

TRAVEL EDITIONS GROUP LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 30 SEPTEMBER 2020

STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	5	456,425	475,360
Investments	6	2,000	2,000
Investment property	7	222,000	222,000
		<u>680,425</u>	<u>699,360</u>
Current assets			
Debtors due after more than 1 year	10,000	10,000	
Debtors due within 1 year	574,117	523,749	
Cash at bank and in hand	819,685	1,331,845	
		<u>1,403,802</u>	<u>1,865,594</u>
Creditors: amounts falling due within one year	9	(1,329,722)	(1,659,050)
Net current assets		<u>74,080</u>	<u>206,544</u>
Total assets less current liabilities		<u>754,505</u>	<u>905,904</u>
Creditors: amounts falling due after more than one year	10	(74,603)	-
Provisions for liabilities			
Deferred tax		(11,287)	(10,524)
Net assets		<u><u>668,615</u></u>	<u><u>895,380</u></u>

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 30 SEPTEMBER 2020

	Note	2020 £	2019 £
Capital and reserves			
Called up share capital		50,000	50,000
Revaluation reserve	11	122,000	122,000
Profit and loss account	11	496,615	723,380
		<u>668,615</u>	<u>895,380</u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

J R Dryden
Director

Date: 21 January 2021

The notes on pages 3 to 15 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

1. General information

Travel Editions Group Limited is a private company limited by shares which is registered and incorporated in England and Wales, United Kingdom.

The address of the registered office is: 3 Youngs Buildings, Young's Buildings, London, England, EC1V 9DB.

The nature of the company's operations and principal activity are that of a tour operator.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 Exemption from preparing consolidated financial statements

The Company, and the Group headed by it, qualify as small as set out in section 383 of the Companies Act 2006 and the parent and Group are considered eligible for the exemption to prepare consolidated accounts.

2.3 Going concern

In common with many travel companies, the company has experienced a reduction in bookings due to concern over the coronavirus. While the effect of the coronavirus cannot currently be predicted with any certainty, the directors have confirmed their financial support will be provided for the foreseeable future as and when required for the business. On this basis, the directors consider it appropriate to prepare the financial statements on a going concern basis.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

2.5 Revenue

Turnover represents amounts receivable for sales of travel and related services net of VAT and trade discounts. Income and related costs are recognised on a departure date basis. Any income that relates to travel commencing after year end of the accounting period is carried forward as deferred income.

2.6 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.7 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure.

2.8 Interest income

Interest income is recognised in profit or loss using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

2. Accounting policies (continued)

2.9 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

2.11 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.12 Advance receipts and payments

All revenue relating to tours with departure dates after the financial yearend are treated as advance receipts as at the balance sheet date and are separately disclosed under deferred income. Payments made to suppliers in respect of future departures are treated as advance payments and are separately disclosed under prepayments.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

2. Accounting policies (continued)

2.13 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.14 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, as shown below.

Depreciation is provided on the following basis:

Long-term leasehold property	-	2%	straight line basis from the date of use
Motor vehicles	-	25%	reducing balance basis
Fixtures and fittings	-	25%	reducing balance basis
Computer equipment	-	33%	straight line basis

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.15 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the Statement of financial position date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in other comprehensive income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

2. Accounting policies (continued)

2.16 Investment property

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in profit or loss.

2.17 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.18 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.19 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.20 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.21 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Statement of financial position date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Statement of financial position date.

2.22 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020

2. Accounting policies (continued)

2.23 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.24 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average monthly number of employees, including directors, during the year was 18 (2019 - 18).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020

4. Intangible assets

	Website development £
Cost	
At 1 October 2019	15,000
At 30 September 2020	<u>15,000</u>
Amortisation	
At 1 October 2019	15,000
At 30 September 2020	<u>15,000</u>
Net book value	
At 30 September 2020	<u>-</u>
At 30 September 2019	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**
5. Tangible fixed assets

	Long-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation					
At 1 October 2019	464,681	96,638	360,194	164,095	1,085,608
At 30 September 2020	464,681	96,638	360,194	164,095	1,085,608
Depreciation					
At 1 October 2019	27,881	78,586	339,686	164,095	610,248
Charge for the year on owned assets	9,292	4,513	5,130	-	18,935
At 30 September 2020	37,173	83,099	344,816	164,095	629,183
Net book value					
At 30 September 2020	427,508	13,539	15,378	-	456,425
At 30 September 2019	436,800	18,052	20,508	-	475,360

The net book value of land and buildings may be further analysed as follows:

	2020 £	2019 £
Long leasehold	427,508	436,800
	<u>427,508</u>	<u>436,800</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020

6. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 October 2019	2,000
At 30 September 2020	2,000
Net book value	
At 30 September 2020	2,000
At 30 September 2019	2,000

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Principal activity	Class of shares	Holding
Travel Editions Purchases Limited	Provision of transport services to group companies	Ordinary	100 %
Cricketer Holidays Limited	Dormant	Ordinary	100 %

The aggregate of the share capital and reserves as at 30 September 2020 and the profit or loss for the year ended on that date for the subsidiary undertakings was as follows:

Name	Aggregate of share capital and reserves £
Travel Editions Purchases Limited	59,518
Cricketer Holidays Limited	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020

7. Investment property

	Freehold investment property £
Valuation	
At 1 October 2019	222,000
	<u>222,000</u>
At 30 September 2020	<u><u>222,000</u></u>

The 2017 valuations were made by Saint Jean Immobilier, on an open market value for existing use basis.

