Registered number: 02115045

LEGER SHEARINGS GROUP LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

LEGER SHEARINGS GROUP LIMITED

COMPANY INFORMATION

Directors	I D Henry K Henry A Oldfield C G Plummer L Race
Company secretary	A Oldfield
Registered number	02115045
Registered office	Sunway House Canklow Meadows Rotherham South Yorkshire S60 2XR
Independent auditors	White Hart Associates (London) Limited Chartered Accountants and Statutory Auditors 2nd Floor, Nucleus House 2 Lower Mortlake Road Richmond TW9 2JA

CONTENTS

STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

Introduction

The directors present their strategic report for the period ended 31 December 2021.

Business review

The Company is required by the Companies Act 2006 to set out in this report, a fair review of the business of the Company during the financial period ended 31 December 2021, the position of the Company at the end of the period and a description of the principal risks and uncertainties facing the Company. This review is prepared solely to provide additional information to shareholders to assess the Company's strategies and the potential for those strategies to succeed, and the business review should not be relied upon by any other party or for any other purpose.

The directors consider the results to be excellent given that all brands were not fully operational during the year due to COVID-19. The purchase of the Shearings brand by the Group on 25 June 2020, has strengthened the Group product portfolio whilst greatly reducing risk from market shifts between the UK staycation market and European and Worldwide products. This resulted in a consolidated group turnover of £8.1m with a gross profit of £6.5m (80.90%) and returned to a small operating profit in a very challenging environment. However, due to COVID-19 restrictions, departures during the year did not commence until 17 May 2021 once we were able to be operational again since our previous year's departures in December 2020. Emphasis to date has been concentrated on the UK staycation market which has grown during pandemic due to the lack of ability to travel to Europe. As the impact of the pandemic has subsided in 2022 and the further easing of restrictions, departures of European tours has commenced adding further capacity into the Groups product portfolio.

The key performance indicators used by the directors to monitor the progress of the Company are set out below:-

	2021	2020
	£	£
Key performance indicators		
Turnover	**8,082,806**	*3,590,634*
Gross profit	**6,539,093**	*2,695,025*
Gross profit as a percentage of turnover	**80.90%**	*75.06%*
Profit/(loss) on ordinary activities before taxation	**45,892**	*(2,859,271)*

Principal risks and uncertainties

The following risk factors may affect the Company's operating results and its financial position. The risk factors described below are those which the directors believe are potentially significant but should not be regarded as a complete and comprehensive statement of all potential risk and uncertainties facing the Company. The directors do not feel that the risks in 2022 will be much different to those that were prevalent in 2021.

Principal risks and uncertainties (continued)

Economic uncertainty - The demand for holidays is affected by local economic conditions. The uncertainty and the inability to travel, created by the COVID-19 pandemic, has largely diminished. The successful rollout of various COVID-19 vaccines and the relaxation of travel restrictions towards the end of 2021 has increased confidence to travel into Europe and beyond. This is a trend that continues to improve in 2022 as restrictions in most countries are currently negligible, and we all learn to live with COVID-19.

Regulatory risks - The Company, through its subsidiaries, is exposed to various regulators, including the Civil Aviation Authority ("CAA") which issues an Air Travel Organisers Licence ("ATOL") and is required in order for the Group to operate. This licence is renewed in September each year and is subject to assessments of fitness and financial criteria, the framework of which is available on the CAA website (www.caa.co.uk).

Competition - The Company operates in a highly competitive market featuring innovation in the travel products and the methods by which it is marketed, as well as price pressures. The Company seeks to constantly invest in its brand to increase public awareness as well as offer a wide selection of products from a wide range of suppliers at competitive prices to maintain its market position. The Company also monitors competitor activity closely.

Foreign exchange - The Company is exposed to foreign exchange rate risk when it purchases overseas holiday services in currencies other than British Pounds. Monetary assets and liabilities are translated at the exchange rate prevailing at the statement of financial position date. All exchange gains and losses so arising are taken to the income statement. The Company hedges this risk and where not hedged, the Company bears the risk associated with such foreign exchange movements.

