

TOURISM MEDIA LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

TOURISM MEDIA LIMITED

COMPANY INFORMATION

| | |
|-----------------------------|---|
| Directors | Richard Laurence Veal Ryan George |
| Registered number | 09825815 |
| Registered office | Suite 102 South Harrington Building Sefton Street Brunswick Business Park Liverpool England L3 4BQ |
| Independent auditors | Langtons Professional Services Limited Chartered Accountants & Statutory Auditor The Plaza 100, Old Hall Street Liverpool Merseyside L3 9QJ |

TOURISM MEDIA LIMITED

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TOURISM MEDIA LIMITED

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

Business review

The results for the year and financial position of the group are shown in the annexed financial statements.

The group made a net profit before tax of £51,666 (2020: net loss of £249,230) after goodwill amortisation of £474,289.

Principal risks and uncertainties

Principal risks to the group continue to be uncertainty within the tourism sector.

Financial key performance indicators

The directors use a number of detailed, industry specific performance metrics and detailed financial information and models to monitor the development, performance and position of the business.

This report was approved by the board on 28 September 2022 and signed on its behalf.

R L Veal
Director

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

The directors present their report and the financial statements for the year ended 31 December 2021.

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 the Group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The loss for the year, after taxation, amounted to £29,843 (2020 - loss £253,685).

Directors

The directors who served during the year were:

Richard Laurence Veal
Ryan George

Future developments

There have been no significant developments within the Group since the year end.

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 is aware, there is no relevant audit information of which the Company and the Group'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 and the Group's auditors are aware of that information.

TOURISM MEDIA LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Post balance sheet events

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

Auditors

The auditors, Langtons Professional Services Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 28 September 2022 and signed on its behalf.

R L Veal

Director

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TOURISM MEDIA LIMITED

Opinion

We have audited the financial statements of Tourism Media Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2021, which comprise the Group Statement of Income and Retained Earnings, the Group and Company Balance Sheets, the Group Statement of Cash Flows, the Group and Company Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 December 2021 and of the Group's profit 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Group's or the parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TOURISM MEDIA LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

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 Group 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 Group Strategic Report and the 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 Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the 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 by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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 Group's and the parent 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 Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TOURISM MEDIA LIMITED (CONTINUED)

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 Auditors' 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 Group financial statements.

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:

The objectives of our audit, in respect to fraud, are:

- to identify and assess the risks of material misstatement of the financial statements due to fraud;
- to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and
- to respond appropriately to fraud or suspected fraud identified during the audit.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and determined that the most significant are those that relate to the reporting framework (FRS 102 and the Companies Act 2006), the relevant tax compliance regulations in the UK and the EU General Data Protection Regulation (GDPR).
- We understood how the Group is complying with those frameworks by making enquiries of management. Through consideration of the results of our audit procedures we were able to either corroborate or provide contrary evidence which was then followed up.
- Based on our understanding we designed our audit procedures to identify non-compliance with laws and regulations. Our procedures involved: enquiries of management; and journal entry testing, with a focus on manual consolidation journals and journals indicating large or unusual transactions based on our understanding of the business.
- We assessed the susceptibility of the Group's financial statements to material misstatement, including how fraud might occur by meeting with management to understand where it considered there was susceptibility to fraud. We also considered performance targets and their propensity to influence efforts made by management to manage revenue and earnings. Where the risk was considered to be higher, including areas impacting key performance indicators or management remuneration, we performed audit procedures to address each identified fraud risk or other risk of material misstatement. These procedures included those on revenue recognition detailed above, the assessment of items identified by management as non-recurring and testing manual journals and were designed to provide reasonable assurance that the financial statements were free from material fraud or error.

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TOURISM MEDIA LIMITED (CONTINUED)

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' 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.

