REGISTERED NUMBER: 05826495 (England and Wales)

CWT New Holdco Ltd

Annual Report and Financial Statements

For the Year Ended 31 December 2021

CWT New Holdco Ltd

Contents of the Annual Report and Financial Statements
For the Year Ended 31 December 2021

CWT New Holdco Ltd

Officers and Professional Advisers
For the Year Ended 31 December 2021

Directors:	D Harman R L H Turner
Company secretary:	A Gibbs
Registered office:	40 Bank Street 31st Floor Canary Wharf London E14 5NR United Kingdom
Registered number:	05826495 (England and Wales)
Auditor:	Deloitte LLP Statutory Auditor London United Kingdom

CWT New Holdco Ltd

Strategic Report
For the Year Ended 31 December 2021

The directors present their Strategic Report for the year ended 31 December 2021.

The directors, in preparing this Strategic Report, have complied with s414C of the Companies Act 2006.

Principal activity
The principal activity of the Company is to act as a holding company. The directors anticipate that this activity will continue for the foreseeable future.

Results
The financial position of the Company at 31 December 2021 is set out in the Balance Sheet on page 15. The Company made a loss after tax of £2,498,645 (2020: £2,498,605).

The Directors do not consider that there are any relevant key performance indicators to disclose due to nature of business.

Section 172(1) statement
The Board of Directors, in line with their duties under s172 of the Companies Act 2006, act in a way they consider, and in good faith, would be most likely to promote the success of the Company for the benefit of the members as a whole, and in doing so have regard to a range of matters when making decisions for the long term. The Directors consider the potential impact of decisions on key stakeholders and take into account wider factors when considering the impact, the Company may have on the community and the environment.

Human Resources and Human Rights
The Company continues to be successful in retaining a high proportion of long-serving experienced staff, despite the recent effects of the pandemic. The Company's employment policy continues to follow all equal opportunity best practice, and to consult with employees via staff consultative committees.

We want a workforce that reflects and contributes to the diverse global community in which we do business. To deliver this consistently, our Global Diversity, Equity & Inclusion Taskforce is steering a multi-year strategy to engage all levels of the organization in promoting diverse and inclusive thinking across our policies, practices and processes. Sponsored by the Chief Human Resources Officer and led by the Vice President of Global Responsible Business and Diversity & Inclusion, the Taskforce leads programs and initiatives that foster an inclusive work environment rooted in our values. The Taskforce is also responsible for upholding and enforcing our Global Diversity, Equity and Inclusion Charter, which is publicly available, linked from the CWT responsible business report 2021.

Promoting gender equality is a key focus of the Company. At the end of 2021, 68% of our total employees were women, as well as 49% of all director-level roles and above and 50% of our Executive Leadership Team. In line with our commitment to gender equality, we fully endorse the United Nations Women's Empowerment Principles, which outline seven steps businesses can take to promote gender equality in the workplace and in society.

CWT have set-up a Global Anti-Human Trafficking Taskforce. Human trafficking is not only a violation of human rights, it is a significant threat to the safety and security of our travellers. We recognize that this issue is too big for one organization to solve, which is why CWT have taken a leadership position to raise awareness externally, engage employees internally, develop historic partnerships with organizations and embed it as a central focus of our Responsible Business activities.

For Learning & Development our overarching aim is to provide learning opportunities that support individual and organizational growth, and achieving this comes from connecting what we do with our corporate values. We apply the 70/20/10 learning model principles to our learning programs, in which 70% of learning is achieved by on-the-job exposure, 20% is derived from mentoring or coaching, and 10% is from attending our face-to-face or virtual learning opportunities. We believe this approach enables our people to gain greater insight into the skills needed to carry out their work and refine them. Each employee has access to My Learning, our global learning management system. From here, they can gain access to online training courses, topic-specific videos, and toolkits that provide support to those in leadership roles.

Employee Assistance Programmes (EAPs) – CWT's EAPs offer a range of services including information, advice, assessment, counselling and prevention and treatment for issues faced by employees that prevent them from being able to perform their best at work. The scope of services addresses the primary sources of stress for employees in the workplace, covering everything from fatigue and burnout to addiction, family and personal issues, and life circumstances. In the UK & Ireland this includes counselling, legal, medical and personal tax advice.