The 2020 valuations were made by the directors, on an open market value for existing use basis. Their valuation was consistent with the valuation noted above, so therefore no adjustment was required.

8. Debtors

	2020 £	2019 £
Due after more than one year		
Other debtors	10,000	10,000
	<u>10,000</u>	<u>10,000</u>
	2020 £	2019 £
Due within one year		
Amounts owed by group undertakings	78,541	-
Other debtors	196,688	170,483
Prepayments and accrued income	298,888	353,266
	<u>574,117</u>	<u>523,749</u>

Prepayments and accrued income includes advance payables for future travel amounting to £270,685 (2019: £315,991).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

9. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	3,642	63,469
Amounts owed to group undertakings	-	34,821
Corporation tax	-	38,146
Other taxation and social security	264	68,287
Other creditors	32,123	28,945
Accruals and deferred income	1,293,693	1,425,382
	<u>1,329,722</u>	<u>1,659,050</u>

Accruals and deferred income includes advance receipts for future travel amounting to £1,265,352 (2019: £1,351,060).

10. Creditors: Amounts falling due after more than one year

	2020 £	2019 £
Accruals and deferred income	74,603	-
	<u>74,603</u>	<u>-</u>

Accruals and deferred income includes advance receipts for future travel amounting to £74,603 (2019: £Nil).

11. Reserves

Revaluation reserve

Revaluation includes all current and prior period revaluations.

Profit and loss account

Profit and loss account includes all current and prior period retained profits.

12. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £9,748 (2019: £9,972). Contributions totalling to £1,452 (2019: £2,457) were payable to the fund at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020

13. Contingent liabilities

The company currently holds an Air Travel Organiser's License (ATOL) issued by the Civil Aviation Authority (CAA) and is a member of the Association of British Travel Agents Limited (ABTA).

As at 30 September 2020, there were contingent liabilities given by the company in the normal course of the business in respect of ABTA bonds, amounting to £520,290 (2019: £498,150).

14. Commitments under operating leases

At 30 September 2020 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2020 £	2019 £
Not later than 1 year	52,000	52,000
Later than 1 year and not later than 5 years	4,333	56,333
	<u>56,333</u>	<u>108,333</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

15. Related party transactions

During the year, a dividend of £2,324 (2019: £4,648) was paid to N Salmons and £2,324 (2019: £4,648) to J Andrews. N Salmons and J Andrews are shareholders in the company.

The Company has taken advantage of the exemption available under FRS 102 section 33.1A where disclosures of transactions between group members are not required, provided that the subsidiary is wholly owned. At the year end, Travel Editions Group Limited were owed an amount of £78,541 from Travel Editions Purchases Limited, a 100% owned subsidiary (2019: £34,821 owed to Travel Editions Purchased Limited).

Transactions with directors:

During the year E N Coventry repaid £6,096 to the company (2019: £10,112). At the year end the company owed E N Coventry £17,048 (2019: £12,076).

A dividend of £23,496 (2019: £41,992) was paid to E N Coventry.

During the year J R Dryden repaid £6,096 to the company (2019: £11,175). At the year end the company owed J R Dryden £12,349 (2019: £13,139).

A dividend of £11,748 (2019: £23,496) was paid to J R Dryden.

During the year, a dividend of £11,748 was paid to L Dryden (2019: £23,496).

Transactions with pension scheme:

During the year, the company paid rent of £52,000 (2019: £52,000) to TEG 2016 Pension Scheme.

During the year, the Company received a capital repayment of £72,000 (2019: £Nil) from TEG 2016 Pension Scheme, a pension fund in which E N Coventry and J R Dryden are beneficiaries. The Company paid expenses amounting to £2,248 (2019: £2,169) in respect of professional fees. The company also charged interest of £2,541 (2019: £4,162) to TEG 2016 Pension Scheme. This interest is charged at rate of 2% above bank base rate.

At the year end, the company was owed £90,294 (2019: £162,294) from the TEG 2016 Pension Scheme.

16. Post balance sheet events

Future revenues and profit are likely to be affected by the restrictions on travel and consumer confidence to travel though the directors cannot determine at present the extent to which the company is likely to be affected (see note 2.3).

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.