

Travelife Limited

Directors' Report and Financial Statements

Year Ended

30 June 2021

Company Number 03290532

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Travelife Limited

Company Information

Directors	C Watson M J E Tanzer P V Grandell S L Upton
Company secretary	ABTA Limited
Registered number	03290532
Registered office	30 Park Street London SE1 9EQ
Independent auditor	BDO LLP 55 Baker Street London W1U 7EU

Travelife Limited

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Travelife Limited

Directors' Report For the Year Ended 30 June 2021

The directors present their report and the financial statements for the year ended 30 June 2021.

Directors' responsibilities statement

The directors are responsible for preparing the 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 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 to 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.

Principal activity

The principal activity of the company during the year was to promote best practice in the field of tourism.

Going concern

Due to continuing travel restrictions and global lock downs, many Travelife member hotels were closed for part of the year. This has meant that some audits could not be carried out, and not all memberships could be renewed. In response Travelife continued to operate its Covid 19 Response and Recovery Plan. Some membership renewal periods were extended and Covid 19 related information provided to hotels virtually to maintain engagement, to assist with future retention once the situation improved. Seven staff members were put on furlough using the government Coronavirus Job Retention Scheme. They were subsequently temporarily redeployed to ABTA Ltd to assist with claims handling; both measures significantly reducing Travelife's cost base during this period of reduced income.

The company's parent, ABTA Ltd has given an undertaking to provide such financial support as is necessary to enable the company to meet its liabilities as they fall due and not to seek repayment of the intercompany loan for at least twelve months following the date of approval of these financial statements. The directors therefore consider it appropriate to continue to prepare the accounts on a going concern basis.

Travelife Limited

Directors' Report (continued) For the Year Ended 30 June 2021

Directors

The directors who served during the year were:

C Watson
J L de Vial (resigned 30 September 2021)
M J E Tanzer
P V Grandell
S L Upton

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies exemption

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



M J E Tanzer
Director

Date: 25 November 2021

Travelife Limited

Independent Auditor's Report to the Members of Travelife Limited

Opinion

In my opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 June 2021 and of its loss 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.

We have audited the financial statements of Travelife Limited ("the company") for the year ended 30 June 2021 which comprise the Statement of Income and Retained Earnings, the Balance Sheet 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 Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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

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.

Travelife Limited

Independent Auditor's Report to the Members of Travelife Limited (continued)

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. 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.

I have nothing to report in this regard.

Other Companies Act 2006 reporting

In my 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.

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

- 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 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; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, 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.

Travelife Limited

Independent Auditor's Report to the Members of Travelife 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.

Extent to which the audit was capable of detecting irregularities, including fraud

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:

As part of designing our audit, based on our understanding of the industry in which the company operates, we assessed the risks of material misstatement in the financial statements, including how fraud may occur. We considered the company's own assessment of the risks that irregularities may occur either as a result of fraud or error and held discussions to consider whether there was any knowledge of actual, suspected or alleged fraud.

Note that auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of Those Charged with Governance and other management, and inspection of regulatory and legal correspondence if any.

We also completed the following procedures:

- Made enquires with management and the Director regarding known or suspected instances of non-compliance with laws and regulation and fraud, as well as around actual and potential litigation and claims;
- Performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- In addressing the risk of fraud through management override of controls, we tested journal entries and other adjustments for inappropriate or unusual journals outside of our expectations, as well as for any significant transactions outside the normal course of business, taking into consideration the scope for management to manipulate financial results through the timing of transactions, particularly in relation to the recognition of income;
- Assessed the appropriateness of key estimates and judgements made by management and challenged the assumptions used in accounting estimates. We consider the only key estimate to be the carrying value of intangible assets.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Travelife Limited

Independent Auditor's Report to the Members of Travelife 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.

DocuSigned by:
Charles Morelli
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Charles Morelli

For and on behalf of BDO LLP, Statutory Auditor
London, UK

Date: 13 December 2021

(BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)).

