

# **Travel and Transport UK Limited**

## **Annual Report - 30 June 2022**

**Company Number 10044414**



**Travel and transport UK Limited**  
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**For the year ended 30 June 2022**

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**Travel and Transport UK Limited**  
**Corporate directory**  
**For the year ended 30 June 2022**

<b>Directors</b>	D Carling J Pherous C Beaton
<b>Registered office</b>	Senator House 85 Queen Victoria Street London, England EC4V 4AB
<b>Independent auditors</b>	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 7 More London Riverside London, England SE1 2RT
<b>Company number</b>	10044414

**Travel and Transport UK Limited**  
**Strategic report**  
**For the year ended 30 June 2022**

The directors present their strategic report for the year ended 30 June 2022. The previous comparative period is 8 months from 1 November 2020 to 30 June 2021. The shorter comparative reporting period was due to the sale of the business and the subsequent alignment of year end with Corporate Travel Management Limited, the ultimate parent.

**Review of business and future developments**

The Company is a holding company for trading subsidiaries engaged in providing services in travel management, events and specialised sales.

The Company's loss for the financial year ended 30 June 2022 is £63,659 (8 months ended 30 June 2021: profit: £8,200,642 which was predominantly driven by a partial forgiveness of a loan owed to the Company.)

Since 31 December 2021, tensions between Russia and Ukraine escalated to war which has had significant consequences in the global economy leading to pressure on inflation, increased energy prices and fluctuations in exchange rates. Whilst Travel and Transport UK Limited has been impacted by these global economic factors, there are no other specific significant consequences as a result of the conflict.

The Company's balance sheet at 30 June 2022 decreased showing net liabilities of £6,533,293 (30 June 2021: £6,469,634).

The Company is considered a going concern on the basis that the financial liabilities will be settled through dividend flow from its trading subsidiaries in future years and the ultimate parent undertaking has provided written confirmation of their intention to provide any necessary support, to enable the Company to trade and meet its liabilities as they fall due. The directors have received a letter of support from the ultimate parent, Corporate Travel Management Limited stating they will provide sufficient resources to enable the Company to meet its liabilities as they fall due for the foreseeable future. The directors have made enquiries to gain sufficient assurance around this support. Accordingly, the Directors have considered it appropriate to continue to adopt the going concern basis in preparing the Annual report and Financial Statements.

The principal risks to the business continue to be obtaining sufficient returns on its investments in controlled entities.

For financial risk management, refer to the Financial Instruments section of the Directors' Report.

As a non trading holding company there are a few Key Performance Indicators that are regularly monitored by the Board, including but not limited to:

	Year ended 30 June 2022 £	8 months ended 30 June 2021 £
Net Liabilities	(6,533,293)	(6,469,634)
(Loss)/ Profit before income tax	<u>(36,926)</u>	<u>8,140,216</u>

**Section 172(1) statement**

The Directors, in line with their duties under s172 of the Companies Act 2006, acts in good faith, promote the success of the Company for the benefit of its stakeholders, and in doing so have regard, amongst other matters, to the:

- Likely consequences of any decision in the long term;
- Interest of the company's employees;
- Need to foster the company's business relationships with suppliers, customers and others;
- Impact of the company's operations on the community and environment;
- Company's reputation for high standards of business conduct; and
- Need to act fairly between members of the company.

The Directors regard to these matters is embedded in their decision-making process, through the Company's business strategy, culture, governance framework, management information flows and stakeholder engagement processes.

The Company's business strategy is focused on achieving success for the Company in the long-term. In setting this strategy, the Directors take into account the impact of relevant factors and stakeholder interests on the Company's performance. The Directors also identify principal risks facing the business and set risk management objectives.

**Travel and Transport UK Limited**  
**Strategic report**  
**For the year ended 30 June 2022**

The Directors promote a culture of upholding the highest standards of business conduct and regulatory conduct. The Directors ensure these core values are embedded in the policies and procedures, and its risk control and oversight framework applicable to the Company.

The Directors recognise that building strong and lasting relationships with our stakeholders will help to deliver our strategy in line with our long-term values and operate a sustainable business.

The Directors are supported in the discharge of their duties by:

- The understanding of their duties and obligations under applicable law and regulation
- Ensuring the provision of timely management information and escalation through reporting lines to the Directors from the Company's management team
- Agenda planning for Board meetings to provide sufficient time for the consideration and discussion of key matters

**Stakeholders**

This Company serves as a holding company for various trading entities across Europe and has no operational activities nor employees, which is reflected in the narrative below.