Section 172(1) statement - continued

Clients

In 2021, we continued to enhance the CWT travel app and other products in our portfolio. Many of these include effective reporting tools so travel managers can make informed decisions about safety, security, and wellbeing. Innovative examples include:

- Safety & security alerts, powered by International SOS - we provide travel managers and security officers with email updates and notifications of disruptions and crises relating to destinations and travel plans
- myCWT web and mobile app
- Direct access to an expert – the myCWT app gives direct access to the expert advice of a CWT counsellor
- Tracking people through CWT AnswerIQ which offers a safety and security feature that makes it easy for clients to track down travellers anytime, anywhere, even during disruptions
- Crisis communications – our 24-hour service centre activates a crisis communication if a serious incident occurs

CWT remains committed to helping our clients reduce the environmental impact of their travel programs. Our efforts include:

- Responsible travel consulting – In 2020, CWT Solutions Group developed a responsible travel consulting program to help companies look beyond compliance and cost management. This new ECO framework, which covers Employee Wellbeing, Climat Impac and Organizational Performance, lets clients design travel programs that enhance bottom line figures in social, environmental and financial fields.
- Emissions reporting - AnalytIQs, our business intelligence platform and reporting tool, analyzes CO2 emissions and provides our clients with environmental data after their trips.
- Messaging for travellers – Our Program Messenger tool can send customized messages to our client's travellers. These messages raise awareness about various environmental impact aspects of their travel purchasing decisions.

Suppliers

Our stakeholders expect us to monitor Responsible Business practices within our supply chain. This helps us to reduce risks, strengthen our relationship with suppliers and clients, and enhance our own Responsible Business performance.

Launched in 2014, our Global Responsible Purchasing Taskforce provides strategic input to drive progress in ensuring that we are strengthening our purchasing decisions while enhancing the visibility we have on our suppliers' sustainability practices. In recent years CWT expanded the scope of the Taskforce to cover our trade suppliers. The Taskforce is sponsored by our Chief Legal Officer. It is overseen by our Global Responsible Business team in collaboration with our Global Sourcing team.

Key Objectives:
- Providing guidance on our purchasing strategy and operational support for the Responsible Purchasing program.
- Collaborating with key internal and external stakeholders to drive continuous progress.
- Promoting and championing responsible purchasing throughout CWT.

Business Conduct and Ethics

Conducting business in the right way is the clear focus of our Ethics and Compliance programme and the reason we are fully aligned to internationally recognized standards. Key priorities of the programme include business ethics and compliance, responsible purchasing, data privacy and information security. Our process starts with implementing ethical business conduct through a robust governance structure – supported by dedicated policies and training.

Our Code of Business Ethics and Conduct ('the Code') defines how we act and behave every day. It is the foundation of all CWT compliance policies and encourages our people to help address any ethical dilemmas they may encounter. Fundamentally, it helps us maintain the trust we have built with our employees, clients and suppliers.

The Code outlines the ethical standards we expect of our teams and contractors wherever we do business. This is reinforced through annual awareness training on topics such as anti-bribery, anti-corruption, nonretaliation, gifts and entertainment. As part of the training, every employee must read and understand all aspects of the Code to ensure they are acting in line with our business ethics and our strong stance on human rights.

Section 172(1) statement - continued

Business Conduct and Ethics - continued
Enabling stakeholders to raise concerns or questions is vital in making sure we behave ethically and can deal with issues fully and professionally. Available 24/7, our confidential Ethics Helpline connects callers (employees, clients and other third parties) to an experienced, independent operator in their own language. Concerns are logged by phone and/or through an online tool where they are addressed promptly. We also make use of a third-party provider to verify adherence to local privacy laws and reporting requirements.

Our Compliance program is designed to detect and prevent violations of the law, respond to potential issues and proactively deter problematic behaviours and actions. To help everyone understand what is required and keep up to speed, our Compliance Policy Manual distils our policies into a single, easy-to-use publication. This empowers our people to make smart, informed decisions and be accountable for their actions, while meeting our ethics and compliance commitments. The manual was launched in 2018 alongside the refreshed Code of Business Ethics and Conduct and contains the following policies:

- Protection of personal data
- International Trade Compliance policy
- Anti-corruption policy
- Competitive Information policy
- Conflicts of Interest policy (including gifts and entertainment)
- Anti-money laundering

Climate Change and the Environment
As we state in our Global Environmental Charter, we are committed to environmental stewardship. Our approach aligns with the commitments we make as a signatory to the UN Global Compact's environmental principles and ocuses on three core priorities:

- voluntarily measuring, reporting and reducing emissions;
- creating an environmentally-responsible culture;
    - through awareness-raising campaigns;
    - by promoting global and local actions that improve our environmental footprint; and
    - by encouraging employee-led environmental actions and initiatives.
- supporting our clients in implementing environmentally responsible solutions to tackle climate-related issues.

To ensure our strategy is consistently delivered, our global cross-functional Climate Taskforce, launched in January 2020, drives the strategy forward.

Key objectives
- Help with implementing our long-term environmental objectives.
- Proposing and leading initiatives to reduce our environmental impact at global and local level - in line with the long-term objectives.
- Further reinforcing our offering of responsible products and services to help our customers meet their own environmental objectives.
- Collaborating on environmental topics with stakeholders throughout CWT's sphere of influence.