Travelife Limited

Statement of Income and Retained Earnings For the Year Ended 30 June 2021

	Note	2021 £	2020 £
Turnover		383,839	871,007
Gross profit		383,839	871,007
Administrative expenses		(413,110)	(849,653)
Other operating income	4	9,702	9,441
Operating (loss)/profit		(19,569)	30,795
Interest payable and similar expenses	6	(19,577)	(18,397)
(Loss)/profit before tax		(39,146)	12,398
Tax on (loss)/profit		7,432	3,281
(Loss)/profit after tax		(31,714)	15,679
Retained deficit at the beginning of the year		(1,405,413)	(1,421,092)
(Loss)/profit for the year		(31,714)	15,679
Retained deficit at the end of the year		(1,437,127)	(1,405,413)

There were no recognised gains and losses for 2021 or 2020 other than those included in the statement of income and retained earnings.

The notes on pages 9 to 14 form part of these financial statements.

Travelife Limited
Registered number: 03290532

Balance Sheet
As at 30 June 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	7	55,079	54,598
		<u>55,079</u>	<u>54,598</u>
Current assets			
Debtors: amounts falling due within one year	8	66,301	60,060
Cash at bank and in hand		241,378	59,018
		<u>307,679</u>	<u>119,078</u>
Creditors: amounts falling due within one year	9	(721,942)	(840,574)
Net current liabilities		<u>(414,263)</u>	<u>(721,496)</u>
Total assets less current liabilities		<u>(359,184)</u>	<u>(666,898)</u>
Creditors: amounts falling due after more than one year	10	(1,077,941)	(738,513)
Net liabilities		<u><u>(1,437,125)</u></u>	<u><u>(1,405,411)</u></u>
Capital and reserves			
Called up share capital	11	2	2
Profit an loss account deficit		(1,437,127)	(1,405,413)
		<u><u>(1,437,125)</u></u>	<u><u>(1,405,411)</u></u>

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 were approved and authorised for issue by the board and were signed on its behalf on 25 November 2021



M J E Tanzer
Director

The notes on pages 9 to 14 form part of these financial statements.

Travelife Limited

Notes to the Financial Statements For the Year Ended 30 June 2021

1. General information

Travelife Limited is a private company limited by shares, incorporated and registered in England and Wales. The address of the registered office is 30 Park Street, London, SE1 9EQ. The principal activity of the company during the year was to promote best practice in the field of tourism. These financial statements for the company are for the year ended 30 June 2021. The functional currency (GBP) is the same as the presentational currency and is rounded to the nearest pound.

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 (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

Due to continuing travel restrictions and global lock downs, many Travelife member hotels were closed for part of the year. This has meant that some audits could not be carried out, and not all memberships could be renewed. In response Travelife continued to operate its Covid 19 Response and Recovery Plan. Some membership renewal periods were extended and Covid 19 related information provided to hotels virtually to maintain engagement, to assist with future retention once the situation improved. Seven staff members were put on furlough using the government Coronavirus Job Retention Scheme. They were subsequently temporarily redeployed to ABTA Ltd to assist with claims handling; both measures significantly reducing Travelife's cost base during this period of reduced income.

The company's parent, ABTA Ltd has given an undertaking to provide such financial support as is necessary to enable the company to meet its liabilities as they fall due and not to seek repayment of the intercompany loan for at least twelve months following the date of approval of these financial statements. The directors therefore consider it appropriate to continue to prepare the accounts on a going concern basis.

2.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and that turnover can be reliably measured. Turnover represents amounts receivable for services provided in the year, net of VAT. Subscription income is released monthly over the subscription period. Audit income is recognised on delivery of the audit. Amounts received in advance of services rendered are carried forward in creditors as deferred income.

2.4 Government grants

Grants of a revenue nature are recognised in "other operating income" within profit or loss in the same period as the related expenditure. This includes the Government Coronavirus Job Retention Scheme ('Furlough'). The company has not directly benefited from any other forms of government assistance.

Travelife Limited

Notes to the Financial Statements For the Year Ended 30 June 2021

2. Accounting policies (continued)

2.5 Intangible assets

Significant expenditure on computer software is capitalised as an intangible asset and stated at cost. Amortisation is charged on a straight line basis over the estimated useful economic life of the software after it has been brought into use and is charged to administrative expenses. The remaining useful economic life of goodwill is one year..

