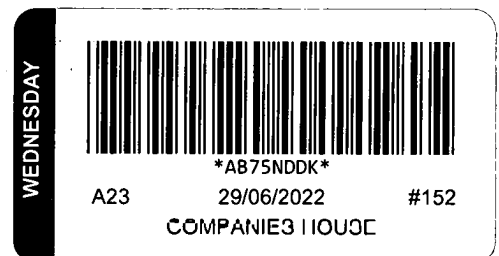


Registered number: 09329266

GO-SYKES LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2021



Registered number: 09329266

GO-SYKES LIMITED

Company Information

Directors

Graham Donoghue
Michael Steven Graham
James Martin Shaw

Registered number

09329266

Registered office

3rd Floor, 1 Ashley Road
Altrincham
Cheshire
WA14 2DT

Independent auditors

Ernst & Young LLP
2 St Peter's Square
Manchester
M2 3EY

GO-SYKES LIMITED

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GO-SYKES LIMITED

Strategic Report

Introduction

The Directors present their strategic report for the year ended 30th September 2021.

Business Review

The Statement of Profit or Loss and Other Comprehensive Income is set out on page 14, showing an operating profit for the year ended 30th September 2021 of £nil (2020: £5,000) (inclusive of £nil of exceptionals (2020: £10,000). The loss before tax is £2,070,000 (2020: £3,937,000).

Company strategy

Go-Sykes Limited (the "Company") is a holding company within a group whose principal activity is providing a holiday letting agency and marketing services, which are located in the UK, Ireland and New Zealand.

Financial key performance indicators

The Company's key financial performance indicator during the year were as follows:

	Unit	2021	2020
Gross profit margin	%	-	12.20
Total assets	£000	93,638	91,914
Current ratio	1.00	0.44	0.42

Principal risks and uncertainties

The Company's activities expose it to a number of financial risks including liquidity risk, cash flow risk and interest rate risk.

Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its current and future financial obligations as they fall due, or is only able to do so at excessive cost. Therefore, the Company's cash balances and deposits are managed to provide a balance between maximising interest rate returns and maintaining access to working capital. We ensure our short-term deposits are flexible and accessible if required. Working capital requirements are monitored on an ongoing basis, so the Directors do not consider there to be a significant risk in this area.

Cash flow risk

Cash flow risk is the risk to which future cash flows fall short of expectations as a consequence of changes in market variables. The Directors consider that the main risk concerning cash flow relates to unexpected reductions in demand, unpaid credit balances, travel restrictions due to Covid-19 and change in interest rates. The Group maintains a flexible cost structure that the Directors believe would mitigate the demand risk and unpaid credit balances and interest rate risk are constantly monitored. The group also employs a continuous forecasting and monitoring process to manage risk and ensures the Group complies with its financial and covenant obligations.

GO-SYKES LIMITED

Strategic Report (Continued)

Principal risks and uncertainties (continued)

Interest rate risk

Interest is credited or charged on the Company's cash balances at variable rates; given the current low level of interest rates and that no significant interest is credited or charged on intercompany balances, the Directors do not consider it necessary to mitigate the interest rate risk.

Directors' statement of compliance with duty to promote the success of the Group and Company

The directors believe they have acted at all times to promote the success of the Group and Company for the benefit of its members as a whole. In doing so, the Board has considered the interest of a range of stakeholders impacted by the Group, as well as having regard for the matters set out in section 172(1) of the UK Companies Act 2006, namely:

- the likely consequences of any decisions in the long term;
- the interests of the Group's employees;
- the need to foster the Group's business relationships with suppliers, customers and others;
- the impact of the Group's operations on the community and the environment;
- the desirability of the Group maintaining a reputation for the high standards of business conduct; and
- the need to act fairly as between members of the Group

Board and decision-making process

The Group operates under five fundamental principles, that are considered in all decision-making processes at Board, strategic and operational levels

- We achieve together
- We communicate honestly
- We drive innovation and change
- We earn trust
- We grow and learn

Board meetings are held every month (excluding August and December) and the monthly reports include:

- Summary of key initiatives and their progress
- Merger & Acquisitions (M&A) update
- Operations update
- IT update, including operational and strategic objectives
- Monthly Financials including budgets/forecasts

Executive Board members meet on a weekly basis, alongside key senior management to provide day to day oversight on strategic and operational objectives, with significant changes and decisions referred to the formal Board of Directors.

Key Stakeholders

Directors utilise a full range of communication channels to engage with stakeholders; these include face to face meetings, events, reports and other written materials, as well as through public relations activity, targeted digital content and social media.

The directors have identified the following as key stakeholders of the Group, as they are either directly affected or benefit from the success of the Group.