More detail on our responsible business actions, policies and milestones can be reviewed through the CWT Annual Responsible Business Report which is available on our website.

https://www.mycwt.com/content/dam/vision/pdf/responsible-business-ethics/cwt-responsible-business-2021-report.pdf

Post balance sheet events
No post-balance sheet events creating a material impact on the 2021 financial statements have been identified prior to the signing of the documents.

The continuing situation in Russia and Ukraine is not expected to have a direct impact on the CWT New Holdco business or its subsidiaries. The global CWT group has no owned operations in Russia, and the CWT Ukraine business is not material to global results. However, it is not yet known with any certainty what impact the energy supply crisis and the war in Russia and Ukraine may have on European and global economies.

The CWT group remains focused on its core strategies in the longer-term, and continues to invest towards these goals, as evidenced by the announcement of $100M investment in the myCWT travel management platform in November 2021. However, with the reduced trading levels in YTD 2022 compared to the 2019 pre-pandemic baseline, CWT will remain focused on controlling expenditure, and managing working capital efficiently until there is more certainty around the emergence from the pandemic.

For Dormant entities (CTN and WLT), the strike of process has been finalized and they are dissolved by 5th of July 2022. Please see below company registration number for each: Carlson Travel Network (UK) Limited 02856034 and Wagons-Lits Travel UK Limited 02636668.

Principal risks and uncertainties section
The business risks that the Company's ultimate parent undertaking (CWT Travel Group Inc.), and its subsidiaries (including CWT New Holdco Limited) face, are varied. Risk management is essential to the strategy of CWT Group and its achievement of its long-term goals. The risks include:

- Competition within the UK business travel market: this continues to be a risk, with global pressure on travel spends causing potential market and margin reductions. The Group addresses these risks by maintaining a diversified client portfolio, continuing to increase its range of offered services, forging stronger business relationships with both clients and suppliers, and being focused on managing its working capital.

- Macro-economic conditions: these have a direct impact on client, and wider industry behaviours. The overall level of business travel activity can be negatively impacted by economic recessions or similar periods of reduced spending. Current economic predictions for the UK anticipate the current recession to last through 2023 which could negatively impact revenues in the UK market, further slowing the recovery from the Covid-19 pandemic.

The worldwide pandemic resulting from the spread of the COVID-19 virus, and the subsequent slow, protracted recovery has caused a significant interruption to the Company's business, beginning in March 2020. The Company management has taken decisive cost reduction and cash management actions to mitigate the impact on the Group and Company's liquidity and financial position, including the CWT Group entering into a Chapter 11 process in the US in November 2021. In addition to the Group Chapter 11 process in late-2021, local actions have been taken to mitigate the volume reductions seen as a result of the pandemic and subsequent start of the recovery.

During UK lockdown periods the Company has demonstrated that its internal policies, procedures, and technology have allowed it to continue normally with remote working, continuing to support its clients and staff. The Directors anticipate further returns to office working as the impacts of the Covid-19 pandemic subside, but remote working remains an option for the longer term, aligned with government guidance.

Approved by the Board and signed on its behalf by:

Rhodri L. H. Turner
....
R L H Turner - Director

40 Bank Street 31st Floor
Canary Wharf
London
E14 5NR
United Kingdom

Date: 28th April 2023

CWT New Holdco Ltd

Directors' Report
For the Year Ended 31 December 2021

The directors present their Annual Report on the affairs of the Company, together with the audited financial statements and Auditor's Report, for the year ended 31 December 2021.

This Directors' Report has been prepared in accordance with the special provisions relating to small companies under s418 of the Companies Act 2006.

Directors
The directors who held office during the year and up to the date of signing these financial statements except as noted, were as follows:

C Bowen (resigned 1 September 2021)
D Harman
R H L Turner

Dividends
The directors can not approve a dividend (2020: same).

Financial risk management objectives and policy
The Directors do not not consider that in relation to financial instruments the company is exposed to any material financial risks such as price risk, credit risk, liquidity risk and cash flow risk due to nature of business.

Principal risks and uncertainties
Details of principal risks and uncertainties can be found in the Strategic Report on page 5 by cross-reference.

Engagement with suppliers, customers and others
Details of engagement with suppliers, customers and others can be found within the Section 172(1) statement in the Strategic Report on pages 2 to 4 by cross-reference.

Future developments
The directors expect the Company to continue to fulfil its role as a holding company in the forthcoming year.

Going concern
The Directors have noted consideration of the Covid-19 pandemic, the recovery, and future developments in the Strategic Report above. Detailed cash forecasting analysis has been conducted, aligned to impairment reviews of the investment in the UK operating business, to consider future projections of earnings and company performance. Whilst the directors believe that the assumptions made in arriving at the Company's base case forecast cash flows are appropriate they have also considered sensitised scenarios which include significant downside assumptions including the impact of a return to the significantly reduced trading volumes seen during the pandemic, and the reduction in revenues that this would entail.