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Computer software	-	Over 5 years
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2.6 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.

2.7 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors and loans to related parties.

Financial instruments are initially measured at transaction price, unless the arrangement constitutes a financing transaction, which includes transaction costs for financial instruments not subsequently measured at fair value. A financing transaction is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets that are measured at 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 income and retained earnings. The impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are only offset and the net amount reported in the balance sheet 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.

Derecognition

Financial assets are derecognised when the contractual rights to the cash flows from the asset expire, or when the Group has transferred substantially all the risks and rewards of ownership. Financial liabilities are derecognised only once the liability has extinguished through discharge, cancellation or expiry.

2.8 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balances with banks. Cash and cash equivalents are measured at fair value.

Travelife Limited

Notes to the Financial Statements For the Year Ended 30 June 2021

2. Accounting policies (continued)

2.9 Foreign currency translation

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.

2.10 Taxation

Tax is recognised in the Statement of Income and Retained Earnings, 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 balance sheet 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 Balance Sheet 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.

2.11 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.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires the directors to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the date of the financial statements. If in the future such estimates and assumptions, which are based on the directors' best judgement at the date of the financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate in the year in which the circumstances change. The Directors' consider the following areas to include estimation uncertainty:

Intangible assets - amortisation

The useful economic life of intangible assets on which amortisation is based represents an estimated based on the expected usual life of that element of the computer software. If there is an indication that there has been a significant change in the useful economic life, the amortisation will be revised prospectively.

Travelife Limited

Notes to the Financial Statements For the Year Ended 30 June 2021

4. Other operating income

	2021 £	2020 £
COVID Grants	9,702	9,441

Other operating income relates to amounts received under the Government's Coronavirus Job Retention Scheme ("furlough") recharged from the company's parent ABTA Limited.

5. Employees

The company has no employees other than the directors, who did not receive any remuneration from Travelife Limited (2020 - nil).

All staff are employed by ABTA Limited. The full cost of those staff employed by ABTA who work directly for Travelife Limited is recharged to Travelife and recognised in administrative expenses.

6. Interest payable and similar expenses

	2021 £	2020 £
Loans from group undertakings	19,577	18,397

Travelife Limited

Notes to the Financial Statements For the Year Ended 30 June 2021

7. Intangible assets

	Computer software £	Goodwill £	Total £
Cost			
At 1 July 2020	440,102	300,000	740,102
Additions	25,100	-	25,100
Disposals	-	(300,000)	(300,000)
At 30 June 2021	465,202	-	465,202
Amortisation			
At 1 July 2020	385,504	300,000	685,504
Charge for the year on owned assets	24,619	-	24,619
On disposals	-	(300,000)	(300,000)
At 30 June 2021	410,123	-	410,123
Net book value			
At 30 June 2021	55,079	-	55,079
At 30 June 2020	54,598	-	54,598

8. Debtors

	2021 £	2020 £
Trade debtors	-	3,852
Other debtors	20,451	23,562
Prepayments and accrued income	7,245	1,473
Deferred taxation	38,605	31,173
	66,301	60,060

Travelife Limited

Notes to the Financial Statements For the Year Ended 30 June 2021

9. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	4,423	1,506
Other creditors	1,095	296
Accruals and deferred income	716,424	838,772
	<u>721,942</u>	<u>840,574</u>

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

	2021 £	2020 £
Amounts owed to group undertakings	<u>1,077,941</u>	<u>738,513</u>

Amounts owed to group undertakings is subject to interest at a rate of 2% above the base rate.

11. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
2 (2020 - 2) Ordinary shares of £1.00 each	<u>2</u>	<u>2</u>

12. Related party transactions

The company has taken advantage of the exemption conferred by the Financial Reporting Standard 102 Section 1AC.35 and has not disclosed transactions with group undertakings where 100% of the share capital is held within the group.

13. Controlling party

The company's parent and controlling undertaking is ABTA Limited, a company incorporated and registered in England and Wales and limited by guarantee, which is the smallest and largest group for which accounts are prepared that include Travelife Limited. The parent's registered address, from which the consolidated financial statements can be obtained, is 30 Park Street, London, SE1 9EQ.