

# Reed & Mackay Travel Limited

Annual report and financial statements

Period Ended

31 January 2022

Company Number 00963087



# Reed & Mackay Travel Limited

Report and financial statements  
for the period ended 31 January 2022

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## Directors

R Bartov (Appointed 29 January 2022)  
G Bennett (Appointed 29 January 2022)  
F A Stratford

## Secretary and registered office

F A Stratford, Nexus Place, 25 Farringdon Street, London, EC4A 4AF

## Company number

00963087

## Auditors

Deloitte LLP, 2 New Street Square, London, EC4A 3BZ

# Reed & Mackay Travel Limited

## Strategic report for the period ended 31 January 2022

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The directors present their strategic report together with the audited financial statements for the 10-month period ended 31 January 2022. The comparative period covers the 12 months ended 31 March 2021

### Principal activities

The company is engaged in the booking and ticketing of flights, hotels and ancillary services for business travel and the arrangement of corporate events and meetings in the UK and throughout the world. There have been no changes in the company's principal activities in the period under review.

### Business review

Following a period of consistent growth in the corporate travel environment, the onset of the Covid-19 pandemic has had a profound impact on the travel industry, affecting the Company's trading levels throughout the financial year. The volume of travel bookings had reduced to historic lows as clients, airlines and governments continue travel restrictions due to the pandemic, however following the upward return to travel trend, we have seen a consistent level of growth that we are optimistic will return to pre-pandemic trading levels.

Reed & Mackay Travel operates primarily in the UK. The acquisition of the Company by TripActions Inc. on 30 April 2021, has aided the international expansion of the Reed & Mackay Group.

Reed & Mackay Travel offer a market-leading platform to provide customers with a truly global travel solution, whilst retaining expertise and knowledge at local levels. The Company offers global service excellence including reporting and supplier deal negotiation and is a platform for providing new business on a reciprocal basis to its partners.

Despite the low levels of trading, the Company has continued its investment programme geared to client retention, enhancing the traveller experience and delivering best-in-class travel technology tools. These include traveller safety enhancements and additional sustainability information. The Company continues to develop and enhance its market-leading range of technology offerings including its online booking tool R&M/Book, mobile booking through handheld devices, business intelligence through R&M/Insights, traveller safety through R&M/Protect, and many other applications including its unique client portal and approval tools. The Company enjoys excellent engagement with existing clients and continues to build a strong pipeline of new opportunities even during the difficult circumstances caused by the Covid-19 pandemic.

### Future developments

Notwithstanding the impact of the pandemic on the industry, the market for the provision of business travel services has remained very competitive. The Company's focus on service delivery, cost savings and value-added benefits to its customer base, has allowed the Company to win new business whilst maintaining exceptional retention rates. The Company actively seeks to reduce the total cost of travel via various channels - tactical fare purchasing at point of sale, efficiency measures and a consultative approach via the Customer Success Management Team. The Company's long-standing partnership relationships with clients and service providers are highly valued and maintaining these relationships is a key component of the Company's remuneration scheme: staff are rewarded based on service levels and savings they achieve on behalf of clients. The Company seeks to manage the risk of losing clients to key competitors by the provision of added value services, in-depth understanding of client needs, driving down the overall cost of travel and by managing targeted business plans which deliver the client's key objectives.

# Reed & Mackay Travel Limited

## Strategic report for the period ended 31 January 2022 (continued)

### Future Developments (continued)

The Company's consulting and advisory services to help clients strategically manage their travel programme continues to provide clients with tangible added value

The Company actively encourages the building of close relationships with its client base and service providers. Regular meetings are held with clients and service providers to share first-hand experiences. The Company uses these sessions to further improve its service offering to ensure that it remains a prominent thought leader in travel solutions and service delivery

The Company monitors trading and its cash position daily and undertakes in-depth reviews of the Company's margins, profitability and Key Performance Indicators each month.

The Company continues to focus on applying best practices across the organisation and in doing so, has acquired the following certifications: ISO 9001 Quality (held since October 2006); ISO 27001 Information Security (held since August 2007); ISO 14001 Environmental (held since October 2009); PCI DSS Compliance certification (held since June 2010) and ISO22301 Business Continuity (held since July 2013).