The Directors understand the importance of engagement with all of its stakeholders and gives appropriate weighting to the outcome of its decisions for the relevant stakeholder in weighing up how best to promote the success of the Company.

The Directors regularly discuss issues concerning regulators and its stakeholder with the management team. In addition to this, the Board seeks to understand the interests and views of the Company's stakeholders by engaging with them directly when required. The below summarises the key stakeholders and their engagement:

Stakeholders	Engagement
Employees	The Company has no employees and relies on the management team of the ultimate parent to oversee and manage the business operations.
Related parties	The Directors seek to behave in a responsible manner towards our related parties. The Board communicates information relevant to its related parties, such as its financial reporting.
Regulators	The Directors intentions are to behave responsibly and to ensure that the management team operates the business in a responsible manner, acting with the high standards and good governance expected of a regulated business like ours.
Community and environment	The Board also seeks to behave in a responsible manner towards our community and environment.

**Reputation**

The Corporate Travel Management Limited group's ("The Group") values, being Collaboration, Service, Reward, Innovation, Trust and Empowerment are constantly endorsed and promoted to ensure we really are acting as one company.

**Climate Change**

The Company and the Group's long-term sustainability are dependent on the long-term economic health of the regions in which it operates. The travel services the Group provides to its clients has an impact on the environment and whilst they do not provide the actual transport or accommodation they on-supply this to the clients by procuring travel services on its behalf. As such, the Group and the Company are exposed to indirect climate change risks due to changing travel patterns.

The Group has a diverse portfolio of clients across a number of industries, many of which regard travel as a key success enabler. The Group will therefore manage its risk through engaging with its clients to understand their objectives and assist with informed development of travel solutions which reduce the impact on the environment.

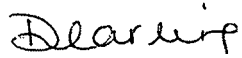
**Presentation of Financial Statements**

The directors present their report and audited financial statements for the year ended 30 June 2022. The previous comparative period is 8 months to 30 June 2021. The shorter comparative reporting period was due to the sale of the business and the subsequent alignment of year end with Corporate Travel Management Limited, the ultimate parent.

**Travel and Transport UK Limited**  
**Strategic report**  
**For the year ended 30 June 2022**

This report is made in accordance with a resolution of directors.

On behalf of the board



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Debbie Carling  
Director

17 November 2022

**Travel and Transport UK Limited**  
**Directors' report**  
**For the year ended 30 June 2022**

The directors present their report and audited financial statements for the year ended 30 June 2022. The previous comparative period is 8 months to 30 June 2021. The shorter comparative reporting period was due to the sale of the business and the subsequent alignment of year end with Corporate Travel Management Limited, the ultimate parent.

**Results**

Refer to the Statement of profit or loss for the profit for the year ended 30 June 2022.

**Principal activities**

The Company is a holding company for trading subsidiaries engaged in providing services in travel management, events and specialised sales.

**Review of business and future developments**

Refer to strategic report on page 3.

**Dividends**

The directors recommended a final dividend of £nil (8 months ended 30 June 2021: £nil).

No dividends were paid during the year (8 months ended 30 June 2021: £nil).

**Financial instruments**

The Company's principal financial instruments are cash, trade receivables, trade payables and general banking facilities all of which are utilised to facilitate the principal activities as a holding company.

The main risks from the Company's financial instruments are credit, cash flow and foreign exchange risk.

**Credit risk**

The Company mitigates credit risk through credit check procedures of all customers prior to commencement of trade and periodic review thereafter.

**Cash flow risk**

The Company mitigates cash flow risk by use of third party working capital facilities and the setting of appropriate credit terms to correspond with cash outflows.

**Foreign exchange risk**

The Company operates in a global industry and is exposed to foreign exchange risk arising from various currency exposures. Foreign exchange risk arises when commercial transactions and recognised assets and liabilities are denominated in a currency that is not the entity's functional currency.

This risk is primarily managed through the monitoring of both the level of likely future foreign currency cash flows and forecasts of exchange rate movements.