The Company's liquidity position is inextricably linked to the liquidity position of other companies within the CWT Group, due to the nature of cash pooling arrangements that exist across the CWT Group. Consequently, to assess the liquidity position of the Company, the Directors have considered the wider operational, liquidity and funding impacts of the crisis on other companies within the Group who also form part of the pooling arrangements.

In order to preserve liquidity throughout the recent Covid-19 pandemic, the Company and the wider Group have taken the following measures:
- A significant element of the Company's cost base relates to wages and salaries. Where possible, staffing levels have been maintained to preserve customer service, but as a result of the volume reductions seen, restructuring actions and non-replacement of departed staff have reduced overall staff costs. With recent trading increases in 2022 however, operational staffing levels are increasing to service the elevated booking volumes.
- Capital expenditure on major projects has been re-phased or delayed.
- Fixed costs in areas such as property footprints have been right-sized for the organisational needs in the short to medium term.

The Directors locally, and globally have already taken a number of measures as described above to manage the Company's liquidity position. In the event of a return to more stringent measures to protect from future pandemic-related impacts, or economic downturns, the Directors have a range of measures which are within their control, to protect the company's liquidity position even further, including:

Going concern - continued

- Re-phasing of cash outflows with key suppliers and trade partners.
- Additional changes to working arrangements to reduce staff costs further
- Further additional liquidity injections from the Group which as a result of the Chapter 11 process has a much stronger liquidity position.

The Directors have prepared a trading cashflow forecast which covers the period until June 2024 from the date of approval of these financial statements, taking into account the mitigating actions that have already been agreed. Whilst there will not be a uniform return to operations, the forecast assumes a reduced, but gradual return to operations that has begun through YTD 2022.Transactions are predicted to grow through the course of 2022, but return to pre-pandemic levels are expected to take longer.

With regard to this forecast, and other factors which may impact the Company's future liquidity position, the Directors have concluded that it is appropriate to prepare the financial statements on a going concern basis. However, there is a comfort letter in place from CWT Travel Group, Inc. which commits to supporting CWT UK Group Ltd. as necessary for a period of 12 months from the signing of these financial statements. As with any Company placing reliance on other entities for financial support, the Directors' acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements they have no reason to believe that it will not do so.

Due to the timing of the going concern review for the 2022 CWT group audit, the Director's cannot obtain enough evidence at the date of accounts signing that the CWT Group, Inc. are in a position to support the Company for the full Going Concern review period. Therefore, there is a material uncertainty on the Company's ability to continue to trade that may cast a significant doubt on the Company's ability to be a Going Concern and therefore it may be unable to realise its assets and discharge its liabilities in the normal course of business.

As a result of the emergence from the Chapter 11 process, the stronger financial position of the global Company, combined with the comfort letter received from the direct and indirect owners of the Company the directors have prepared these accounts on a going concern basis.

Post balance sheet events
No post-balance sheet events creating a material impact on the 2021 financial statements have been identified prior to the signing of the documents.

The continuing situation in Russia and Ukraine is not expected to have a direct impact on the CWT New Holdco business or its subsidiaries. The global CWT group has no owned operations in Russia, and the CWT Ukraine business is not material to global results. However, it is not yet known with any certainty what impact the energy supply crisis and the war in Russia and Ukraine may have on European and global economies.

The CWT group remains focused on its core strategies in the longer-term, and continues to invest towards these goals, as evidenced by the announcement of $100M investment in the myCWT travel management platform in November 2021. However, with the reduced trading levels in YTD 2022 compared to the 2019 pre-pandemic baseline, CWT will remain focused on controlling expenditure, and managing working capital efficiently until there is more certainty around the emergence from the pandemic.

For Dormant entities (CTN and WLT), the strike of process has been finalized and they are dissolved by 5th of July 2022. Please see below company registration number for each: Carlson Travel Network (UK) Limited 02856034 and Wagons-Lits Travel UK Limited 02636668.

Directors' indemnities
The Company has maintained throughout the year directors' and officers' liability insurance for the benefit of the Company, the directors and its officers. The Company has entered into qualifying third party indemnity arrangements for the benefit of all its directors in a form and scope which comply with the requirements of the Companies Act 2006 and which were in force throughout the year and remain in force.

Auditor
Each of the persons who is a director at the date of approval of this report confirms that:

• so far as the directors are aware, there is no relevant audit information of which the Company's auditor is unaware; and
• the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP have expressed their willingness to continue in office as auditor, and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board and signed on its behalf by:

Rhodri U. H. Turner

R L H Turner - Director

40 Bank Street 31st Floor
Canary Wharf
London
E14 5NR
United Kingdom

Date: 28th April 2023

Directors' Responsibilities Statement
For the Year Ended 31 December 2021

The directors are responsible for preparing the Annual 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that 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 UK Accounting Standards 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.