The Directors wish to express thanks to the staff for their continued commitment and contribution to the Company's success in delivering exceptional value to its clients, especially during these extremely challenging times

### Key performance indicators

The key performance indicators of the company are as follows:

	10-month period ended 31 January 2022 £'000	Year ended 31 March 2021 £'000	Difference %
Turnover	20,152	13,960	44
Operating loss	(7,101)	(16,120)	56
Loss after tax	(6,746)	(15,173)	56
Average number of employees	366	572	(36)

### Review of financial performance

The Company's loss after tax for the period was £6.7m (2021, loss £15.2m) and operating loss amounted to £7.1m (2021, loss £16.1m).

The average number of employees has fallen year on year, however R&M continue to actively recruit employees in line with the return to travel upward trend to ensure we continue to provide high quality service for our clients

The Company had net assets at the period-end of £43m (2021, £54.3m) and cash and cash equivalents of £11.8m (2021, £24.0m)

# Reed & Mackay Travel Limited

Strategic report  
for the period ended 31 January 2022 (*continued*)

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## Post Balance Sheet Events

Subsequent to the year end the Company undertook a group reorganisation whereby a number of its fellow group companies were placed into liquidation to simplify the group structure. The liquidation of these entities resulted in the net settlement amounting to £10.7m of intercompany balances through a £20.9m capital contribution provided by the ultimate parent company, TripActions Inc.

## Principal risks and uncertainties

The Company's risk management framework includes a process for identifying, assessing and responding to risk and supporting the company's strategy and business objectives.

Risk management operates at all levels throughout the business. However, the Directors take overall responsibility, determining the nature and extent of principal risks it is willing to take to achieve the company's strategic objectives, and maintaining the company's risk governance structure and appropriate internal control framework.

The principal risks faced by the business are as follows:

### *COVID-19*

The COVID-19 crisis has caused massive disruption to all aspects of life and significantly affected the travel industry globally. The directors have considered the impact on the Company's revenue streams, operational and administrative costs and liquidity. As noted above, the Company has experienced a significant decline in revenue since February 2020 and has taken measures to control costs through a combination of removing all discretionary spend, reduced staff numbers and utilisation of government schemes where these apply. The Company has prepared forecasts and modelled the combined effects of the decline in revenue and costs reduction based on various scenarios relating to the probable timing and pace of recovery in corporate travel. This detailed review has demonstrated that the Company has sufficient liquidity to meet its day to day working capital requirements from its cash reserves, including scenarios where there is a slow and gradual recovery in corporate travel.

### *Credit risk*

The Company's credit risk is primarily attributable to its trade debtors, while the majority of supplier payments are to the airlines through direct debit. Credit risk is managed by the Company's Credit Policy, running credit checks on new clients, tracking credit scores on existing clients and by monitoring payments against contractual agreements. No long-term commitments are made without funds being received from clients.

### *Cash flow risk*

The company monitors cash flow as part of its day to day control procedures. The Directors consider cash flow projections on a monthly basis and ensures that appropriate facilities are available to be drawn upon as necessary. The Company continues to focus on limiting discretionary spend and finished the financial period with a cash balance of £11.8m (2021: £24.0m).

### *Foreign exchange risk*

As Reed & Mackay continues to expand its international presence its exposure to foreign exchange movements increases. This is monitored on a month by month basis.

# Reed & Mackay Travel Limited

Strategic report  
for the period ended 31 January 2022 (continued)

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## Principal risks and uncertainties (continued)

### S172 Statement

Large companies must publish a statement setting out how their Directors have complied with Section 172(1) of the Companies Act 2006. This requires Directors to act in the way they consider would most likely promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

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

The following disclosure describes how the Directors have had regard to the matters set out in Section 172(1)(a) to (f) and forms the Directors' statement under section 414CZA of The Companies Act 2006

The Directors consider, both individually and collectively, that we have acted in the way we consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole (having regard to the stakeholders and matters set out in section 172(1)(a-f) of the Companies Act 2006) in the decisions taken during the 10-month period ended 31 January 2022.

### **Decision-making at the Board**

The Board consists of experienced Executive Directors who bring considerable experience and perspective to the decision-making process. The responsibilities of the Board are set out in the Company's Articles of Association. The Board meets on a regular basis and all matters in which the Board is required to reach a decision are presented at Board meetings. Supporting papers setting out to the Directors the relevant key facts are also provided. The papers also describe any potential impacts and risks for the Company, its clients, employees, shareholders and other stakeholders including suppliers, the community and environment, and how these are to be managed.