Mr Eifion Roberts (Senior Statutory Auditor)

for and on behalf of

Langtons Professional Services Limited

Chartered Accountants

Statutory Auditor

The Plaza

100, Old Hall Street

Liverpool

Merseyside

L3 9QJ

28 September 2022

TOURISM MEDIA LIMITED

**CONSOLIDATED STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 DECEMBER 2021**

| | Note | 2021 £ | 2020 £ |
|--|------|--------------------|--------------------|
| Turnover | 4 | 3,547,558 | 3,052,492 |
| Cost of sales | | (365,933) | (211,982) |
| Gross profit | | 3,181,625 | 2,840,510 |
| Administrative expenses | | (3,131,473) | (3,094,236) |
| Other operating income | 5 | 1,513 | 4,495 |
| Operating profit/(loss) | | 51,665 | (249,231) |
| Interest receivable and similar income | 8 | - | 1 |
| Profit/(loss) before tax | | 51,665 | (249,230) |
| Tax on profit/(loss) | 9 | (81,508) | (4,455) |
| Loss after tax | | (29,843) | (253,685) |
| Retained earnings at the beginning of the year | | (1,331,626) | (1,077,941) |
| | | (1,331,626) | (1,077,941) |
| Loss for the year attributable to the owners of the parent | | (29,843) | (253,685) |
| Retained earnings at the end of the year | | (1,361,469) | (1,331,626) |

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

The notes on pages 16 to 29 form part of these financial statements.

TOURISM MEDIA LIMITED
REGISTERED NUMBER: 09825815

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2021

| | Note | 2021 £ | 2020 £ |
|--|------|-------------------------|-------------------------|
| Fixed assets | | | |
| Intangible assets | 11 | 1,897,156 | 2,371,445 |
| Tangible assets | 12 | 19,450 | 38,336 |
| Investments | 17 | - | 26,087 |
| | | <u>1,916,606</u> | <u>2,435,868</u> |
| Current assets | | | |
| Stocks | 13 | 41,205 | 25,469 |
| Debtors: amounts falling due within one year | 14 | 513,053 | 594,118 |
| Cash at bank and in hand | 15 | 1,953,314 | 1,200,165 |
| | | <u>2,507,572</u> | <u>1,819,752</u> |
| Creditors: amounts falling due within one year | 16 | (1,585,246) | (1,386,845) |
| Net current assets | | <u>922,326</u> | <u>432,907</u> |
| Total assets less current liabilities | | <u>2,838,932</u> | <u>2,868,775</u> |
| Provisions for liabilities | | | |
| Net assets excluding pension asset | | <u>2,838,932</u> | <u>2,868,775</u> |
| Net assets | | <u><u>2,838,932</u></u> | <u><u>2,868,775</u></u> |
| Capital and reserves | | | |
| Called up share capital | 19 | 51,201 | 51,201 |
| Share premium account | | 4,148,799 | 4,148,799 |
| Capital redemption reserve | | 401 | 401 |
| Profit and loss account | | (1,361,469) | (1,331,626) |
| Equity attributable to owners of the parent Company | | <u>2,838,932</u> | <u>2,868,775</u> |
| Total capital and reserves | | <u><u>2,838,932</u></u> | <u><u>2,868,775</u></u> |

TOURISM MEDIA LIMITED
REGISTERED NUMBER: 09825815

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2021

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 28 September 2022.

R L Veal
Director

The notes on pages 16 to 29 form part of these financial statements.

TOURISM MEDIA LIMITED
REGISTERED NUMBER: 09825815

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2021

| | Note | 2021 £ | 2020 £ |
|--|------|-------------------------|-------------------------|
| Fixed assets | | | |
| Investments | 17 | 6,155,386 | 6,155,386 |
| | | <u>6,155,386</u> | <u>6,155,386</u> |
| Current assets | | | |
| Debtors: amounts falling due within one year | 14 | 1,000 | 1,000 |
| | | <u>1,000</u> | <u>1,000</u> |
| Creditors: amounts falling due within one year | 16 | (1,956,386) | (1,956,386) |
| Net current liabilities | | <u>(1,955,386)</u> | <u>(1,955,386)</u> |
| Total assets less current liabilities | | <u>4,200,000</u> | <u>4,200,000</u> |
| Net assets excluding pension asset | | <u>4,200,000</u> | <u>4,200,000</u> |
| Net assets | | <u><u>4,200,000</u></u> | <u><u>4,200,000</u></u> |
| Capital and reserves | | | |
| Called up share capital | 19 | 51,201 | 51,201 |
| Share premium account | | 4,148,799 | 4,148,799 |
| | | <u>4,200,000</u> | <u>4,200,000</u> |

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 28 September 2022.