GO-SYKES LIMITED

Strategic Report (Continued)

Directors' statement of compliance with duty to promote the success of the Group and Company (continued)

Key Stakeholders (continued)

- **Guests** – the Group provides a diverse range of quality holiday properties to over 1 million guests each year in the United Kingdom, Ireland and New Zealand. Guests are engaged initially through targeted marketing initiatives and via contact to our UK and New Zealand based call centres. During and post travel, customers have access to our customer services support online and via telephone and feedback is gathered through satisfaction surveys.
- **Property Owners** – The Group provides property management, marketing and booking services to approximately 19,000 owners who have c.22,000 holiday properties. A dedicated Owners team with the assistance of a nationwide network of Property Consultants service the needs of property Owners.
- **Employees** – the Group employs approximately 875 people across the UK and New Zealand. The Group places considerable value on the involvement of its employees, therefore it ensures information on matters of concern is provided and where appropriate the employees are consulted so their views are taken into account when making decisions. This is achieved through monthly floor briefings, intranet and e-mails to employees' work addresses. Employee involvement in the Group is encouraged through regular employee surveys.
- **Suppliers** – The Group engages with key suppliers and settles invoices in a timely manner and within the agreed credit terms. The Group's main suppliers are national/international recognised businesses and are either engaged on standard contractual terms or on separately negotiated contracts through a tender process. The Group's smaller suppliers are engaged by the local brands/offices through recommendations and advertising.
- **Community and Environment** – The Group participates in several community-based initiatives through fund raising events and commitment of resources. The Group selects a key Charity to work with each year and for FY21 the charity was the Teenage Cancer Trust. Given that the pandemic during FY20 reduced the ability to fund raise the Group decided to continue supporting this charity during FY21 as well. The Group looks to minimise its carbon footprint where possible, reducing the use of paper through technical developments and maximising recycling of paper/plastics/metals via numerous in office recycling collection points.
- **Shareholders and lenders** – The ultimate parent company of the Sykes Cottages Group (inclusive of Sykes Cottages Ltd and trading brands listed in Investment note 17) and the Company is Priestholm TopCo Ltd. The ultimate controlling party of Priestholm TopCo Ltd and the Sykes Cottages Group is Vitruvian Partners LLP, which is a private equity investment company. The Group has also entered into a Loan Facility and Revolving Credit Facility with external lenders. Both Vitruvian Partners LLP and lenders receive monthly financial updates as standard, with ad hoc initiatives and key developments reported as required.

Key decisions

The directors have identified the below as the key decisions made in the year. Key decisions have been determined as anything with strategic importance to the Group or that have taken a significant amount of management and Board time.

GO-SYKES LIMITED

Strategic Report (Continued)

Directors' statement of compliance with duty to promote the success of the Group and Company (continued)

Decision 1

The acquisition of new businesses

On 6th July 2021 the Group acquired Best of Suffolk Ltd, a holiday rental company located in Suffolk, UK.

On 3rd August 2021 the Group acquired Abersoch Quality Homes Limited, a holiday cottage rental company located in Abersoch, Wales.

Outcomes and impact on key stakeholders (where applicable):

- **Guests** - Able to offer a wider variety of property options to the whole group through the nationwide marketing capacity of the group, over multiple websites and marketing channels.
- **Property owners** - Communication is made to new owners early, so they understand how they will be impacted. The dedicated Owners team clearly describe any changes and how this will affect the owner. They will also advise the owner of the benefits of being part of the Sykes Cottages Group.
- **Employees** - Clear plans are put into place and communicated through updates and written notices, to the existing and new staff base. Expected synergies related to the acquisitions are highlighted alongside career opportunities that may result.
- **Community** - Press releases to promote awareness within the local communities.
- **Shareholders & Lenders** - Notification to both parties explaining the rationale for the acquisition and expected benefits, which is part of the formal board communication.

Decision 2

Covid-19 Operational response

During FY21 the world continued to be impacted by the global pandemic. The governments in the UK and New Zealand imposed various lockdown measures and restrictions affecting people's ability to travel around the United Kingdom, Ireland and New Zealand for holidays and work purposes.

Where travel was legally impossible due to the contract between the consumer and the property owner being frustrated, Sykes Cottages has chosen to support both customers and property owners by facilitating the refunds of the full amount paid by customers. This includes the income generated by trading entities in the Sykes Cottages Group. The contractual services provided to generate the income has been delivered, so the Sykes Cottages Group has accounted for the refunds as a goodwill gesture to both our owners and customers.

Sykes continues to market and take bookings where it is legally possible to do so, to minimise the profitability and liquidity impact of Covid-19, on our trading partners.