Commercial relationships - The Company has well established and close relationships with customers and suppliers and risk is spread by not placing over-reliance on any one supplier in any particular area. However, if a relationship were lost or damaged with a major supplier this could have a detrimental effect on the business. The management team meets regularly with suppliers to maintain good working relationships and to understand the supplier's financial position.

Information technology - The Company is heavily reliant on the uninterrupted operation of its IT systems and website. These systems are vulnerable to power loss, fire, computer viruses and other events. Loss of these systems would impair the ability of the Company to carry on its business effectively. The Company has made arrangements to mitigate this risk with increased and continual investment in IT infrastructure and relevant technical support partners and our internal IT teams.

Finance - The Company finances its operations through retained profits. The Company's exposure to interest rate fluctuations on its cash deposits are managed by using short term, fixed and floating deposits.

Principal risks and uncertainties (continued)

Geo-political events and natural disasters - The nature of the business exposes the Company to various commercial risks which may affect the trading performance of the Company. These include:

- acts of terrorism, particularly in key tourist destinations

- epidemics in key tourist destinations which threaten the health of tourists

- wars or other international uncertainty which affects air travel

- natural disasters in key tourist destinations

- weather conditions, both in the UK and key tourist destinations

- changes in customer behaviour and preferences

- increase in government taxes

These factors may affect the Company by causing potential customers to cancel or postpone travel plans, reducing the earnings potential of the Company. The Company seeks to minimise such risks by offering products in a wide range of destinations.

This report was approved by the board on 29 July 2022 and signed on its behalf.

....
A Oldfield
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 Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

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

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

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for the maintenance and integrity of the corporate and financial information included on the Company's website.

Principal activity

The principal activity for the year continued to be that of a specialist holiday tour operator and wholesaler.

Results and dividends

The profit for the year, after taxation, amounted to £83,304 *(2020 - loss £2,314,611)*.

No interim dividends were paid during the year ended 31 December 2021.

The directors do not recommend a final dividend for the year, making the total distribution of dividends for the year ended 31 December 2021 £Nil (2020 - £Nil).

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

Directors

The directors who served during the year were:

I D Henry
K Henry
A Oldfield
C G Plummer
L Race

Future developments

During 2022, the Company will continue to focus on providing domestic and overseas holidays to a variety of European and Worldwide destinations. The directors believe the acquisition of the Shearings brand on 25 June 2020 and its greater emphasis on domestic holidays strengthens the Group's product proposition and reduces risk of market shifts between the UK and European touring. The Group is confident that it will be the market leading UK escorted coach tour operator as it comes out of the pandemic and all brands are fully operational.

Research and development activities

The Company's growth requires investment in cutting edge technology and the ability to deliver fast, innovative and effective search results for consumers in a market that has seen significant technological advances in recent years.

Engagement with employees

The Company has a culture of continuous improvement through investment in people at all levels within the Company, looking to encourage and develop all members of staff to realise their full potential. Wherever possible, vacancies are filled from within the Company and adequate opportunities for internal promotion are created.

The Company is committed to pursuing equality and diversity in all of its employment activities including recruitment, training, career development and promotion and ensuring there is no bias or discrimination in the treatment of employees.

Employees are consulted regularly about changes which may affect them through regular meetings and communications, which are used to ensure that employees are kept up to date with the business performance of their employer and the financial and economic factors affecting the performance of the Company.

Matters covered in the Strategic Report

The directors have chosen, in line with the Companies Act 2006, to show the review of the business (including events since the date of the statement of financial position) and the principal risks and uncertainties in the Strategic Report to the financial statements.

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's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Post balance sheet events

During 2022, the Company will continue to operate as outlined in the principal activity note above. Following the relaxing of international travel restrictions during the year, the Company's suppliers have recommenced operations for European travel to fulfil pent up demand from consumers. The Company has also prepared contingencies in the event of further disruptions caused by the risk of new variants of COVID-19, to minimise the impact on business.

There have been no significant events affecting the Company since the year end, except for the diminishing effects of the COVID-19 pandemic, which has had a significant impact upon the industry in which the Company operates, as described in note 2.2.