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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent Auditor's Report to the Members of CWT New Holdco Ltd

Report on the audit of the financial statements

Opinion
In our opinion the financial statements of CWT New Holdco Ltd (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:
- the Profit and Loss Account;
- the Balance Sheet;
- the Statement of Changes in Equity; and
- the related notes 1 to 14.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (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 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 Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern
We draw attention to note 2 in the financial statements, which indicates that the Company's liquidity position is linked to the liquidity position of other companies within the CWT Group, due to the nature of cash pooling arrangements that exist across the CWT Group. The Director's cannot obtain enough evidence at the date of accounts signing that the Group are in a position to support the Company for the full Going Concern review period. As stated in note 2, these events or conditions, along with the other matters as set forth in note 2, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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, with a material uncertainty as outlined above.

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

Other information
The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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.

Responsibilities of directors - continued

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.

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.

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

Extent to which the audit was considered 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.

We considered the nature of the Company's industry and its control environment, and reviewed the Company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the Company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the Companies Act 2006 and tax legislation.
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the Company's ability to operate or to avoid a material penalty. These included GDPR and employment law.

We discussesd among the audit engagement team, including relevant internal specialists such as tax and industry specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirement

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have 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, we have not identified any material misstatements in the Strategic Report or the Directors' Report.

Independent Auditor's Report to the Members of CWT New Holdco Ltd - cotinued

Report on other legal and regulatory requirement - continued

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

We have nothing to report in respect of these matters.

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.

E. Benson

Elizabeth Benson BSc ACA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditor
London
United Kingdom

Date: 28 April 2023

CWT New Holdco Ltd

Profit and Loss Account
For the Year Ended 31 December 2021

	Note	2021 £	2020 £
Other costs		(40)	-
Finance costs	5	(2,498,605)	(2,498,605)
Loss before taxation		(2,498,645)	(2,498,605)
Taxation	7	-	-
Loss for the financial year	6	(2,498,645)	(2,498,605)

The above results were derived from continuing operations.

There are no items of comprehensive income in the current and prior year other than as stated above. Accordingly, a Statement of Comprehensive Income has not been presented.

CWT New Holdco Ltd

Balance Sheet
As at 31 December 2021

	Note	2021 £	2020 £
Fixed assets			
Investments	8	67,607,221	67,607,121
Creditors			
Amounts falling due within one year	9	(13,331,142)	(9,583,095)
Net current liabilities		(13,331,142)	(9,583,095)
Total assets less current liabilities		54,276,079	58,024,026
Creditors			
Amounts falling due after more than one year	10	(32,872,703)	(34,122,005)
Net assets		21,403,376	23,902,021
Capital and reserves			
Called-up share capital	11	2	2
Share premium	11	34,019,580	34,019,580
Profit and loss account	11	(12,616,206)	(10,117,561)
Total shareholders' funds		21,403,376	23,902,021

The financial statements of CWT New Holdco Ltd (registered number: 05826495) were approved by the Board of Directors and authorised for issue on 28th April 2023 .... and were signed on its behalf by:

R L H Turner - Director

CWT New Holdco Ltd

Statement of Changes in Equity
For the Year Ended 31 December 2021

	Called-up share capital £	Share premium £	Profit and loss account £	Total £
Balance at 1 January 2020	2	34,019,580	(7,618,956)	26,400,626
Loss for the year and total comprehensive expenses	-	-	(2,498,605)	(2,498,605)
Balance at 31 December 2020	2	34,019,580	(10,117,561)	23,902,021
Loss for the year and total comprehensive expenses	-	-	(2,498,645)	(2,498,645)
Balance at 31 December 2021	2	34,019,580	(12,616,206)	21,403,376

1. General information

CWT New Holdco Ltd (the 'Company') is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales.

The address of the Company's registered office is shown on page 1.

The nature of the Company's operations and its principal activities are set out in the Strategic Report on page 2.

These financial statements are presented in pounds sterling which is the currency of the primary economic environment in which the Company operates.

These financial statements are separate financial statements. The Company is exempt from the preparation and delivery of consolidated financial statements, because it is included in the group accounts of CWT Travel Group Inc., which are available to the public and can be obtained from the Trade Register of the Chamber of Commerce in Amsterdam.

2. Adoption of new and revised standards

Impact of the initial application of Interest Rate Benchmark Reform amendments to IFRS 9 and IFRS 7
In the prior year, the Company adopted the Phase 1 amendments Interest Rate Benchmark Reform—Amendments to IFRS 9/IAS 39 and IFRS 7. These amendments modify specific hedge accounting requirements to allow hedge accounting to continue for affected hedges during the period of uncertainty before the hedged items or hedging instruments are amended as a result of the interest rate benchmark reform.

