Split, 21000.	HRK38,999,700.00 Ordinary shares	0.00	100.00
Sunsail Hellas Mepe	Greece	Apollonos 12, P.Faliro 17561, Athens.	€30.00 Ordinary shares	0.00	100.00
Sunsail Spain S.L.	Spain	Sunsail Spain SL, Marina Naviera Balear, Paseo Maritimo 4, 07014 Palma de Mallorca Espana	€1.00 Ordinary shares	0.00	100.00
Sunsail Worldwide Sailing (St Vincent) Limited	Saint Vincent and the Grenadines	The Lagoon Marina & Hotel, Ratho Mill, Box 133, Kingstown.	XCD Common of no par value shares	0.00	100.00
Sunsail Worldwide Sailing Limited	United Kingdom	Origin One, 108 High Street, Crawley, West Sussex, RH10 1BD	£0.05 Ordinary shares	100.00	100.00
Versun Yachts NSA	Greece	Marina Zeas, Freattyda, PO Box 18536, Piraeus, Greece	€30.00 Ordinary shares	0.00	100.00

The Directors believe that the book value of all existing investments is supported by the higher of underlying net assets or their recoverable value.

10. Trade and other receivables

	30 September 2020 £'000	30 September 2019 £'000
Other debtors	2	2
Amounts due from Group undertakings	13,564	13,561
	13,566	13,563

Amounts due from Group undertakings

Amounts due from Group undertakings are unsecured, interest free and repayable on demand.

11. Called up share capital

	30 September 2020 £'000	30 September 2019 £'000
Issued and fully paid		
1,000 (2019: 1,000) ordinary shares of £0.05 each	-	-

12. Other reserves

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

Reserve	Description and purpose
Share premium reserve	Amount subscribed for share capital in excess of nominal value.
Capital redemption reserve	Amounts transferred from share capital on redemption of issued shares.
Profit and loss account	All other net gains and losses and changes in equity arising from transactions with owners (e.g. dividends) not recognised elsewhere.

13. Dividends

	30 September 2020 £'000	30 September 2019 £'000
Amounts recognised as distributions to equity holders in the year:		
Interim dividend of £3.00 per ordinary share paid on 1 November 2018	-	3,000
Interim dividend of £6.70 per ordinary share paid on 20 June 2019	-	6,696
Interim dividend of £12.30 per ordinary share paid on 30 September 2019	-	12,300
	-	21,996

14. Ultimate parent company and controlling party

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

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