Auditors

The auditors, White Hart Associates (London) Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 29 July 2022 and signed on its behalf.

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A Oldfield
Director

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LEGER SHEARINGS GROUP LIMITED

Opinion

We have audited the financial statements of Leger Shearings Group Limited (the 'Company') for the year ended 31 December 2021, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the 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 Company's affairs as at 31 December 2021 and of its 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 Company 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.

The impact of uncertainties due to the COVID-19 pandemic on our audit

Uncertainties related to the effects of the COVID-19 pandemic are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, such as recoverability of investments, intangible assets and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the Company's future prospects and performance.

The COVID-19 pandemic had an unprecedented impact upon the worldwide economy and in particular upon the travel industry, with many consumers cancelling or delaying travel plans as a result. At the date of this report, the full range of possible effects upon travel companies cannot be estimated or assessed to the risks of new variants of COVID-19 and how both governments and consumers will respond to them.

The accelerated vaccine rollout has led to an improvement in the assessment of the uncertainty in that it has accelerated the ability for consumers to travel again safely and also enabled travel routes to re-open. Whilst a positive aspect, it still does not remove the ongoing uncertainty of the measures that will be taken by various Governments to contain the virus and the final economic effects.

We applied a standardised firm-wide approach in response to these uncertainties when assessing the Company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a group or company and this is particularly the case in relation to the COVID-19 pandemic.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LEGER SHEARINGS GROUP LIMITED (CONTINUED)

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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:

- We exercise professional judgment and maintain professional skepticism throughout the audit;

- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the deliberate override of internal control;

- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control;

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LEGER SHEARINGS GROUP LIMITED (CONTINUED)

Auditors' responsibilities for the audit of the financial statements (continued)

- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made;

- We assess the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business;

- We review the scope of the Company's compliance with The Package and Linked Travel Arrangements Regulations 2018 (“PTRs”) and sample test relevant documentation to assess this and the effectiveness of its control environment;

- We request and review the minutes of management meetings, and assess any matters identified not already provided for or disclosed that may materially impact the financial statements;

- We review the Company's relationships with related parties and other group companies, identifying and disclosing transactions during the year and balances at year-end with such parties;

- We conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. if we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

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.

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.

M S Caldicott ACA FCCA CTA (Senior Statutory Auditor)

for and on behalf of
White Hart Associates (London) Limited

Chartered Accountants and Statutory Auditors

2nd Floor, Nucleus House
2 Lower Mortlake Road
Richmond
TW9 2JA

29 July 2022

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 £	*2020* *£*
Turnover	4	**8,082,806**	*3,590,634*
Cost of sales		**(1,543,713)**	*(895,609)*
Gross profit		**6,539,093**	*2,695,025*
Administrative expenses		**(6,742,470)**	*(6,087,389)*
Exceptional costs		**-**	*(340,932)*
Other operating income	5	**247,251**	*872,496*
Operating profit/(loss)	6	**43,874**	*(2,860,800)*
Interest receivable and similar income	10	**2,018**	*1,753*
Interest payable and similar expenses	11	**-**	*(224)*
Profit/(loss) before tax		**45,892**	*(2,859,271)*
Tax on profit/(loss)	12	**37,412**	*544,660*
Profit/(loss) for the financial year		**83,304**	*(2,314,611)*
Other comprehensive income for the year			
Fair value (loss)/gain on cash flow hedges		**(434,581)**	*781,965*
Other comprehensive income for the year		**(434,581)**	*781,965*
Total comprehensive income for the year		**(351,277)**	*(1,532,646)*