**Material Business risk**

**Travel industry disruption**

The Company's financial prospects are dependent on the strength of the travel industry generally. A decline in the domestic and/or international travel industry, whether as a result of a particular event (such as a war, terrorism, health epidemic/pandemic or a natural disaster), economic conditions (such as a decrease in business demand), geopolitical conditions or any other factors, will likely have a material adverse effect on the Company's business, financial condition and operations.

The COVID-19 pandemic has caused unprecedented disruption to the travel industry as a result of government-imposed travel restrictions, border closures and quarantine requirements. This has resulted in a significant detrimental impact on corporate travel services and as a result, the Company's earnings since March 2020.

**Travel and Transport UK Limited**  
**Directors' report**  
**For the year ended 30 June 2022**

Whilst the impact of COVID-19 is rapidly subsiding, there is no certainty that the demand for the Company's services will normalise to a level existing prior to the impact of COVID-19, or how long such a return might take.

**Impairment risk**

The Company assesses whether there is any indication that an asset may be impaired on an ongoing basis. Annually, or when an indicator of impairment exists, the Company makes a formal estimate of the recoverable amount. When the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to the recoverable amount. Adverse outcomes of some of the risk factors listed above, and in particular if market conditions continue to deteriorate, as well as new developments which are not currently apparent, could trigger an impairment and have a negative impact on the reported financial result of the Company.

**Directors**

The directors who served the Company during the year, and up to the date of the signing of the financial statements unless otherwise noted, were as follows:

Deborah Carling  
Jamie Pherous  
John Murray (resigned 30 June 2022)  
Carla Beaton (appointed 1 July 2022)

The Company has made qualifying third party indemnity provisions for the benefit of directors and officers of the Company which were made during the year and also at the date of approval of the financial statements.

**Statement of directors' responsibilities in respect of the financial statements**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

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

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for 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.

**Directors' confirmation**

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**Independent auditors**

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.



**Travel and Transport UK Limited**  
**Directors' report**  
**For the year ended 30 June 2022**

**Presentation of financial statements**

The presentation of the financial statements are by function and this aligns with the ultimate parent company's consolidated IFRS financial statements.

This report is made in accordance with a resolution of directors.

On behalf of the directors



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Debbie Carling  
Director

17 November 2022

# Independent auditors' report to the members of Travel and Transport UK Limited

## Report on the audit of the financial statements

### Opinion

*In our opinion, Travel and Transport UK Limited's financial statements:*

- give a true and fair view of the state of the company's affairs as at 30 June 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the Statement of financial position as at 30 June 2022; the Statement of profit or loss, the Statement of comprehensive income and the Statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

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

### Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

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

## Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

## Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 30 June 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

## Responsibilities for the financial statements and the audit

### Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also 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.

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 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 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.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries in the underlying books and records, and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations;
- Review of the financial statement disclosures and testing to supporting documentation; and
- Challenging assumptions and judgements made by management in their significant accounting estimates, including those that considered future events that are inherently uncertain.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

## Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

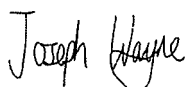
## Other required reporting

### Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Joseph Wayne (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
18 November 2022

**Travel and Transport UK Limited**  
**Statement of profit or loss**  
**For the year ended 30 June 2022**

		<b>Year ended</b>	<b>8 months</b>
	<b>Note</b>	<b>30 June 2022</b>	<b>ended 30</b>
		<b>£</b>	<b>June 2021</b>
			<b>£</b>
Other income	5	-	8,458,250
Total revenue		-	8,458,250
<b>Operating expenses</b>			
Professional fees		(13,136)	(6,658)
Administrative and general		(31,990)	(187,570)
Total operating expenses		(45,126)	(194,228)
<b>Operating profit / (loss)</b>	6	(45,126)	8,264,022
Share of income from associate	11	327,286	-
Interests payable and similar expenses	8	(319,086)	(123,806)
<b>(Loss)/ profit before taxation</b>		(36,926)	8,140,216
Taxation	9	(26,733)	60,426
<b>(Loss)/ profit after taxation for the year</b>		(63,659)	8,200,642

**Travel and Transport UK Limited**  
**Statement of comprehensive income**  
**For the year ended 30 June 2022**

	<b>Year ended 30 June 2022 £</b>	<b>8 months ended 30 June 2021 £</b>
<b>(Loss)/ profit after taxation for the financial year/period</b>	(63,659)	8,200,642
Other comprehensive income for the year/period, net of tax	-	-
<b>Total comprehensive (loss)/ income for the year/period</b>	<u>(63,659)</u>	<u>8,200,642</u>