R L Veal

Director

The notes on pages 16 to 29 form part of these financial statements.

TOURISM MEDIA LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

| | Called up share capital | Share premium account | Capital redemption reserve | Profit and loss account | Total equity |
|----------------------------|----------------------------|--------------------------|----------------------------------|----------------------------|------------------|
| | £ | £ | £ | £ | £ |
| At 1 January 2021 | 51,201 | 4,148,799 | 401 | (1,331,626) | 2,868,775 |
| Loss for the year | - | - | - | (29,843) | (29,843) |
| At 31 December 2021 | 51,201 | 4,148,799 | 401 | (1,361,469) | 2,838,932 |

The notes on pages 16 to 29 form part of these financial statements.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

| | Called up share capital | Share premium account | Capital redemption reserve | Profit and loss account | Total equity |
|----------------------------|----------------------------|--------------------------|----------------------------------|----------------------------|------------------|
| | £ | £ | £ | £ | £ |
| At 1 January 2020 | 51,201 | 4,148,799 | 401 | (1,077,941) | 3,122,460 |
| Loss for the year | - | - | - | (253,685) | (253,685) |
| At 31 December 2020 | 51,201 | 4,148,799 | 401 | (1,331,626) | 2,868,775 |

The notes on pages 16 to 29 form part of these financial statements.

TOURISM MEDIA LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021

| | Called up share capital £ | Share premium account £ | Total equity £ |
|---------------------|---------------------------------|----------------------------------|-------------------|
| At 1 January 2021 | 51,201 | 4,148,799 | 4,200,000 |
| At 31 December 2021 | <u>51,201</u> | <u>4,148,799</u> | <u>4,200,000</u> |

The notes on pages 16 to 29 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

| | Called up share capital £ | Share premium account £ | Total equity £ |
|---------------------|---------------------------------|----------------------------------|-------------------|
| At 1 January 2020 | 51,201 | 4,148,799 | 4,200,000 |
| At 31 December 2020 | <u>51,201</u> | <u>4,148,799</u> | <u>4,200,000</u> |

The notes on pages 16 to 29 form part of these financial statements.

TOURISM MEDIA LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021**

| | 2021 £ | 2020 £ |
|---|----------------|----------------|
| Cash flows from operating activities | | |
| Profit/(loss) for the financial year | (29,843) | (253,685) |
| Adjustments for: | | |
| Amortisation of intangible assets | 510,474 | 539,941 |
| Depreciation of tangible assets | 12,078 | 12,774 |
| Loss on disposal of tangible assets | 1,567 | - |
| (Increase)/decrease in stocks | (15,733) | 45,326 |
| Decrease/(increase) in debtors | 64,053 | (225,929) |
| Increase in creditors | 8,367 | 356,894 |
| Increase in amounts owed to associates | 105,779 | - |
| Corporation tax received | 92,620 | 85,366 |
| Net cash generated from operating activities | 749,362 | 560,687 |
| Cash flows from investing activities | | |
| Purchase of tangible fixed assets | (9,480) | (7,461) |
| Sale of tangible fixed assets | 14,721 | - |
| Net cash from investing activities | 5,241 | (7,461) |

TOURISM MEDIA LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

| | 2021 £ | 2020 £ |
|---|-------------------------|-------------------------|
| Cash flows from financing activities | | |
| Repayment of/new finance leases | (1,454) | (5,749) |
| Net cash used in financing activities | <u>(1,454)</u> | <u>(5,749)</u> |
| Net increase in cash and cash equivalents | 753,149 | 547,477 |
| Cash and cash equivalents at beginning of year | 1,200,165 | 652,688 |
| Cash and cash equivalents at the end of year | <u>1,953,314</u> | <u>1,200,165</u> |
| Cash and cash equivalents at the end of year comprise: | | |
| Cash at bank and in hand | 1,953,314 | 1,200,165 |
| | <u>1,953,314</u> | <u>1,200,165</u> |

The notes on pages 16 to 29 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. General information

Tourism Media Limited is a private limited company, limited by shares registered in England and Wales within the United Kingdom. The registered office is Suite 102 South Harrington Building, Sefton Street, Brunswick Business Park, Liverpool, L3 4BQ. The company number is 09825815.