The notes on pages 15 to 34 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Note		2021 £		*2020 £*
Fixed assets					
Intangible assets	14		**541,661**		*496,533*
Tangible assets	15		**738,731**		*330,495*
Investments	16		**651,897**		*651,897*
			1,932,289		*1,478,925*
Current assets					
Stocks	17	**1,071**		*1,071*	
Debtors: amounts falling due within one year	18	**17,650,318**		*13,092,624*	
Cash at bank and in hand	19	**493,007**		*549,390*	
		18,144,396		*13,643,085*	
Creditors: amounts falling due within one year	20	**(19,785,081)**		*(14,430,620)*	
Net current liabilities			**(1,640,685)**		*(787,535)*
Total assets less current liabilities			**291,604**		*691,390*
Provisions for liabilities					
Deferred tax	21	**(106,490)**		*(54,999)*	
Other provisions	22	**-**		*(100,000)*	
			(106,490)		*(154,999)*
Net assets			**185,114**		*536,391*
Capital and reserves					
Called up share capital	23		**183,525**		*183,525*
Capital redemption reserve	24		**500,769**		*500,769*
Other reserves	24		**(326,878)**		*107,703*
Profit and loss account	24		**(172,302)**		*(255,606)*
			185,114		*536,391*

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29 July 2022.

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I D Henry
Director

The notes on pages 15 to 34 form part of these financial statements.

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

	Called up share capital £	Capital redemption reserve £	Cash flow hedging reserve £	Profit and loss account £	Total equity £
At 1 January 2020	**183,525**	**500,769**	**(674,262)**	**2,059,005**	**2,069,037**
Comprehensive income for the year					
Loss for the year	-	-	-	(2,314,611)	(2,314,611)
Fair value gain/(loss) on cash flow hedges	-	-	781,965	-	781,965
Total comprehensive income for the year	-	-	781,965	(2,314,611)	(1,532,646)
At 1 January 2021	**183,525**	**500,769**	**107,703**	**(255,606)**	**536,391**
Comprehensive income for the year					
Profit for the year	-	-	-	83,304	83,304
Fair value gain/(loss) on cash flow hedges	-	-	(434,581)	-	(434,581)
Total comprehensive income for the year	-	-	(434,581)	83,304	(351,277)
At 31 December 2021	**183,525**	**500,769**	**(326,878)**	**(172,302)**	**185,114**

The notes on pages 15 to 34 form part of these financial statements.

ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 DECEMBER 2021

	At 1 January 2021	Cash flows	New finance leases	At 3 Decembe 202
	£	£	£	
Cash at bank and in hand	**549,390**	**(56,383)**	**-**	**493,007**
Fair value of cash flow hedges	**107,702**	**-**	**(107,702)**	**-**
	657,092	**(56,383)**	**(107,702)**	**493,007**

The notes on pages 15 to 34 form part of these financial statements.

1. General information

As disclosed in the Directors' Report, the principal activity of the Company in the year under review was that of a specialist holiday tour operator and wholesaler.

The Company is a private company limited by shares and is incorporated in England. The address of the Company's principal place of business, being the same as the registered office stated on the Company Information page, is:

Sunway House

Canklow Meadows

Rotherham

South Yorkshire

S60 2XR

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 management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2. Accounting policies (continued)

2.2 Going concern

The current COVID-19 pandemic had an unprecedented impact upon the global economy and in particular upon the travel industry, causing many consumers to cancel or amend their holiday arrangements.

Additionally, with the majority of consumers deferring the booking of holidays until the global situation stabilised, many travel companies faced greatly reduced cash flows.

At the outset of the pandemic, Group management and the directors acted quickly to review the Company's financial position, downgrade its foreign travel forecasts and plan mitigation actions in order to neutralise the financial impact from the significant downturn in trading. This resulted in the Company being well-positioned to capitalise on pent up demand as travel restrictions eased.

In addition, they have, throughout the period of the pandemic, continued to perform sensitivity analyses on the Company's budgets and forecasts to assess the financial impact of any potential further slowdown in trading and its impact on the liquidity of the business. These analyses showed throughout that the Company had enough liquidity and cash to trade through any potential further slowdown. However, the seismic shift in demand and rapid growth towards UK staycation products, as offered by the Group, should ensure that the Company continues to recover quickly and will likely see turnover greater than that of pre-pandemic levels in 2022.