In the current year, the Company adopted the Phase 2 amendments Interest Rate Benchmark Reform—Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16. Adopting these amendments enables the Company to reflect the effects of transitioning from interbank offered rates (IBOR) to alternative benchmark interest rates (also referred to as 'risk free rates' or RFRs) without giving rise to accounting impacts that would not provide useful information to users of financial statements.

The amendments are not relevant to the Company given that it does not apply hedge accounting to its benchmark interest rate exposures.

Impact of the initial application of COVID-19 Related Rent Concessions Amendment to IFRS 16
In the prior year, the Group early adopted Covid-19-Related Rent Concessions (Amendment to IFRS 16) that provided practical relief to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19, by introducing a practical expedient to IFRS 16. This practical expedient was available to rent concessions for which any reduction in lease payments affected payments originally due on or before 30 June 2021.

In March 2021, the IASB issued Covid-19-Related Rent Concessions beyond 30 June 2021 (Amendment toIFRS 16) that extends the practical expedient to apply to reductions in lease payments originally due on or before 30 June June 2022. The practical expedient permits a lessee to elect not to assess whether a COVID-19-related rent concession is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the COVID-19-related rent concession the same way it would account for the change applying IFRS 16 if the change were not a lease modification.

As the Company has no COVID-19 related rent concessions in either year, the application of amendment to IFRS 16 has had no impact on the financial position, financial performance or disclosures of the Company.

3. Accounting policies

Summary of significant accounting policies

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

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 101 (FRS 101) issued by the Financial Reporting Council.

The Company meets the definition of a qualifying entity under FRS 100 'Application of Financial Reporting Requirements' issued by the Financial Reporting Council. The financial statements have therefore been prepared in accordance with FRS 101 'Reduced Disclosure Framework' as issued by the Financial Reporting Council.

Summary of disclosure exemptions

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to business combinations, share-based payment, non-current assets held for sale, financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash-flow statement, standard not yet effective, impairment of assets and related party transactions.

Basis of preparation: Going concern assumption

The Directors have noted consideration of the Covid-19 pandemic, the recovery, and future developments in the Strategic Report above. Detailed cash forecasting analysis has been conducted, aligned to impairment reviews of the investment in the UK operating business, to consider future projections of earnings and company performance. Whilst the directors believe that the assumptions made in arriving at the Company's base case forecast cash flows are appropriate they have also considered sensitised scenarios which include significant downside assumptions including the impact of a return to the significantly reduced trading volumes seen during the pandemic, and the reduction in revenues that this would entail.

The Company's liquidity position is inextricably linked to the liquidity position of other companies within the CWT Group, due to the nature of cash pooling arrangements that exist across the CWT Group. Consequently, to assess the liquidity position of the Company, the Directors have considered the wider operational, liquidity and funding impacts of the crisis on other companies within the Group who also form part of the pooling arrangements.

In order to preserve liquidity throughout the recent Covid-19 pandemic, the Company and the wider Group have taken the following measures:

- A significant element of the Company's cost base relates to wages and salaries. Where possible, staffing levels have been maintained to preserve customer service, but as a result of the volume reductions seen, restructuring actions and non-replacement of departed staff have reduced overall staff costs. With recent trading increases in 2022 however,operational staffing levels are increasing to service the elevated booking volumes.
- Capital expenditure on major projects has been re-phased or delayed.
- Fixed costs in areas such as property footprints have been right-sized for the organisational needs in the short to medium term.

The Directors locally, and globally have already taken a number of measures as described above to manage the Company's liquidity position. In the event of a return to more stringent measures to protect from future pandemic-related impacts, or economic downturns, the Directors have a range of measures which are within their control, to protect the company's liquidity position even further, including:

- Re-phasing of cash outflows with key suppliers and trade partners.
- Additional changes to working arrangements to reduce staff costs further
- Further additional liquidity injections from the Group which as a result of the Chapter 11 process has a much stronger liquidity position.

3. **Accounting policies - continued**

Basis of preparation: Going concern assumption - continued
The Directors have prepared a trading cashflow forecast which covers the period until June 2024 from the date of approval of these financial statements, taking into account the mitigating actions that have already been agreed. Whilst there will not be a uniform return to operations, the forecast assumes a reduced, but gradual return to operations that has begun through YTD 2022. Transactions are predicted to grow through the course of 2022, but return to pre-pandemic levels are expected to take longer.