GO-SYKES LIMITED

Strategic Report (Continued)

Directors' statement of compliance with duty to promote the success of the Group and Company (continued)

Decision 2 (continued)
Covid-19 Operational response

Outcomes and impact on key stakeholders (where applicable):

- **Guests** - The various Covid-19 restrictions have affected guests ability to travel and therefore for numerous guests, their holidays have been cancelled/curtailed, when the booking has become legally frustrated. For these guests, we have offered a full refund (which includes ex gratia goodwill refund for commission and booking fee and ancillary income the Group has previously earned) or the offer of a change the date of their holiday. When there have been restrictions on household mixing and the number of people who could meet, guests were contacted with the option to continue with their holiday within Government guidelines, or receive a full refund or change of dates.
- **Property owners** - The Sykes Cottages Group facilitated the refund of gross rentals on behalf of owners, where holiday contracts have been legally frustrated. Commissions earned by Sykes have been effectively refunded to property owners as a goodwill gesture from the group. This minimises the economic impact on the owners to the net rentals they would have earned, rather than the gross rental the consumer has paid.
- **Employees** - To ensure the health and safety of its employees the Group has closed all its offices during full lockdowns and has ensured the Group has the infrastructure to enable employees to work from home. During the various tiered systems or lockdown stages, the offices have been reopened on a requirement basis as the Group is aware working from home may not suit all employees. The group is constantly monitoring employee health, safety, and wellbeing and to ensure it has sufficient measures in place, facilitated by regular reviews through video meeting platforms.
- **Suppliers** - Sykes has been working with key suppliers on an ongoing basis, such as insurance brokers and marketing partners, to ensure the respective businesses are aligned in providing refunds to customers where applicable. Sykes continues to pay all suppliers within agreed terms.
- **Shareholders & Lenders** - Given the continued uncertainty caused by the pandemic, liquidity and profitability were, and continue to be, under frequent review. This high level of rigour enables the business to have proactive responses to governmental guidance with various scenario plans and actions to preserve cash and profits having been agreed with the Board and Shareholders notified where appropriate. The Scenario planning and mitigating actions undertaken taken have ensured the Group is in the best position to continue its long-term strategy.

GO-SYKES LIMITED

Strategic Report (Continued)

Directors' statement of compliance with duty to promote the success of the Group and Company (continued)

Decision 3

Facility Agreement Amendment

On 21st April 2021 Sykes Priestholm MidCo Ltd agreed with the external lenders to extend the facility agreement, by increasing the acquisition fund, improving the flexibility over the Rolling Credit Facility (RCF) and the use of internal funds.

Outcomes and impact on key stakeholders (where applicable):

- **Guests** - Able to acquire new business more easily allowing Sykes Cottages Group to offer a wider variety of property options to the whole group through the nationwide marketing capacity of the group, over multiple websites and marketing channels.
- **Employees** - Clear plan to continue the growth and success of the business.
- **Shareholders & Lenders** - Notification to both parties explaining the rationale for the changes to the facility agreement, which is part of the formal board communication. Clear plan to continue the growth and success of the business.

This report was approved by the board on 2nd March 2022 and signed on its behalf.

DocuSigned by:

Michael Graham

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Michael Steven Graham
Director

GO-SYKES LIMITED

Directors' Report

The Directors present their report and the financial statements for the year ended 30th September 2021.

Principal activity

Go-Sykes Limited is a holding company within a group whose principal activity is providing a holiday letting agency and marketing services, which are located in the UK, Ireland and New Zealand.

Results and dividends

The loss for the year, after taxation, amounted to £2,071,000 (2020: £3,937,000).

The directors do not recommend the payment of a dividend (2020: £nil).

Directors

The Directors who served during the period were:

Graham Donoghue
Michael Steven Graham
James Martin Shaw

Political contributions

Neither the Company, nor any of its subsidiaries, made any political donations or incurred any political expenditure during the year.

Future developments

An indication of likely future developments in the business and particulars of significant events, which have occurred since the end of the financial year, have been included in the strategic report on page 1.

Financial Instruments

Objectives and policies

The Company does not use derivative financial instruments. The Company enters into financial derivative contracts to mitigate financial risk and details are included above in the Strategic Report under the relevant risk heading.

Going concern

As a result of the continued uncertainties caused by Covid-19, the Directors of the Company during their going-concern assessment have confirmed the ability of its parent company to provide continued support access to cash to ensure its day-to-day running of the Company. The board has obtained a written confirmation of financial support from its parent undertaking Priestholm TopCo Ltd who has confirmed it will provide financial support to assist the Company to meet its liabilities as and when they fall due but only to the extent that money is not otherwise available to the Company to meet such liabilities for the period to 31st March 2023.

GO-SYKES LIMITED

Directors' Report (Continued)

Streamlined Energy and Carbon Reporting (SECR)

Information about the Company's Streamlined Energy and Carbon Reporting ("SECR") is included in the parent company Directors' Report which is prepared on a consistent basis with the requirements applicable to the Company. The consolidated financial statements of this group may be obtained from 3rd Floor, 1 Ashley Road, Altrincham, Cheshire, WA14 2DT.

Disclosure of information to auditors

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

- so far as the Director are aware, there is no relevant audit information of which the Company's auditors are 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 auditors are aware of that information.

Post year end events

There have been no significant events affecting the Company since the year end.

Auditors

The auditors, Ernst & Young LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 2nd March 2022 and signed on its behalf.