The full impact of the COVID-19 pandemic on the business remains uncertain and as a result it is extremely difficult to predict the overall outcome at the date of this report. Under further downside scenarios, there is a potential liquidity risk for the Company should travel restrictions be reimposed. However, the widespread relaxation of international travel restrictions and the global vaccination programme rollout gives hope that the worst of the pandemic has now passed.

Given the above, and the significant increase in trading seen in the first half of 2022, Group management and the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, being at least the following 12 months from the signing of these financial statements. They will also take all reasonably commercial steps, including seeking further financing or support if required, to mitigate against any further impact of the COVID-19 pandemic and on the Company's ability to continue as a going concern. As a result, and with the Company continuing to receive the full support of the Group, the directors believe that it is appropriate to apply the going concern basis for the foreseeable future.

2. Accounting policies (continued)

2.3 Turnover

Turnover represents the aggregate amount of gross revenue receivable from inclusive tours, travel agency commissions receivable, cancellation income and other services supplied to customers in the ordinary course of business.

Turnover derived from ordinary activities is recognised in the income statement on holiday departure date and is stated after trade discounts, net of VAT and after any other sales taxes.

Other revenues and associated expenses are taken to the income statement as they are earned or incurred.

All receipts taken relating to tours with departure dates after the year end are treated as advanced receipts at the statement of financial position date and are included within accruals and deferred income. Payments made to suppliers in respect of these tours are included within prepayments and accrued income at the statement of financial position date.

2.4 Operating leases: the Company 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 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.6 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

2.7 Interest income

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

2. Accounting policies (continued)

2.8 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.9 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company 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 Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2.10 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 reporting date in the countries where the Company operates and generates income.

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

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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 reporting date.

2.11 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

2. Accounting policies (continued)

2.12 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:

Advertisement development	-	50% straight line
Trademarks	-	10% straight line

2.13 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, using the straight-line method.

Depreciation is provided on the following basis:

Motor vehicles	- 16.7% or 20% straight line
Fixtures and fittings	- 15% or 20% straight line
Office equipment	- 15% or 25% straight line

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.

2.14 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. 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 (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2. Accounting policies (continued)

2.15 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each reporting date. Gains and losses on remeasurement are recognised in the Statement of Comprehensive Income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

2.16 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 reporting 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.

2.17 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.

2.18 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.

2.19 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.

2.20 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company 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 Company becomes aware of the obligation, and are measured at the best estimate at the reporting 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 Statement of Financial Position.

2. Accounting policies (continued)

2.21 Financial instruments

The Company 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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Statement of Comprehensive Income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The Company applies hedge accounting for foreign exchange derivatives.

2. Accounting policies (continued)

2.22 Hedge accounting

The Company uses foreign currency forward contracts to manage its exposure to cash flow risk on its foreign currency supplier commitments. These derivatives are measured at fair value at each reporting date.

To the extent the cash flow hedge is effective, movements in fair value are recognised in other comprehensive income and presented in a separate cash flow hedge reserve. Any ineffective portions of those movements are recognised in profit or loss for the year.

Gains and losses on the hedging instruments and the hedged items are recognised in profit or loss for the year. When a hedged item is an unrecognised firm commitment, the cumulative hedging gain or loss on the hedged item is recognised as an asset or liability with a corresponding gain or loss recognised in profit or loss.

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

Estimates and judgments 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.

a) Critical judgments in applying the Company's accounting policies

The directors believe that there are no critical judgments involved in applying the Company's accounting policies that warrant disclosure.

b) Key accounting estimates and assumptions

The directors believe that there are no key accounting estimates and assumptions involved in applying the Company's accounting policies that warrant disclosure.

4. Turnover

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

	2021	*2020*
	£	*£*
Holiday sales	**8,082,806**	*3,590,634*

Analysis of turnover by source market:

	2021	*2020*
	£	*£*
United Kingdom	**8,082,806**	*3,590,634*

5. Other operating income

	2021	2020
	£	£
Other operating income	-	9,500
Furlough grants receivable	238,798	862,424
Government grants receivable	8,400	-
Commissions receivable	53	572
	247,251	872,496

Furlough grants above relate to grants received through the Coronavirus Job Retention Scheme, which was implemented by the UK Government to assist companies affected by the COVID-19 pandemic with employee wages.