With regard to this forecast, and other factors which may impact the Company's future liquidity position, the Directors have concluded that it is appropriate to prepare the financial statements on a going concern basis. However, there is a comfort letter in place from CWT Travel Group, Inc. which commits to supporting CWT UK Group Ltd. as necessary for a period of 12 months from the signing of these financial statements. As with any Company placing reliance on other entities for financial support, the Directors' acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements they have no reason to believe that it will not do so.

Due to the timing of the going concern review for the 2022 CWT group audit, the Director's cannot obtain enough evidence at the date of accounts signing that the CWT Group, Inc. are in a position to support the Company for the full Going Concern review period. Therefore, there is a material uncertainty on the Company's ability to continue to trade that may cast a significant doubt on the Company's ability to be a Going Concern and therefore it may be unable to realise its assets and discharge its liabilities in the normal course of business.

As a result of the emergence from the Chapter 11 process, the stronger financial position of the global Company, combined with the comfort letter received from the direct and indirect owners of the Company the directors have prepared these accounts on a going concern basis.

Investments in subsidiaries
Investments in subsidiaries are accounted for at cost less, where appropriate, provisions for impairment.

Taxation
The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax
The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Profit and Loss Account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax
Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet ability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is charged or credited in the Profit and Loss Account, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3. **Accounting policies - continued**

Deferred tax - continued
Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax for the year
Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Foreign currencies
Transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Financial instruments
Financial assets and financial liabilities are recognised in the Company's Balance Sheet when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are measured initially at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets
All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Financial assets held by the Company are classified as 'loans and trade receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of the initial recognition. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Recognition and measurement
Amortised cost and effective interest method
The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

3. Accounting policies - continued

Financial instruments - continued

Recognition and measurement - continued
Amortised cost and effective interest method - continued

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Company recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognised in profit or loss and is included in the 'interest receivable and similar income' line item.

Impairment of financial assets
The Company recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost, trade debtors and contract assets. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company always recognises lifetime ECL for trade debtors and contract assets. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(i) Significant increase in credit risk
In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Company's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Company's core operations.

3. **Accounting policies - continued**

Financial instruments - continued

Impairment of financial assets - continued

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Company presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Company has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Company assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

1. the financial instrument has a low risk of default;
2. the debtor has a strong capacity to meet its contractual cash flow obligations in the near term; and
3. adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Company considers a financial asset to have low credit risk when the asset has external credit rating of 'investment grade' in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has a strong financial position and there is no past due amounts.

The Company regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Definition of default

The Company considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtor; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Company, in full (without taking into account any collateral held by the Company).

Irrespective of the above analysis, the Company considers that default has occurred when a financial asset is more than 90 days past due unless the Company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

3. **Accounting policies - continued**

Financial instruments - continued

Impairment of financial assets - continued

1. significant financial difficulty of the issuer or the borrower;
2. a breach of contract, such as a default or past due event (see (ii) above);
3. the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
4. it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
5. the disappearance of an active market for that financial asset because of financial difficulties.

(iv) Write-off policy

The Company writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade debtors, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

(v) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate.

If the Company has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Company measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The Company recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account and does not reduce the carrying amount of the financial asset in the Balance Sheet.

Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities and equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

3. **Accounting policies - continued**

Financial instruments - continued

Impairment of financial assets - continued

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method.

Financial liabilities measured subsequently at amortised cost

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

4. **Critical accounting judgements and key sources of estimation uncertainty**

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies, and reported amount of assets and liabilities, income and expenses. The estimates are associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form a basis for making the judgements about carrying value of assets and liabilities that are not readily apparent from other sources.

The directors have reviewed the estimates and assumptions used in the preparation of the financial statements. The directors do not believe that there is a significant risk which would lead to material adjustments to the carrying value of any assets and liabilities in the next financial year due to the changes on the estimates or assumptions.

Critical judgements in applying the Company's accounting policies

The directors do not consider there to be any critical judgements which have a significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

An impairment review was conducted for investment in CWT UK Group Ltd. by its parent entity. The review analysed forecast revenues, costs, capital expense and taxes to create a discounted cash flow assessment of the fair value of the current investment. The review concluded that no impairment was necessary to the current carrying value of the investment, but there are numerous estimates within the forecast of revenues and costs for multiple years that are uncertain in nature.

Aside from the impairment review undertaken, the directors do not consider there to be any assumptions concerning the future, nor other key sources of estimation uncertainty which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

5. Finance costs

	2021	2020
	£	£
Interest payable on amount owed to Group undertakings	2,498,605	2,498,605

6. Loss for the financial year

The directors received no emoluments in respect of their services to the Company (2020: £nil).

The Company had no employees for the current or prior year.

	2021	2020
	£	£
Audit fees for audit of financial statements were borne by another Group company	5,000	5,000
Total audit fees	5,000	5,000
- Tax compliance services	6,500	6,500
- Other services	-	1,500
Total non-audit fees	6,500	8,000

Non-audit fees were borne by another group company in the current and prior year.