DocuSigned by:

Michael Graham

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Michael Steven Graham
Director

GO-SYKES LIMITED

Directors' Responsibilities' Statement

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

Company law requires the Directors to prepare consolidated financial statements for each financial period. Under that law they have elected to prepare the consolidated financial statements in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006, subject to any material departures disclosed and explained in the financial statements;
- assess the Group and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

GO-SYKES LIMITED

Independent Auditors' Report to the Members of Go-Sykes Limited

Opinion

We have audited the financial statements of Go-Sykes Limited ('the Company') for the year ended 30 September 2021 which comprise the Statement of profit or loss and other comprehensive income, the Statement of financial position, the Statement of changes in equity and the related notes 1 to 25, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 30 September 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.

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 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.

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 the period from when the financial statements are authorised for issue to 31st March 2023.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

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.

GO-SYKES LIMITED

Independent Auditors' Report to the Members of Go-Sykes Limited (Continued)

Other information (continued)

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the 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 directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

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

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

GO-SYKES LIMITED

Independent Auditors' Report to the Members of Go-Sykes Limited (Continued)

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 9, 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.

Auditors' 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.

Explanation as to what extent 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 irregularities, including fraud. 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 or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (FRS 101 and the Companies Act 2006) and the relevant direct and indirect tax compliance regulations in the United Kingdom.
 - We understood how Go-Sykes Limited is complying with those frameworks by making enquiries of management to understand how the Company maintains and communicates its policies and procedures in these areas, and corroborated this by reviewing supporting documentation and minutes of meetings of those charged with governance. We also reviewed correspondence with relevant authorities.
 - We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur through internal team conversations and enquiries of management and those charged with governance.
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GO-SYKES LIMITED

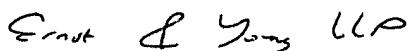
**Independent Auditors' Report to the Members of Go-Sykes Limited
(Continued)****Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud (continued)**

- We identified a risk that management might override controls including certain key processes in order to achieve a desired financial reporting outcome. We designed audit procedures to address the identified risk of management override. These procedures included but were not limited to, obtaining an understanding of the accounting policies and controls relevant to the identified risk and performing tests of detail for a sample of transactions. We tested specific transactions back to source documentation ensuring appropriate authorisation of the transactions.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved making enquiries of Legal Counsel and Company management for their awareness of non-compliance with laws and regulations. We enquired about policies that have been established to prevent non-compliance with laws and regulations and about the Company's methods of enforcing and monitoring compliance with such policies. In addition, we completed procedures to conclude on the compliance of the disclosures in financial statements with the requirements of the relevant accounting standards and UK legislation.

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

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.

**Tehseen Ali**

Senior Statutory Auditor
for and on behalf of Ernst & Young LLP, Statutory Auditor
Manchester

3rd March 2022

GO-SYKES LIMITED**Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 30 September 2021**

	Note	2021 £000	2020 £000
Revenue	9	-	123
Cost of sales		-	(108)
Gross profit		-	15
Exceptional items	16	-	(10)
Operating profit	10	-	5
Finance income	14	1,729	1,434
Finance expense	14	(3,799)	(5,376)
Loss before tax		(2,070)	(3,937)
Tax charge	15	(1)	-
Loss for the year		(2,071)	(3,937)

There was no other comprehensive income for 2021 (2020: £nil)

Turnover and operating profit are derived wholly from continuing operations.

The financial statements include the notes on pages 17 to 34.

GO-SYKES LIMITED**Statement of Financial Position
as at 30 September 2021**

	Note	2021 £000	2020 £000
Assets			
Non-current Assets			
Investments	17	55,035	55,035
		<u>55,035</u>	<u>55,035</u>
Current assets			
Trade and other receivables	18	38,603	36,874
Cash and cash equivalents	19	-	5
		<u>38,603</u>	<u>36,879</u>
Total assets		<u>93,638</u>	<u>91,914</u>
Non-current liabilities			
Trade and other liabilities	20	(39,596)	(35,801)
		<u>(39,596)</u>	<u>(35,801)</u>
Current liabilities			
Trade and other liabilities	20	(88,346)	(88,346)
		<u>(88,346)</u>	<u>(88,346)</u>
Total liabilities		<u>(127,942)</u>	<u>(124,147)</u>
Net assets		<u>(34,304)</u>	<u>(32,233)</u>
Issued capital and reserves attributable to owners of the parent			
Share capital	21	-	-
Retained earnings	22	(34,304)	(32,233)
Total Equity		<u>(34,304)</u>	<u>(32,233)</u>

The financial statements on pages 14 to 34 were approved and authorised for issue by the board of Directors on 2nd March 2022 and were signed on its behalf by:

DocuSigned by:

Michael Graham

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Michael Steven Graham
Director

GO-SYKES LIMITED

Statement of Changes in Equity For the Year Ended 30 September 2020

	Share capital £000	Retained Earnings £000	Total Equity £000
At 1 October 2019	-	(28,296)	(28,296)
Loss for the year	-	(3,937)	(3,937)
Total comprehensive loss for the period	-	(3,937)	(3,937)
At 30 September 2020	-	(32,233)	(32,233)

Statement of Changes in Equity For the Year Ended 30 September 2021

	Share capital £000	Retained Earnings £000	Total Equity £000
At 1 October 2020	-	(32,233)	(32,233)
Loss for the year	-	(2,071)	(2,071)
Total comprehensive loss for the year	-	(2,071)	(2,071)
At 30 September 2021	-	(34,304)	(34,304)

The financial statements include the notes on pages 17 to 34.