In the 10-month financial period ended 31 January 2022, and as a result of the Covid pandemic and reduced levels of business, the board made the decision to implement a continued ban on discretionary expenditure. This decision was necessary to reduce the impact of the pandemic on the company. It was also decided to continue to make use of the Government's Coronavirus Job Retention Scheme, to enable the business to retain the industry knowledge and talent that its staff possess.

# Reed & Mackay Travel Limited

Strategic report  
for the period ended 31 January 2022 (*continued*)

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## **Employees**

The Directors consider its employees to be a primary stakeholder in the business and strives to retain and motivate all employees as well as attracting high quality new talent. The culture is to be supportive and actively recognise efforts, ensuring employees feel they are making an impact doing fulfilling work, as well as encouraging people to grow and develop. The company has a strong focus on employee engagement and HR strategy and seek to develop a workplace that employees enjoy being a part of. The wellbeing of employees is very important, and integrating work and family life, as well as taking care of oneself and giving back to the community are all encouraged.

Diversity and equal opportunity are of great importance at Reed & Mackay we believe it's the only way to ensure everyone can reach their full potential. We are proud of our inclusive culture and the part it plays in attracting and retaining a talented workforce with real passion for delivering extraordinary service.

## **Clients**

At Reed & Mackay, our clients are at the heart of what we do. Our desire for service is matched only by our dedication to value. Our travel experts search harder, explore further and think smarter to deliver our clients the best possible solution. To give our consultants the edge, we combine their talents with our very own industry leading technology. By empowering them with wide reaching multi-channel content they are able work faster and smarter – to find the best price, the safest route or the quickest alternative should something unexpected arise.

## **Environment**

We recognise that business travel has an impact on the environment. As a result, we are fully committed to minimising this impact along with our clients. Certified to ISO 14001, the international environmental accreditation, we work hard to reduce the carbon footprint of our business and that of our clients' travel programmes.

## **High standards of business conduct**

The Board set out to behave in a responsible manner, operating with the highest standards of business conduct and good governance. This is epitomised in the certifications achieved for ISO 9001 (Quality) ISO 22301 (Business Continuity Management) and ISO 27001 (Information Security Management), ensuring that risks are identified and minimised, and that the business has the resource and ability to continue to provide the highest quality service to its clients even when unexpected situations arise, such as the recent Covid-19 pandemic.

We work closely and collaboratively with our service providers, including airlines, hotels and transport services, and suppliers, including our technology partners, developing a partnership approach to foster sound commercial relationships that ultimately benefit our clients.

The Board recognises and continues to protect and promote the Reed & Mackay brand and reputation which has been built over 50 years on the foundation of the highest standards of service and integrity.

## **Approval**

Approved by the Board on 28.07.2022 and signed on its behalf by:

  
F A Stratford  
Director

# Reed & Mackay Travel Limited

## Directors' report for the period ended 31 January 2022

The directors present their report together with the audited financial statements for the 10-month period ended 31 January 2022

### Results and dividends

The income statement is set out on page 12 and shows the loss for the period

A dividend of £4.5m was paid during the period (2021: £Nil). The directors do not recommend a further dividend

### Principal activities, review of business and future developments

The company is engaged in the booking and ticketing of flights, hotels and ancillary services for business travel and the arrangement of corporate events and meetings in the UK and throughout the world. There have been no changes in the company's principal activities in the period under review

The review of business, principal risks and uncertainties, likely future developments of the company, financial risk management and objectives and post balance sheet events are shown in the Strategic report on pages 1-5

### Employment of disabled persons

The company is committed to a policy of recruitment and promotion on the basis of aptitude and ability without discrimination of any kind. Management actively pursues both the employment of disabled persons whenever a suitable vacancy arises and the continued employment and retraining of employees who become disabled whilst employed by the company. Particular attention is paid to the training, career development and promotion of employees who are disabled with a view to encouraging them to play an active role in the development of the company

### Employee engagement

The company is committed to engaging employees in the performance and direction of the company. Through the company's performance development plans and incentive schemes, employees' objectives are closely aligned to those of the company. Management is committed to having the industry leading training programme and has continued to invest in bespoke training. Furthermore, as part of a blended employee engagement approach, the company has developed several core e-learning programmes. Employees also attend quarterly business updates and an annual conference where, through interactive sessions, ideas around business development and industry innovation are shared

### Corporate social responsibility

The company is committed to operating to the highest ethical standards, this includes all of its dealings with customers, employees, shareholders and other stakeholders. The company successfully renewed its ISO14001 accreditation in the prior year, which was initially obtained in 2009.