These financial statements present the consolidated results of Tourism Media Limited, New Vision Group Limited, Lawrence Paul Limited, New Mind Ventures Limited, New Mind Internet Consultancy Limited, New Mind E-Tourism Solutions Limited and Newmind TellUs AS.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Income and Retained Earnings in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance Sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Income and Retained Earnings from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 01 January 2014.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.4 Operating leases: the Group as lessee

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

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

2.5 Interest income

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.6 Pensions

Defined contribution pension plan

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

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

2.7 Current and deferred taxation

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

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

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

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.8 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Consolidated Statement of Income and Retained Earnings over its useful economic life.

Other intangible assets

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

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

The estimated useful lives range as follows:

| | | | |
|----------|---|----|-------|
| Goodwill | - | 10 | years |
|----------|---|----|-------|

2.9 Tangible fixed assets

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

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

Depreciation is provided on the following basis:

| | |
|-----------------------|---|
| Plant and machinery | - 20% straightline 25% reducing balance |
| Fixtures and fittings | - 20% straightline |
| Computer equipment | - 20% straightline |

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

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

2.10 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.11 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.12 Debtors

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

2.13 Cash and cash equivalents

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

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.14 Creditors

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

2.15 Provisions for liabilities

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

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

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.16 Financial instruments

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

TOURISM MEDIA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

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

The directors have made judgments regarding the depreciation of fixed assets and bad debt provisions.

4. Turnover

An analysis of turnover by class of business is as follows:

| | 2021 £ | 2020 £ |
|----------------------------|------------------|------------------|
| Global e-tourism solutions | 3,547,558 | 3,052,492 |
| | <u>3,547,558</u> | <u>3,052,492</u> |

Analysis of turnover by country of destination:

| | 2021 £ | 2020 £ |
|-------------------|------------------|------------------|
| United Kingdom | 3,096,910 | 2,732,521 |
| Rest of Europe | 40,915 | 10,514 |
| Rest of the world | 409,733 | 309,457 |
| | <u>3,547,558</u> | <u>3,052,492</u> |

5. Other operating income

| | 2021 £ | 2020 £ |
|------------------------|--------------|--------------|
| Commissions receivable | 1,513 | 4,495 |
| | <u>1,513</u> | <u>4,495</u> |

TOURISM MEDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

6. Auditors' remuneration

| | 2021 £ | 2020 £ |
|---|---------------------|---------------------|
| Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements | <u>10,500</u> | <u>10,350</u> |
| Fees payable to the Group's auditor and its associates in respect of: | | |
| All other assurance services | <u>8,745</u> | <u>8,244</u> |
| | <u>8,745</u> | <u>8,244</u> |

7. Employees

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

| | Group 2021 £ | Group 2020 £ | Company 2021 £ | Company 2020 £ |
|-----------------------|--------------------|--------------------|----------------------|----------------------|
| Wages and salaries | 2,155,222 | 1,972,508 | - | - |
| Social security costs | 52,439 | 53,751 | - | - |
| Pension costs | 45,756 | 40,691 | - | - |
| | <u>2,253,417</u> | <u>2,066,950</u> | <u>-</u> | <u>-</u> |

8. Interest receivable

| | 2021 £ | 2020 £ |
|---------------------------|-----------|-----------|
| Other interest receivable | - | 1 |
| | <u>-</u> | <u>1</u> |

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

9. Taxation

| | 2021 £ | 2020 £ |
|--|---------------|--------------|
| Corporation tax | | |
| Current tax on profits for the year | 80,589 | 5,901 |
| Adjustments in respect of previous periods | - | 1,565 |
| Deferred tax | | |
| Origination and reversal of timing differences | 919 | (3,011) |
| Taxation on profit on ordinary activities | <u>81,508</u> | <u>4,455</u> |