GO-SYKES LIMITED

Notes to the Financial Statements

1. Corporate Information

Go-Sykes Limited ("the Company") is a Limited Liability Company incorporated and domiciled in United Kingdom. Go-Sykes Limited. The registered office is located at 3rd Floor, 1 Ashley Road, Altrincham, Cheshire, WA14 2DT.

Go-Sykes Limited is a holding company within a group whose principal activity is providing a holiday letting agency and marketing service, which are located in the UK, Ireland and New Zealand.

2. Basis of preparation

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 8).

Going Concern

As a result of the continued uncertainties caused by Covid-19, the Directors of the Company during their going-concern assessment have confirmed the ability of its parent company to provide continued support access to cash to ensure its day-to-day running of the Company. The board has obtained a written confirmation of financial support from its parent undertaking Priestholm TopCo Ltd who has confirmed it will provide financial support to assist the Company to meet its liabilities as and when they fall due but only to the extent that money is not otherwise available to the Company to meet such liabilities for the period to 31st March 2023.

Financial statement approval

The financial statements of Go-Sykes Limited for the year ended 30th September 2021 were authorised for issue in accordance with a resolution of the board of Directors on 2nd March 2022.

3. Functional and presentation currency

These financial statements are presented in pound sterling, which is the Company's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

GO-SYKES LIMITED

Notes to the Financial Statements

4. Standards issued not yet effective

A number of new standards and amendments to standards are effective for annual periods beginning after 1st January 2020 and earlier application is permitted; however, the Group has not early adopted the new or amended standards in preparing these consolidated financial statements as they do not have a material effect on the Group's financial statements.

The following amended standards are not expected to have a significant impact on the Group's consolidated financial statements:

- Amendments to References to Conceptual Framework in IFRS Standards;
- Definition of a Business (Amendments to IFRS 3); and
- Definition of material amendments to IAS 1 and IAS 8

5. Financial reporting standard 101 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

6. Exemption from preparing consolidated financial statements

The Company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

The Company is a parent Company that is also a subsidiary included in the consolidated financial statements of Priesholm MidCo Ltd, incorporated in the UK. The consolidated financial statements of Priesholm MidCo Ltd are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from 3rd Floor, 1 Ashley Road, Altrincham, Cheshire, WA14 2DT.

GO-SYKES LIMITED

Notes to the Financial Statements

7. Significant Accounting policies

The accounting policies set out below have, unless otherwise stated, has been applied consistently to all periods presented in these group financial statements.

7.1 Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period

Or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period

Or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

7.2 Turnover

Turnover represents amounts chargeable, net of the value added tax, in respect of the sales of good and services to customers.

Revenue is for management services provided and is charged to the trading entities annually

7.3 Exceptional items

The Company presents as exceptional items those material items of income and expense which, because of the nature and expected infrequency of the events giving rise to them, merit separate presentation to allow shareholders to understand better the elements of financial performance in the year, so as to facilitate comparison with prior periods and to assess better trends in financial performance.

GO-SYKES LIMITED

Notes to the Financial Statements

7. Significant Accounting policies (continued)

7.4 Borrowing costs

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

7.5 Finance income and expenses

Finance expenses comprise interest payable, finance charges on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the income statement (see foreign currency accounting policy). Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial time to be prepared for use, are capitalised as part of the cost of that asset. Finance income comprise interest receivable on funds invested, dividend income, and net foreign exchange gains.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Dividend income is recognised in the income statement on the date the entity's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

7.6 Employee benefits

Short term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

Defined contribution schemes

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

7.7 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

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

GO-SYKES LIMITED

Notes to the Financial Statements

7. Significant Accounting policies (continued)

7.7 Taxation (continued)

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

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

The Company offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

7.8 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

7.9 Impairment of non-financial assets

Further disclosures relating to impairment of non-financial assets are also provided in the following notes:

- | | |
|-------------------------------------------|---------|
| • Disclosures for significant assumptions | Note 8 |
| • Investments | Note 17 |

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

GO-SYKES LIMITED

Notes to the Financial Statements

7. Significant Accounting policies (continued)

7.9 Impairment of non-financial assets (continued)

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account.

The Company bases its impairment calculation on most recent budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in the statement of profit or loss in expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

7.10 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. Financial assets

Initial recognition and measurement

Financial assets are recognised on the trade date, which is the date it commits to purchase the instruments. Loans are recognised when the funds are advanced. All other financial instruments are recognised on the date that they are originated. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. The Company initially measures a financial asset at its fair value, with the exception of trade receivables that don't contain a significant financing component or where the customer will pay for the related goods or services within one year of receiving them. For financial assets which are not held at fair value through the income statement, transaction costs are also added to the initial fair value. Trade receivables that don't contain a significant financing component or where the customer will pay for the related goods or services within one year of receiving them are measured at the transaction price determined under IFRS 15.