*The above statement of comprehensive income should be read in conjunction with the accompanying notes*

**Travel and Transport UK Limited**  
**Statement of financial position**  
**As at 30 June 2022**

	Note	30 June 2022 £	30 June 2021 £
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		-	562
Trade and other receivables	10	52,371	60,426
Total current assets		<u>52,371</u>	<u>60,988</u>
<b>Non-current assets</b>			
Investments	11	6,298,371	5,971,085
Total non-current assets		<u>6,298,371</u>	<u>5,971,085</u>
<b>Total assets</b>		<u>6,350,742</u>	<u>6,032,073</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	13	12,884,035	12,501,707
Total current liabilities		<u>12,884,035</u>	<u>12,501,707</u>
<b>Total liabilities</b>		<u>12,884,035</u>	<u>12,501,707</u>
<b>Net liabilities</b>		<u>(6,533,293)</u>	<u>(6,469,634)</u>
<b>Equity</b>			
Called up share capital	14	858	858
Accumulated losses		<u>(6,534,151)</u>	<u>(6,470,492)</u>
<b>Total deficiency in equity</b>		<u>(6,533,293)</u>	<u>(6,469,634)</u>

The company's number is 10044414.

The notes on pages 16 to 24 are an integral part of these financial statements.

The financial statements on pages 12 to 24 were authorised for issue by the board of directors on 17 November 2022 and were signed on its behalf.

*Debbie Carling*

Debbie Carling  
Director

17 November 2022

*The above statement of financial position should be read in conjunction with the accompanying notes*

**Travel and Transport UK Limited**  
**Statement of changes in equity**  
**For the year ended 30 June 2022**

	<b>Share capital £</b>	<b>Accumulated losses £</b>	<b>Total deficiency in equity £</b>
Balance at 1 November 2020	858	(14,671,134)	(14,670,276)
Profit after income tax credit for the period	-	8,200,642	8,200,642
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	-	8,200,642	8,200,642
Balance at 30 June 2021	<u>858</u>	<u>(6,470,492)</u>	<u>(6,469,634)</u>
	<b>Share capital £</b>	<b>Accumulated losses £</b>	<b>Total deficiency in equity £</b>
Balance at 1 July 2021	858	(6,470,492)	(6,469,634)
Loss after income tax expense for the year	-	(63,659)	(63,659)
Other comprehensive income for the year	-	-	-
Total comprehensive loss for the year	-	(63,659)	(63,659)
Balance at 30 June 2022	<u>858</u>	<u>(6,534,151)</u>	<u>(6,533,293)</u>

*The above statement of changes in equity should be read in conjunction with the accompanying notes*



**Travel and Transport UK Limited**  
**Notes to the financial statements**  
**For the year ended 30 June 2022**

**Note 1. General information**

Travel and Transport UK Limited ("The Company") is a holding company for trading subsidiaries engaged in providing services in travel management, events and specialised sales. The Company is a holding company which includes the wholly owned subsidiary Statesman Travel Limited and the share results of MFG Reisen GmbH, a 40% associate.

A private company limited by shares, incorporated and domiciled and registered in England in the United Kingdom. The registered number is 10044414 and the registered address is Senator House, 85 Queen Victoria Street, London, England, EC4V 4AB.

**Note 2. Summary of significant accounting policies**

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

**2.1 Basis of preparation**

The financial statements of Travel and Transport UK Limited have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under the historical cost convention, and in accordance with the Companies Act 2006 as applicable to companies using FRS101.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- IFRS 7, 'Financial Instruments: Disclosures'.
- Paragraphs 38 of IAS 1, 'Presentation of financial statements' comparative information requirements in respect of:
  - (i) paragraph 79(a)(iv) of IAS 1;
  - (ii) paragraph 73(e) of IAS 16 'Property, plant and equipment';
  - (iii) paragraph 118(e) of IAS 38 'Intangible assets' (reconciliations between the carrying amount at the beginning and end of the period).
- The following paragraphs of IAS 1 'Presentation of financial statements':
  - (i) 10(d), (statement of cash flows),
  - (ii) 16 (statement of compliance with all IFRS),
  - (iii) 38A (requirement for minimum of two primary statements, including cash flow statements),
  - (iv) 38B-D (additional comparative information),
  - (v) 111 (cash flow statement information),
  - (vi) 134-136 (capital management disclosures),
  - (vii) 10(f) (a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements); and
  - (viii) 40A-D (requirements for a third statement of financial position).
- IAS 7, 'Statement of cash flows'.
- Paragraph 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective).
- Paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 of IFRS 9, 'Financial instruments'.
- Paragraph 129 of IFRS 15, 'Revenue recognition'.
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation).
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.
- Paragraph 45(a), (c) and (d) of IFRS 2, 'Share-based payments'.