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2020 - *higher than*) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

| | 2021 £ | 2020 £ |
|---|---------------|------------------|
| Profit/(loss) on ordinary activities before tax | <u>51,665</u> | <u>(249,230)</u> |
| Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%) | 9,816 | (47,354) |
| Effects of: | | |
| Expenses not deductible for tax purposes | 82,774 | 58,686 |
| Capital allowances for year in excess of depreciation | (515) | - |
| Remeasurement of deferred tax for changes in tax rates | 451 | (319) |
| Adjustments to tax charge in respect of prior periods | (11,018) | (2,130) |
| Adjustment in research and development tax credit leading to an increase (decrease) in the tax charge | - | (3,626) |
| Double taxation relief | - | (802) |
| Total tax charge for the year | <u>81,508</u> | <u>4,455</u> |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

9. Taxation (continued)

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

10. Dividends

No dividends were paid in either 2021 or 2020.

11. Intangible assets

Group and Company

| | Goodwill £ |
|-------------------------------------|---------------|
| Cost | |
| At 1 January 2021 | 4,742,890 |
| At 31 December 2021 | 4,742,890 |
| Amortisation | |
| At 1 January 2021 | 2,371,445 |
| Charge for the year on owned assets | 474,289 |
| At 31 December 2021 | 2,845,734 |
| Net book value | |
| At 31 December 2021 | 1,897,156 |
| At 31 December 2020 | 2,371,445 |

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

12. Tangible fixed assets**Group**

| | Plant and machinery £ | Fixtures and fittings £ | Computer equipment £ | Total £ |
|-------------------------------------|-----------------------------|-------------------------------|----------------------------|----------------|
| Cost or valuation | | | | |
| At 1 January 2021 | 169,750 | 129,985 | 760,181 | 1,059,916 |
| Additions | - | - | 9,480 | 9,480 |
| Disposals | (167,363) | - | (183,282) | (350,645) |
| At 31 December 2021 | <u>2,387</u> | <u>129,985</u> | <u>586,379</u> | <u>718,751</u> |
| Depreciation | | | | |
| At 1 January 2021 | 166,593 | 129,985 | 725,002 | 1,021,580 |
| Charge for the year on owned assets | 1,083 | - | 10,995 | 12,078 |
| Disposals | (165,920) | - | (168,437) | (334,357) |
| At 31 December 2021 | <u>1,756</u> | <u>129,985</u> | <u>567,560</u> | <u>699,301</u> |
| Net book value | | | | |
| At 31 December 2021 | <u>631</u> | <u>-</u> | <u>18,819</u> | <u>19,450</u> |
| At 31 December 2020 | <u>3,158</u> | <u>-</u> | <u>35,178</u> | <u>38,336</u> |

13. Stocks

| | Group 2021 £ | <i>Group 2020 £</i> |
|------------------|-----------------------------|-----------------------------|
| Work in progress | <u>41,205</u> | 25,469 |
| | <u>41,205</u> | <u>25,469</u> |

TOURISM MEDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

14. Debtors

| | Group 2021 £ | <i>Group 2020 £</i> | Company 2021 £ | <i>Company 2020 £</i> |
|--------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Trade debtors | 358,877 | 456,038 | - | - |
| Other debtors | 24,749 | 34,581 | - | - |
| Prepayments and accrued income | 104,464 | 67,519 | 1,000 | 1,000 |
| Tax recoverable | 22,278 | 32,376 | - | - |
| Deferred taxation | 2,685 | 3,604 | - | - |
| | <u>513,053</u> | <u>594,118</u> | <u>1,000</u> | <u>1,000</u> |

15. Cash and cash equivalents

| | Group 2021 £ | <i>Group 2020 £</i> |
|--------------------------|-----------------------------|-----------------------------|
| Cash at bank and in hand | 1,953,314 | 1,200,165 |
| | <u>1,953,314</u> | <u>1,200,165</u> |