GO-SYKES LIMITED

Notes to the Financial Statements

7. Significant Accounting policies (continued)

7.10 Financial instruments (continued)

i. Financial assets (continued)

Initial recognition and measurement (continued)

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Subsequent measurement

For the purposes of subsequent measurement, financial assets are classified into the following categories;

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Company's financial assets at amortised cost includes trade and other receivables.

Financial assets at fair value through OCI (debt instruments)

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

GO-SYKES LIMITED

Notes to the Financial Statements

7. Significant Accounting policies (continued)

7.10 Financial instruments (continued)

i. Financial assets (continued)

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Company's statement of financial position) when;

- The rights to receive cash flows from the asset have expired; or
- The Company has transferred its rights to receive cash flows from the asset

Impairment

The Company recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost, debt investments measured at FVOCI and contract assets (as defined in IFRS 15).

The Company measures loss allowances at an amount equal to lifetime ECL, except for other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life as 12-month ECL. Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

ECLs are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the company expects to receive). ECLs are discounted at the effective interest rate of the financial asset. The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk. The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery.

i. Financial Liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

GO-SYKES LIMITED

Notes to the Financial Statements

7. Significant Accounting policies (continued)

7.10 Financial instruments (continued)

ii. Financial Liabilities (continued)

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by IFRS 9.

Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss. Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Company has not designated any financial liability as at fair value through profit or loss.

Financial liabilities at amortised cost (loans and borrowings)

This is the category most relevant to the Company. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

GO-SYKES LIMITED

Notes to the Financial Statements

7. Significant Accounting policies (continued)

7.10 Financial instruments (continued)

iii. Financial Liabilities (continued)

iv. Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

7.11 Classification of financial instruments issued by the Company

Following the adoption of IAS 32, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and
- where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

8. Accounting estimates and judgements

In the application of the Company's accounting policies, which are described in Note 7, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant and are reviewed on an ongoing basis. Actual results could differ from these estimates and any subsequent changes are accounted for with an effect on income at the time such updated information becomes available.

GO-SYKES LIMITED

Notes to the Financial Statements

8. Accounting estimates and judgements (continued)

The most critical accounting policies in determining the financial condition and results of the Company are those requiring the greatest degree of subjective or complex judgements and estimation. The Directors have had to make the following judgements:

Recoverability of Investments

Due to the inherent uncertainty involved in forecasting and discounting future cash flows this is considered a critical estimate. The estimates used in the valuation of the recoverability of investments are considered to have a significant risk of causing a material misstatement, specifically; the estimation of future cash flows, the use of the most appropriate methodology and the selection of a suitable discount rate.

9. Revenue

The following is an analysis of the Company's revenue for the period from continuing operations:

	2021 £000	2020 £000
Intercompany turnover (management charges)	-	123
	<u>-</u>	<u>123</u>

All revenue arose within the United Kingdom.

Timing of transfer of services:

	2021 £000	2020 £000
Products and services transferred at a point in time	-	123
Goods and services transferred over time	-	-
	<u>-</u>	<u>123</u>

10. Operating profit

The operating profit is stated after charging:

	2021 £000	2020 £000
Exceptional items	-	10
Defined contribution pension cost	<u>-</u>	<u>2</u>

GO-SYKES LIMITED

Notes to the Financial Statements

11. Auditors Remuneration

	2021 £000	2020 £000
Audit of these financial statements	<u>10</u>	<u>10</u>

Auditors' remuneration is borne by other companies within the Sykes Cottages Group and not specifically recharged. The proportion of auditors' time spent on this Company is considered immaterial to their time spent working in the overall Group. Therefore, their remuneration has not been recharged to the Company.

12. Employee benefit expenses

Staff costs, including Directors' remuneration, were as follows:

	2021 £000	2020 £000
Wages and salaries	-	61
National insurance	-	8
Defined contribution pension cost	-	2
Recharge to group undertakings	<u>-</u>	<u>(71)</u>
	<u>-</u>	<u>-</u>

The monthly average number of employees, including the Directors, during the period was as follows:

	2021 £000	2020 £000
Administration and support	<u>-</u>	<u>1</u>

13. Directors' Remuneration

	2021 £000	2020 £000
Directors' emoluments	-	36
Defined benefit scheme costs	<u>-</u>	<u>2</u>
	<u>-</u>	<u>38</u>

The Company has no employees other than the Directors whose remuneration costs are borne by another group company, Priestholm Bidco Ltd and not specifically recharged. The proportion of Directors' time spent on this Company is considered immaterial to their time spent working in the overall Group. Therefore, their remuneration has not been allocated to the Company.