**New Accounting Standards**

We have reviewed the new accounting standards and impact of changes and we can confirm there is no material impact on this year's financial statements.

**Note 2. Summary of significant accounting policies (continued)**

**Consolidation**

The Company is a subsidiary of Corporate Travel Management (Europe) Limited and of its ultimate parent Corporate Travel Management Limited. It is included in the consolidated financial statements of Corporate Travel Management Limited which are publicly available. Therefore the Company is exempt by virtue of section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

These financial statements are separate financial statements.

**Going concern**

The directors have a reasonable expectation that the Company has adequate resources to continue in operation existence for the foreseeable future. The company continues to adopt the going concern on the basis that the financial liabilities will be settled through the ultimate parent undertaking and has provided written confirmation of their intention to provide any necessary support for 12 months from the date of authorisation of the financial statements, to enable the company to trade and meet its liabilities as and when they fall due. The directors have made necessary inquiries to enable them to rely on the support.

**Presentation of financial statements**

The presentation of financial statements is by function as this aligns with the ultimate parent company's consolidated IFRS financial statements.

**2.2 Foreign currency translation**

**(a) Functional and presentation currency**

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). The financial statements are presented in 'Pounds Sterling' (£), which is also the Company's functional currency.

**(b) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of profit or loss, except when deferred in other comprehensive income as qualifying cash flow hedges. All other foreign exchange gains and losses are recognised in the Statement of profit or loss within 'Administrative and general'.

**2.3 Impairment of non-financial assets**

Non-financial assets not ready to use are not subject to amortisation and are tested annually for impairment. Assets subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

**2.4 Impairment of financial assets**

The Company assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and the loss event (or events) has an impact on the estimated future cash flows of the financial assets or group of financial assets that can be reliably estimated.

**Note 2. Summary of significant accounting policies (continued)**

**2.5 Investment in subsidiaries and associated undertakings**

Investments in subsidiaries are held at cost less accumulated impairment losses.

The Company assesses at the end of each reporting period whether there is objective evidence that an asset or group of assets is impaired. An asset or a group of assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and the loss event (or events) has an impact on the estimated future cash flows of the assets or group of financial that can be reliably estimated.

Investments in associates are held at cost less accumulated impairment losses.

**2.6 Trade and other receivables**

Trade and other receivables are initially recognised at fair value and, subsequently, measured at amortised cost using the effective interest method, less a provision for impairment in accordance with the simplified approach permitted by IFRS 9.

The Company applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all trade and client receivables and contract assets.

To measure the expected credit losses, trade and other receivables have been grouped based on their shared characteristics and the days past due.

The expected credit loss rates are based on the historical payment profile of receivables prior to 30 June 2022 and the corresponding historical credit losses experienced during this period. The historical loss rates are adjusted to reflect current and forward-looking information affecting the ability of the clients to settle the receivables.

**2.7 Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

**2.8 Share capital**

Share capital is classified as equity in Statement of financial position.

Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from proceeds.

**2.9 Trade and other payables**

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

**2.10 Current and deferred income tax**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in shareholders' funds, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date in the countries where the company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

**Note 2. Summary of significant accounting policies (continued)**

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income tax levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; or arise from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realised or deferred income tax liability is settled.

**2.11 Finance income/(costs)**

Interest income and interest expense are recognised using the effective interest method.

**2.12 Dividends**

Dividends to the company's shareholders are recognised as a liability in the company's financial statements in the period in which the dividends are approved by the company's shareholders.

**Note 3. Critical accounting judgements, estimates and assumptions**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**Critical accounting estimates and assumptions**

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual estimates. The estimates that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

**(a) Impairment of trade and other receivables**

The company makes an estimate of the recoverable value of the trade and other receivables. When assessing impairment of trade and other receivables, management considers factors including the credit rating of the counterparty and historical experience.