Also included within government grants above are grants received from the local council to assist retail companies affected by the COVID-19 pandemic.

6. Operating profit/(loss)

The operating profit/(loss) is stated after charging:

	2021	2020
	£	£
Other operating lease rentals	92,783	52,696

7. Auditors' remuneration

The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent Company.

8. Employees

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

	2021 £	*2020 £*
Wages and salaries	**2,794,453**	*2,422,220*
Social security costs	**230,728**	*217,414*
Cost of defined contribution scheme	**57,758**	*52,430*
	3,082,939	*2,692,064*

The average monthly number of employees, including the directors, during the year was as follows:

	2021 No.	*2020 No.*
Sales and customer relations	**82**	*73*
Marketing	**7**	*9*
Administration	**20**	*19*
	109	*101*

All employees have quadripartite contracts of employment with Leger Shearings Group Limited, Shearings Travel Limited (formerly Leger Travel Limited), Leger Holidays Limited and Leger Air Holidays Limited. All employees of the Group have been remunerated through Leger Shearings Group Limited during both the 2021 and 2020 financial years.

9. Directors' remuneration

	2021 £	*2020 £*
Directors' emoluments	**352,782**	*391,536*
Company contributions to defined contribution pension schemes	**9,733**	*9,739*
	362,515	*401,275*

During the year retirement benefits were accruing to 3 directors *(2020 - 3)* in respect of defined contribution pension schemes.

The highest paid director received remuneration of £97,172 *(2020 - £106,586)*.

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £4,265 *(2020 - £NIL)*.

10. Interest receivable

	2021	2020
	£	£
Other interest receivable	2,018	1,753
	2,018	1,753

11. Interest payable and similar expenses

	2021	2020
	£	£
Other interest payable	-	224
	-	224

12. Taxation

	2021	2020
	£	£
Corporation tax		
Current tax on profits for the year	(60,999)	(528,252)
Adjustments in respect of previous periods	(27,904)	(1,262)
Total current tax	(88,903)	(529,514)
Deferred tax		
Origination and reversal of timing differences	51,491	(15,146)
Taxation on loss on ordinary activities	(37,412)	(544,660)

12. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than *(2020 - lower 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	**45,892**	*(2,859,271)*
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	**8,719**	*(543,261)*
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	**993**	*(138)*
Capital allowances for year in excess of depreciation	**(70,711)**	*15,147*
Adjustments to tax charge in respect of prior periods	**(27,904)**	*(1,262)*
Movement in deferred tax	**51,491**	*(15,146)*
Total tax charge for the year	**(37,412)**	*(544,660)*

Factors that may affect future tax charges

Changes to the UK corporation tax rates were substantively enacted as part of Finance Bill 2021 (on 11 March 2021). These include increases to the main rate of tax from 19% to 25% from 1 April 2023 for profits exceeding £50,000. Deferred taxes at the Statement of Financial Position date have been measured using the rates that will be applicable in the periods to which they relate.

13. Exceptional items

	2021 £	*2020 £*
Exceptional redundancy costs	-	*239,532*
Losses due to supplier failures	-	*101,400*
	-	*340,932*

Exceptional items above relate to one-off costs suffered as a result of the COVID-19 pandemic, which forced most companies to have to review their overheads and staffing levels as well as causing some of the Company's suppliers to fall into insolvency.

14. Intangible assets

	Advertisement development	Trademarks	Total
	£	£	£
Cost			
At 1 January 2021	-	532,582	532,582
Additions	102,665	-	102,665
At 31 December 2021	102,665	532,582	635,247
Amortisation			
At 1 January 2021	-	36,049	36,049
Charge for the year on owned assets	4,278	53,259	57,537
At 31 December 2021	4,278	89,308	93,586
Net book value			
At 31 December 2021	98,387	443,274	541,661
At 31 December 2020	*-*	*496,533*	*496,533*