GO-SYKES LIMITED**Notes to the Financial Statements****14. Finance income and expense**

	2021	2020
	£000	£000
Finance income		
Interest receivable from group companies	<u>1,729</u>	<u>1,434</u>
Total finance income	<u>1,729</u>	<u>1,434</u>
Finance expense		
Bank interest payable	-	(1,684)
Other loan interest payable	<u>(3,799)</u>	<u>(3,692)</u>
Total finance expense	<u>(3,799)</u>	<u>(5,376)</u>
Net finance expense recognised in loss	<u>(2,070)</u>	<u>(3,942)</u>

Interest payable and similar charges includes interest payable and similar on loan notes of £3,749,000 (2020: £3,692,000), the release of a capitalised arrangement fee of £nil (2020: £1,403,000) and on all other loans of £50,000 (2020: £281,000). Of the above amount £3,799,000 (2020: £3,442,000) was payable to group undertakings.

15. Tax charge**15.1 Income tax recognised in profit or loss**

	2021	2020
	£000	£000
Current tax		
Current tax on profits for the period	<u>1</u>	-
	<u>1</u>	-
Deferred tax		
	<u>-</u>	<u>-</u>
Total deferred tax	<u>-</u>	<u>-</u>
Total tax charge		
Tax charge	<u>1</u>	-
	<u>1</u>	-

GO-SYKES LIMITED**Notes to the Financial Statements****15. Tax charge****15.1 Income tax recognised in profit or loss (continued)**

The reasons for the difference between the actual tax charge for the period and the standard rate of corporation tax in the United Kingdom applied to losses for the period are as follows:

	2021 £000	2020 £000
Loss for the year	(2,071)	(3,937)
Tax charge	1	-
Loss before tax	<u>(2,070)</u>	<u>(3,937)</u>
Tax using the Company's domestic tax rate of 19%	(393)	(748)
Expenses not deductible for tax purposes, other than goodwill, amortisation, and impairment		38
Remeasurement of deferred tax for changes in tax rates	(79)	-
Deferred tax not recognised	79	(4)
Group relief claimed for nil consideration	394	714
Total tax charge	<u>1</u>	<u>-</u>

Changes in tax rates and factors affecting the future tax charges

A reduction in the UK corporation tax rate from 19% to 17% (effective 1st April 2020) was substantively enacted on 6th September 2016. The March 2020 Budget announced that a rate of 19% would continue to apply with effect from 1st April 2020, and this change was substantively enacted on 17th March 2020.

An increase in the UK corporation rate from 19% to 25% (effective 1st April 2023) was substantively enacted on 24th May 2021. This will increase the Company's future current tax charge accordingly. Deferred taxes as at 30th September 2021 have been calculated based on these rates, reflecting the expected timing of reversal of the related temporary and timing differences (2020: 19%).

16. Exceptional items

	2021 £000	2020 £000
Share acquisition fees	-	10
	<u>-</u>	<u>10</u>

17. Investments

	Investments in subsidiary companies £000
Cost and net book value	
At 1 October 2020	55,035
At 30 September 2021	<u>55,035</u>

GO-SYKES LIMITED

Notes to the Financial Statements

17. Investments (continued)

The Directors believe that the carrying values of investments at 30th September 2021 is supported by their underlying net assets, or value in use. In measuring value in use, the discount rate used reflects current assessments of the time value of money and the risks specific to the asset.

The following were subsidiary undertakings of the Company:

Company	Country of incorporation	Registered numbers	Class of shares held	Ownership	
				2021	2020
Directly held					
Sykes Cottages Limited**	UK	4469189	Ordinary	100%	100%
Self Catering Travel Limited*	UK	7730563	Ordinary	100%	100%
Cornish Cottage Holidays Limited*	UK	4717186	Ordinary	100%	100%
Helpful Holidays (Holdings) Limited*	UK	8632456	Ordinary	100%	100%
Cottage Holidays (Carlisle) Limited*	UK	7463275	Ordinary	100%	100%
Indirectly held					
Potter TopCo Limited*	UK	11076957	Ordinary	100%	100%
Heart of the Lakes Limited*	UK	11617441	Ordinary	100%	100%
Traditional Lakeland Cottages Limited*	UK	4120468	Ordinary	100%	100%
Character Cottages Holidays Limited*	UK	5519222	Ordinary	100%	100%
Rock Estates (Cornwall) Limited*	UK	986821	Ordinary	100%	100%
Maid In the Cotswolds Limited*	UK	7979374	Ordinary	100%	100%
Fisherbeck Management Limited*	UK	1672804	Ordinary	100%	100%
Helpful Holidays Limited*	UK	3800436	Ordinary	100%	100%
Lake District Lodge Holidays Limited*	UK	8451719	Ordinary	100%	100%
Printcater Limited*	UK	2779888	Ordinary	100%	100%
Coast & Country Holidays Limited*	UK	6495419	Ordinary	100%	100%
Complete Cottage Holidays Limited*	UK	6980918	Ordinary	100%	100%
Devonshire Cottage Holidays Limited*	UK	6980919	Ordinary	100%	100%
Dorset Cottage Holidays Limited*	UK	7494512	Ordinary	100%	100%
Holiday Cottage Housekeeping Limited*	UK	8859641	Ordinary	100%	100%
Holiday Cottage Experts Limited*	UK	8870393	Ordinary	100%	100%
West Country Cottages Limited*	UK	3741255	Ordinary	100%	100%
Cornwall Holiday Cottages Limited *	UK	4924028	Ordinary	100%	100%