**(b) Impairment of investments in subsidiaries**

The recoverable amount of the investments has been determined based on forecast cash flow scenarios, with the value-in-use (VIU) basis being used for all valuations. Forecasts were determined by management using both internal and external data. The forecasts assume the return of activity to pre-COVID-19 pro-forma levels by FY26 in Europe. Cash flows post FY24-25 are extrapolated using the annual growth rates up to year 5, and the long term growth rates beyond year 5.

The following key assumptions were used in the modelling:

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**Note 3. Critical accounting judgements, estimates and assumptions (continued)**

- Recovery path projections through to FY27
- Pre-tax discount rates - reflect specific risks and conditions relating to the relevant cash-generating units and the countries in which they operate.
- Revenue - the basis used to determine the amount assigned to sales volume is based on historical experience and adjusted for growth and other known circumstances. This information was overlaid to create three revenue scenarios based on the economic recovery paths.
- Operating expenses - the basis used to determine the amount assigned to the forecast costs are based on historical margins and patterns of revenue, adjusted for growth and other known circumstances.
- Long term growth rates - the growth rate used to extrapolate cash flows beyond the current period is based on historical experience and future expectations for growth in the context of inflation expectations in the countries in which the cash-generating units operate.

**Sensitivity to changes in key assumptions**

Management recognises that there are various reasons the estimates used in these assumptions may vary. By way of illustration, the movement in the key assumptions above would cause the following impact:

Assumption	Base assumption	Range	Impact to present value of future cashflows	Headroom after sensitivity
Weighted Average Cost of Capital (WACC)	9.63%	0.5%	£0.6m	£2.4m
		-0.5%	£0.7m	£3.7m
Long-term growth rates	2.00%	0.5%	£0.5m	£3.5m
		-0.5%	£0.5m	£2.6m

**(c) Going concern**

The company has made an estimate of future cash flow to support the going concern assumption. This estimate is based on past experience of other global events that have caused a travel downturn and while the impact COVID 19 expected to be temporary, the impact is expected to last several years.

In addition, the Directors have received a letter of support from the ultimate parent, Corporate Travel Management Limited stating they will provide sufficient resources to enable the Company to meet its liabilities as they fall due for the foreseeable future. Accordingly, the Directors considered it appropriate to continue to adopt the going concern basis in preparing the Annual report and Financial Statements.

There are not considered to be any critical accounting judgements that do not include estimates.

**Note 4. Financial instruments**

The company has no financial assets or liabilities measured at fair value through profit or loss in the year (prior period 8 months ended 30 June 2021: £nil).

**Note 5. Other income**

	Year ended 30 June 2022 £	8 months ended 30 June 2021 £
Intercompany loan forgiveness	-	8,458,250

The other income for the period 8 months ended 30 June 2021 refers to intercompany loan forgiveness received during the year from its related parties comprised by £4,463,389 from Corporate Travel Management (Europe) Limited and £3,994,861 from Statesman Travel Group Limited.

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**Note 6. Operating profit**

The operating profit is stated after charging:

	<b>Year ended 30 June 2022 £</b>	<b>8 months ended 30 June 2021 £</b>
Auditors remuneration in respect of the audit of the company	7,000	19,250

**Note 7. Directors' remuneration**

The remuneration of the Directors was paid by a group company, which makes no recharge to the Company, and the Directors received no remuneration for their services as Directors of the Company. These Directors were also Directors of a number of companies within the Group and it is not possible to make an apportionment of their remuneration in respect of the Company and each of the Group companies for which they are a Director.

**Note 8. Interests payable and similar expenses**

	<b>Year ended 30 June 2022 £</b>	<b>8 months ended 30 June 2021 £</b>
Net interest expenses on intercompany undertakings	<u>319,086</u>	<u>123,806</u>

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**Note 9. Income tax expense/(credit)**

Tax credits included in Statement of profit or loss:

	Year ended 30 June 2022 £	8 months ended 30 June 2021 £
<i>Current tax</i>		
UK Corporation tax on profit for the year	(7,016)	(60,426)
Adjustment respect of prior years	33,749	-
Aggregate income tax expense/(credit)	<u>26,733</u>	<u>(60,426)</u>

The tax expense for the period is higher (8 months ended 30 June 2021: lower) than the standard rate of corporation tax in the UK for the period ended 30 June 2022 of 19% (8 months ended 30 June 2021: 19%). The differences are explained below:

(Loss)/ profit before taxation	<u>(36,926)</u>	<u>8,140,216</u>
Tax at the statutory tax rate of 19%	(7,016)	1,546,641
Tax effect amounts which are not (taxable)/ deductible in calculating taxable income:		
Adjustment respect of prior years	33,749	-
Income not subject to tax	<u>-</u>	<u>(1,607,067)</u>
Income tax expense/(credit)	<u>26,733</u>	<u>(60,426)</u>

No tax expense/(income) has been included in other comprehensive income or in equity.