15. Tangible fixed assets

	Motor vehicles	Fixtures and fittings	Office equipment	Total
	£	£	£	£
Cost or valuation				
At 1 January 2021	**300,450**	**138,526**	**734,302**	**1,173,278**
Additions	**-**	**387,433**	**159,994**	**547,427**
Disposals	**-**	**(98,469)**	**(224,767)**	**(323,236)**
At 31 December 2021	**300,450**	**427,490**	**669,529**	**1,397,469**
Depreciation				
At 1 January 2021	**88,006**	**123,398**	**631,379**	**842,783**
Charge for the year on owned assets	**50,242**	**30,477**	**56,152**	**136,871**
Disposals	**-**	**(96,798)**	**(224,118)**	**(320,916)**
At 31 December 2021	**138,248**	**57,077**	**463,413**	**658,738**
Net book value				
At 31 December 2021	**162,202**	**370,413**	**206,116**	**738,731**
At 31 December 2020	*212,444*	*15,128*	*102,923*	*330,495*

16. Fixed asset investments

	Investments in subsidiary companies
	£
Cost or valuation	
At 1 January 2021	**651,897**
At 31 December 2021	**651,897**

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
Leger Holidays Limited	Sunway House, Canklow Meadows, Rotherham, Yorkshire, S60 2XR	Coach tour operator	Ordinary	100 %
Leger Air Holidays Limited	As above	Air tour operator	Ordinary	100 %
Shearings Travel Limited	As above	Coach tour operator	Ordinary	100 %
Shearings Transport Limited*	As above	Transport provider	Ordinary	100 %

Shearings Transport Limited was incorporated on 22 April 2021 and was acquired on that date.

* denotes companies which were indirect subsidiary undertakings of Leger Shearings Group Limited.

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) £
Leger Holidays Limited	**1,577,451**	**(454,307)**
Leger Air Holidays Limited	**657,723**	**(19,365)**
Shearings Travel Limited	**903,090**	**883,901**
Shearings Transport Limited	**1,000**	**-**

17. Stocks

	2021 £	*2020 £*
Finished goods and goods for resale	**1,071**	*1,071*
	1,071	*1,071*

The difference between the purchase price or production cost of stocks and their replacement cost is not material.

18. Debtors

	2021	2020
	£	£
Trade debtors	182,296	50,960
Amounts owed by group undertakings	15,423,957	10,614,196
Other debtors	618,584	715,271
Prepayments and accrued income	1,425,481	1,604,495
Financial instruments	-	107,702
	17,650,318	13,092,624

Included within prepayments and accrued income above are payments made to suppliers relating to bookings departing after the year end, where the Company is acting as principal. The total of these prepaid costs at 31 December 2021 was £1,184,195 (2020: £1,348,318).

19. Cash and cash equivalents

	2021	2020
	£	£
Cash at bank and in hand	493,007	549,390
	493,007	549,390

20. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Trade creditors	683,300	1,059,504
Amounts owed to group undertakings	17,997,829	13,124,376
Other taxation and social security	98,453	46,126
Other creditors	18,105	7,897
Accruals and deferred income	660,516	192,717
Financial instruments	326,878	-
	19,785,081	14,430,620

21. Deferred taxation

	2021
	£
At beginning of year	(54,999)
Charged to profit or loss	(51,491)
At end of year	**(106,490)**

The provision for deferred taxation is made up as follows:

	2021	*2020*
	£	*£*
Accelerated capital allowances	(106,490)	*(54,999)*
	(106,490)	*(54,999)*

Deferred tax liabilities relating to accelerated capital allowances will be reversed in line with the Company's depreciation of tangible fixed assets, being on a straight line basis.

22. Provisions

	Supplier failure
	£
At 1 January 2021	100,000
Charged to profit or loss	(100,000)
At 31 December 2021	**-**

The supplier failure provision relates to prepaid costs that are expected to be lost.

23. Share capital

	2021	2020
	£	£
Allotted, called up and fully paid		
18,352,483 *(2020 - 18,352,483)* Ordinary shares of £0.01 each	**183,525**	*183,525*

The ordinary shares of £0.01 each carry full voting rights, full dividend rights and full rights to participation in any capital distribution on winding up.