GO-SYKES LIMITED**Notes to the Financial Statements****17. Investments (continued)**

Company	Country of incorporation	Registered numbers	Class of shares held	Ownership	
				2021	2020
Indirectly held					
Manor Cottages UK Company Limited*	UK	5750184	Ordinary	100%	100%
Manor Cottages Laundry Services Limited*	UK	10315174	Ordinary	100%	100%
Manor Cottages Property Services Limited*	UK	7675654	Ordinary	100%	100%
Manor Cottages Property Services (South) Limited*	UK	9084982	Ordinary	100%	100%
Hideaway Holiday Cottages Limited*	UK	10439904	Ordinary	100%	100%
La Manga Direct Limited*	UK	3727523	Ordinary	100%	100%
DCL NewCo Limited*	UK	11421216	Ordinary	100%	100%
Dream Cottages Limited*	UK	3665465	Ordinary	100%	100%
Menai Holiday Cottages Limited*	UK	4947297	Ordinary	100%	100%
Best of Suffolk Ltd*	UK	6356234	Ordinary	100%	-
NZ Bachcare HoldCo Limited***	NZ	7313436	Ordinary	100%	100%
Bachcare Limited***	NZ	1466155	Ordinary	100%	100%
Abersoch Quality Homes Limited*	UK	11569733	Ordinary	100%	-

Registered office

* 3rd Floor 1 Ashley Road, Altrincham, Cheshire, United Kingdom, WA14 2DT

** Sykes Cottages Ltd One City Place, Queens Road, Chester, Cheshire, United Kingdom, CH1 3BQ

*** Pricewaterhousecoopers, Level 26 Pwc Tower, 15 Customs Street West, Auckland, 1010, New Zealand

18. Trade and other receivables

	2021 £000	2020 £000
Amounts owed by group undertakings	<u>38,603</u>	<u>36,874</u>
	<u>38,603</u>	<u>36,874</u>

Transactions between related parties are made on terms equivalent to those that prevail in arm's length transactions.

The Amounts owed by group undertakings are repayable on demand.

GO-SYKES LIMITED

Notes to the Financial Statements

19. Cash and cash equivalents

	2021 £000	2020 £000
Cash at bank and in hand	-	5
	<u>-</u>	<u>5</u>

20. Trade and other liabilities

	2021 £000	2020 £000
Amounts owed to group undertakings - current	88,346	88,346
Total current portion	88,346	88,346
Loan notes	33,713	29,962
Amounts owed to group undertakings	5,883	5,839
Total non-current portion	39,596	35,801

The carrying value of trade and other payables classified as financial liabilities measured at amortised cost approximates fair value.

Transactions between related parties are made on terms equivalent to those that prevail in arm's length transactions.

The Amounts owed by group undertakings - current are repayable on demand.

Loan notes

Loan notes at the yearend are £26,570,000 (2020: £26,570,000) D loan notes due for repayment from 31st March 2021 and in full by September 2022. D loan notes have a variable interest rate initially 8% p.a. rising by 1% p.a., up to 12% for periods after 1st October 2018. Interest accrued on the loan notes at the yearend was £7,143,000 (2020: £3,392,000).

21. Share Capital

Authorised, issued and fully paid

	2021		2020	
	Number	£	Number	£
Shares treated as equity				
Ordinary shares of £1.00 each	1	1	1	1
At 30 September	1	1	1	1

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

GO-SYKES LIMITED

Notes to the Financial Statements

22. Reserves

Retained earnings

Retained earnings includes all current and prior year retained profits and losses.

23. Employee benefits

Defined contribution plans

The Company operates a defined contribution pension plan. The total expense relating to these plans in the current year was £nil (2020: £2,000).

24. Controlling party

At the year ended 30th September 2021, the Company was a subsidiary undertaking of Priestholm TopCo Ltd which was the Ultimate Parent Company incorporated in Jersey. The Ultimate Controlling Party was Vitruvian Partners LLP.

The largest group in which the results of the Company are consolidated was that headed by Priestholm TopCo Ltd, incorporated in Jersey. The consolidated financial statements of this group may be obtained from 4th Floor, St Paul's Gate, 22-24 New Street, St. Helier, JE1 4TR, Jersey.

The smallest group in which the results of the company are consolidated was that headed by Priestholm MidCo Ltd, incorporated in the United Kingdom. The consolidated financial statements of this group may be obtained from 3rd, Floor 1 Ashley Road, Altrincham, Cheshire, WA14 2DT.

25. Events after the reporting date

There have been no significant events affecting the Company since the year end.