16. Creditors: Amounts falling due within one year

| | Group 2021 £ | <i>Group 2020 £</i> | Company 2021 £ | <i>Company 2020 £</i> |
|---|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Trade creditors | 16,484 | 138,335 | - | - |
| Amounts owed to group undertakings | - | - | 1,956,386 | 1,956,386 |
| Amounts owed to associates | 105,779 | - | - | - |
| Corporation tax | 91,609 | 5,901 | - | - |
| Other taxation and social security | 149,017 | 189,437 | - | - |
| Obligations under finance lease and hire purchase contracts | - | 1,454 | - | - |
| Other creditors | 78,166 | 76,558 | - | - |
| Accruals and deferred income | 1,144,191 | 975,160 | - | - |
| | <u>1,585,246</u> | <u>1,386,845</u> | <u>1,956,386</u> | <u>1,956,386</u> |

TOURISM MEDIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

17. Fixed asset investments

Group

Unlisted
investments
£

Cost or valuation

At 1 January 2021 238,913

At 31 December 2021 238,913

Impairment

At 1 January 2021 212,827

Charge for the period 26,086

At 31 December 2021 238,913

Net book value

At 31 December 2021 -

At 31 December 2020 26,087

Company

Investments in
subsidiary
companies
£

Cost or valuation

At 1 January 2021 6,155,386

At 31 December 2021 6,155,386

Net book value

At 31 December 2021 6,155,386

At 31 December 2020 6,155,386

TOURISM MEDIA LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

| Name | Principal activity | Class of shares | Holding |
|---------------------------------------|---|------------------------|----------------|
| New Vision Group Limited | provision of global & e-Tourism solutions | Ordinary | 100 % |
| Lawrence Paul Limited | dormant | Ordinary | 100 % |
| New Mind Ventures Limited | dormant | Ordinary | 100 % |
| New Mind E-Tourism Solutions Limited | dormant | Ordinary | 100 % |
| New Mind Internet Consultancy Limited | provision of global & e-Tourism solutions | Ordinary | 100 % |
| New Mind TellUs AS (Norway) | e-Tourism Solutions, such as SEO, website design and polling services | Ordinary | 100 % |

The aggregate of the share capital and reserves as at 31 December 2021 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

| Name | Aggregate of share capital and reserves £ | Profit/(Loss) £ |
|---------------------------------------|--|----------------------------|
| New Vision Group Limited | 1,031,082 | 144,561 |
| Lawrence Paul Limited | 670,120 | - |
| New Mind Ventures Limited | 1,300,115 | - |
| New Mind E-Tourism Solutions Limited | (71,443) | - |
| New Mind Internet Consultancy Limited | 1,368,537 | 259,101 |
| New Mind TellUs AS (Norway) | 294,192 | 56,281 |

18. Deferred taxation

Group

| | 2021 £ |
|---------------------------|-------------------|
| At beginning of year | 3,604 |
| Charged to profit or loss | (919) |
| At end of year | 2,685 |

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

18. Deferred taxation (continued)

| | Group 2021 £ | <i>Group 2020 £</i> |
|--------------------------------|-----------------------------|-----------------------------|
| Accelerated capital allowances | 2,685 | 3,604 |
| | <u>2,685</u> | <u>3,604</u> |

19. Share capital

| | 2021 £ | <i>2020 £</i> |
|--|----------------------|-------------------|
| Allotted, called up and fully paid | | |
| 2,557,585 (2020 - 2,557,585) Ordinary - Class A shares of £0.01 each | 25,576 | 25,576 |
| 2,562,515 (2020 - 2,562,515) Ordinary - Class B shares of £0.01 each | 25,625 | 25,625 |
| | <u>51,201</u> | <u>51,201</u> |

20. Pension commitments

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £45,756 (2020: £40,691) .

21. Related party transactions

The group has taken advantage of the exemption under FRS 102 not to present transactions entered into between two or more members of a group, as its subsidiaries are wholly owned.

22. Controlling party

Simpleview Inc, a company registered in America is regarded by the directors as being the company's ultimate parent company and ultimate controlling party by virtue of their shareholding.

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