In the Spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25% (rather than remaining at 19%, as previously enacted). The new law was substantively enacted on 24 May 2021. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

**Note 10. Trade and other receivables**

	30 June 2022 £	30 June 2021 £
Amounts owed by group undertakings	<u>52,371</u>	<u>60,426</u>

Amounts owed by group undertakings are unsecured, have no fixed date of repayment and are repayable on demand. The interest rate applied is based on a 3-month base rate for the currency plus a margin. Interest is calculated daily and charged monthly.

**Note 11. Investments**

	30 June 2022 £	30 June 2021 £
MFG Reisen GmbH (40% associate)	327,286	-
Statesman Travel Limited	<u>5,971,085</u>	<u>5,971,085</u>
	<u>6,298,371</u>	<u>5,971,085</u>

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**Note 12. Interests in subsidiaries and associates**

Investments comprise equity shares in the companies below, none of which are publicly traded.

In the opinion of the directors, the aggregated and individual value of the Company's investments in subsidiary undertakings is not less than the amount included in the balance sheet, being such value supported by discounted cashflows.

Investment comprises equity shares in the company below and it is not publicly traded::

Name	Principal place of business	Ownership interest	
		30 June 2022	30 June 2021
		%	%
Statesman Travel Limited	Senator House, 85 Queen Victoria Street, London, EC4V 4AB, United Kingdom	100%	100%
MFG Reiesen GmbH	Hauptstrasse 33a, 82008 Unterhaching, Germany.	40%	40%

Reconciliation of the carrying amounts at the beginning and end of the current and previous financial year are set out below:

	Investment in subsidiary undertakings	Investment in associate	Total
<b>Cost or valuation</b>			
At 1 July 2021	5,971,085	-	5,971,085
Share from income from MFG Reisen GmbH (associate)	-	327,286	327,286
At 30 June 2022	<u>5,971,085</u>	<u>327,286</u>	<u>6,298,371</u>

During the year, the Company holds a 40% associate share with MFG Reisen GmbH and shares £327,286 as a result of change in MFG's net asset value.

**Note 13. Trade and other payables**

	30 June 2022	30 June 2021
	£	£
Amounts due to group undertakings	12,877,035	12,501,707
Other payables	<u>7,000</u>	<u>-</u>
	<u>12,884,035</u>	<u>12,501,707</u>

At the year ended 30 June 2022, the Company owed £12,537,535 (8 months ended 30 June 2021: £12,218,450) to its immediate parent, Corporate Travel Management Europe Limited. The loan is interest free, unsecured and repayable in on demand.



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**Note 14. Called up share capital**

Ordinary shares of £1 each authorised.

	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	No. Shares	No. Shares	£	£
Ordinary shares - fully paid	<u>858</u>	<u>858</u>	<u>858</u>	<u>858</u>

All shares rank pari passu in all respects.

**Note 15. Related party transactions**

As permitted by FRS 101, the company has taken advantage of the exemption available under that standard in relation to "related party transactions" from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the ultimate parent company.

See note 7 for disclosure of the directors' remuneration.

There are no other related party transactions requiring disclosure.

**Note 16. Control**

The immediate parent undertaking of the company is Statesman Travel Group Limited, incorporated in England and Wales, whose registered office is 85 Queen Victoria Street, London, EC4V 4AB. The ultimate parent undertaking and controlling party of this company is Corporate Travel Management Limited, incorporated in Australia, whose registered office is Level 24 307 Queen Street, Brisbane, Queensland, 4000, Australia. Corporate Travel Management Limited is the largest and smallest group of undertakings for which consolidated financial statements are drawn up. Consolidated financial statements for the group are available at [www.asx.com.au](http://www.asx.com.au).

**Note 17. Events after the reporting period**

Carla Beaton was appointed as a Director of the Company on 1 July 2022.

No other matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.