24. Reserves

Capital redemption reserve

The capital redemption reserve represents the amounts arising from the redemption of ordinary shares.

Cash flow hedging reserve

The cash flow hedging reserve, in accordance with the Company's accounting policies, relates to the effective portion of changes in the fair value of foreign exchange forward contract derivatives as they are recognised.

Profit and loss account

The profit and loss account represents all current and prior period retained profits and losses, less any dividends paid to the Company's parent.

25. Contingent liabilities

At 31 December 2021, there were contingent liabilities outstanding in respect of counter indemnities and guarantees given by the Company, in the normal course of business, to the Company's bond insurance obligors in respect of Civil Aviation Authority and Association of British Travel Agent bonds amounting to £1,760,741 (2020 - £1,465,115).

26. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £57,758 (2020 - £52,430). Contributions totalling £18,105 (2020 - £7,897) were payable to the fund at the balance sheet date and are included in creditors.

27. Commitments under operating leases

At 31 December 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021	*2020*
	£	*£*
Not later than 1 year	**16,860**	*27,168*
Later than 1 year and not later than 5 years	**28,485**	*7,866*
	45,345	*35,034*

28. Related party transactions

The Company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with other wholly owned subsidiaries within the group. This is because the ultimate parent company prepares consolidated financial statements in which these transactions are eliminated in full.

29. Controlling party

The Company's immediate holding company is Leger Shearings Group (Property) Limited, a company registered in England and Wales. Copies of the financial statements of Leger Shearings Group (Property) Limited can be obtained from Sunway House, Canklow Meadows, Rotherham, South Yorkshire, S60 2XR.

The Company's ultimate holding company is Leger Shearings Group Holdings Limited, a company registered in England and Wales. Copies of the financial statements of Leger Shearings Group Holdings Limited can be obtained from Sunway House, Canklow Meadows, Rotherham, South Yorkshire, S60 2XR.

The ultimate controlling parties are I D Henry and K Henry, by virtue of their majority ownership of the issued share capital of Leger Shearings Group Holdings Limited.

30. Post balance sheet events

During 2022, the Company will continue to operate as outlined in the principal activity note above. Following the relaxing of international travel restrictions during the year, the Company's suppliers have recommenced operations for European travel to fulfil pent up demand from consumers. The Company has also prepared contingencies in the event of further disruptions caused by the risk of new variants of COVID-19, to minimise the impact on business.

There have been no significant events affecting the Company since the year end, except for the diminishing effects of the COVID-19 pandemic, which has had a significant impact upon the industry in which the Company operates, as described in note 2.2.

31. Cash flow hedges

At 31 December 2021, the Company had 20 foreign exchange forward contracts that it designated as cash flow hedges of highly probable foreign currency payments to suppliers for firm commitments in future periods. These contracts are entered into to minimise the Company's exposure to foreign exchange risk, between the prices agreed when a customer booking is made and when the supplier is paid.

The following table summarises the foreign currency cash flow hedging instruments in place as at 31 December 2021:

	2021 Volume (Local Currency)	**2021 Fair Value (GBP)**	*2020 Volume (Local Currency)*	*2020 Fair Value (GBP)*
Foreign currency cash flow hedging instruments				
Euros (EUR)	**18,850,000**	**16,238,281**	*3,750,000*	*3,266,352*
US Dollars (USD)	-	-	-	-
Swiss Francs (CHF)	-	-	-	-
	18,850,000	**16,238,281**	*3,750,000*	*3,266,352*

The following table summarises the expected timing and amounts of the forecast future cash flows, which will be recognised in the profit and loss account in the same period in which the cash flows occur:

	Total £
Determination Period	
January - March 2022	**2,591,477**
April - June 2022	**7,011,021**
July - September 2022	**6,635,783**
October - December 2022	-
January - March 2023	-
	16,238,281

During the period, the Company recognised net losses of £434,581 (2020 - £781,965 gains) on forward currency cash flow hedging instruments, all of which were found to be effective and were recognised through other comprehensive income into the cash flow hedging reserve.