The accounts preparation services have moved from Deloitte to Gravita.

7. Taxation

Analysis of tax income

	2021	2020
	£	£
Current tax:		
Adjustment in respect of prior years	-	-
Total tax income in Profit and Loss Account	-	-

Factors affecting the tax expense

The tax assessed for the year is the same as (2020: the same as) the standard rate of corporation tax in the UK as shown below:

	2021	2020
	£	£
Loss before tax	(2,498,645)	(2,498,605)
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	(474,743)	(474,735)
Effects of:		
Amounts not recognised	474,743	474,735
Tax expense for the year	-	-

7. **Taxation - continued**

Factors affecting tax expense

In the Spring Budget 2021 the UK Government announced that the main rate of corporation tax will increase to 25% with effect from 1 April 2023. This change was substantially enacted on 24 May 2021. Accordingly the closing deferred tax balances at 31 December 2021 have been re-measured using the 25% rate to the extent that the deductible or taxable temporary differences will reverse post 1 April 2023. The impact of this re-measurement is a deferred tax charge which has been recorded in the income statement for the year.

8. **Investments**

	2021
	£
At 1 January 2021 (as restated)	67,607,221
At 31 December 2021	67,607,221
Net book value	
At 31 December 2021	67,607,221
At 31 December 2020	67,607,121

Name of undertakings	Registered office	Country of registration	Description of shares	Proportion held by the company	Principal activity
CWT Holdco Limited	40 Bank Street level 31,	England and	Ordinary	100%	Holding company

The principal place of business of the Company's subsidiary undertaking is at the same address as its registered office.

9. **Creditors: amounts falling due within one year**

	2021	2020
	£	£
Amounts owed to Group undertakings	13,331,142	9,583,095

The amounts are owed to CWT UK Group Ltd and are unsecured, interest free and payable on demand.

10. **Creditors: amounts falling due after more than one year**

	2021	2020
	£	£
Loans owed to Group undertakings	32,872,703	34,122,005

The loan owed to Group undertakings is repayable in full on 31 December 2026. Interest is payable at a fixed rate of 7.625%.

11. **Called up share capital**

	2021	2020
	£	£
Authorised:		
1,000,000 ordinary shares of £1 each	1,000,000	1,000,000
Allotted, called-up and fully paid:		
2 ordinary shares of £1 each	2	2

The Company has one class of ordinary shares which carry no right to fixed income.

The Company's other reserves are as follows:

Share premium
The share premium reserve contains the premium arising on issue of equity shares, net of issue expenses.

Profit and loss
The profit and loss reserve represents cumulative profits or losses net of dividends paid and other adjustments.

12. **Contingent liabilities**

The Company has guaranteed the indebtedness of certain other companies in the Group. The Company has provided 100% of its share capital as security against this debt. The directors are not aware of any event of default that would require it to satisfy guarantees.

13. **Post balance sheet events**

No post-balance sheet events creating a material impact on the 2021 financial statements have been identified prior to the signing of the documents.

The continuing situation in Russia and Ukraine is not expected to have a direct impact on the CWT New Holdco business or its subsidiaries. The global CWT group has no owned operations in Russia, and the CWT Ukraine business is not material to global results. However, it is not yet known with any certainty what impact the energy supply crisis and the war in Russia and Ukraine may have on European and global economies.

The CWT group remains focused on its core strategies in the longer-term, and continues to invest towards these goals, as evidenced by the announcement of $100M investment in the myCWT travel management platform in November 2021. However, with the reduced trading levels in YTD 2022 compared to the 2019 pre-pandemic baseline, CWT will remain focused on controlling expenditure, and managing working capital efficiently until there is more certainty around the emergence from the pandemic.

For Dormant entities (CTN and WLT), the strike of process has been finalized and they are dissolved by 5th of July 2022. Please see below company registration number for each: Carlson Travel Network (UK) Limited 0285603 and Wagons-Lits Travel UK Limited 02636668.

14. **Controlling party**

In the opinion of the directors, the Company's ultimate parent company and ultimate controlling party is CWT Travel Holdings Inc., a Company incorporated in the United States. The parent undertaking of the only group, which includes the Company and for which group accounts are prepared, is CWT Travel Group Inc. as at 31 December 2021. The registered office address of CWT Travel Group Inc. is 251 Little Falls Drive, Wilmington, DE 19808, USA. CWT New Holdco Limited is the immediate parent of the Company. Copies of the group financial statements of CWT Travel Group Inc. are available from the Trade Register of the Chamber of Commerce in Amsterdam. The registered office address of CWT Travel Holdings Inc is 251 Little Falls Drive, Wilmington, DE 19808, USA. CWT New Holdco Limited is the immediate parent of the Company.