A consulting service is provided to customers advising on the most carbon efficient method of travel available to them. This is backed up with carbon emission reporting that is supplied to companies to assist in the reduction of their carbon footprint

The Company has taken advantage of the exemption not to prepare a Streamlined Energy and Carbon Reporting ("SECR") report as it is included in the consolidated financial statements of Reed & Mackay Holdings Ltd

# Reed & Mackay Travel Limited

## Directors' report for the period ended 31 January 2022 (continued)

### Directors

The directors of the company during the year and to the date of this report, unless otherwise stated, were:

F A Stratford  
R Bartov (Appointed 29 January 2022)  
G Bennett (Appointed 29 January 2022)  
J Hanly (Resigned 30 November 2021)  
L Batchelor (Resigned 30 April 2021)  
A Baumfield (Resigned 1 May 2021)  
J Breheny (Resigned 30 April 2021)  
M Everson (Resigned 1 May 2021)  
J Oliver (Resigned 1 May 2021)

### Statement of Directors' indemnities

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 exist at the date of this report.

### Political contributions

There were no political donations for the period (2021: £nil) and the Company did not incur any political expenditure.

### Research and development activities

The company continues to invest in research and development, particularly in relation to its travel management software applications. The directors recognise that continued investment in research and development is essential to the long-term success and growth of the business.

### Auditors

Each of the persons who is a director at the date of approval of this report confirms 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 he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

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

On 24 January 2022, BDO LLP resigned as the company auditor. Deloitte LLP were appointed to fill the resulting vacancy. Deloitte LLP have expressed their willingness to continue in office as auditor and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

### Approval

This directors' report was approved by order of the Board on 28.07.2022

F A Stratford  
Director

# Reed & Mackay Travel Limited

## Directors' responsibilities statement for the period ended 31 January 2022

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The directors are responsible for preparing the annual report and financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 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 and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

# Reed & Mackay Travel Limited

## Independent auditor's report

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### Independent auditor's report to the members of Reed & Mackay Travel Ltd

#### Report on the audit of the financial statements

##### Opinion

In our opinion the financial statements of Reed & Mackay Travel Ltd (the 'company')

- give a true and fair view of the state of the company's affairs as at 31 January 2022 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and
- have been prepared in accordance with the requirements of the Companies Act 2006

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity, and
- the related notes 1 to 29.

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)

##### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

# Reed & Mackay Travel Limited

## Independent auditor's report (Continued)

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We have nothing to report in this regard

### **Responsibilities of directors**

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

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

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

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

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

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

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following area, and our specific procedures performed to address it are described below:

- Revenue recognition: we identified a significant risk in relation to the occurrence of revenue from *transaction fees and marketing income*. In response to this risk we have understood the nature of the revenue and associated processes and controls, and performed focused detailed testing on revenue transactions.

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

# Reed & Mackay Travel Limited

## Independent auditor's report (*Continued*)

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

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

### Report on other legal and regulatory requirements

#### Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements, and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

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

#### Matters on which we are required to report by exception


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

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

We have nothing to report in respect of these matters.

#### Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed



James Brass, FCA (Senior statutory auditor)  
For and on behalf of Deloitte LLP  
Statutory Auditor  
London, UK

Date: 28.07.2022

## Reed & Mackay Travel Limited

### Statement of comprehensive income for the period ended 31 January 2022

	Note	10-month period ended 31 January 2022 £'000	Year ended 31 March 2021 £'000
Turnover	3	20,152	13,960
Administrative expenses	4	(27,879)	(37,595)
Other Income	5	626	7,515
<b>Operating (loss)</b>	6	<b>(7,101)</b>	<b>(16,120)</b>
Interest received and similar income	9	1	12
Interest payable and similar charges	10	(20)	-
Impairment of intercompany investment	11	(80)	-
		(99)	12
<b>(Loss) on ordinary activities before taxation</b>		<b>(7,200)</b>	<b>(16,108)</b>
Taxation on loss on ordinary activities	12	454	935
<b>(Loss) and total comprehensive (loss) of the period</b>		<b>(6,746)</b>	<b>(15,173)</b>
<b>Other comprehensive gain/(loss):</b>			
Exchange (loss) on retranslation of foreign operations		(8)	-
<b>Other comprehensive (loss) for the period</b>		<b>(8)</b>	<b>-</b>
<b>Total comprehensive (loss) for the period</b>		<b>(6,754)</b>	<b>(15,173)</b>

All amounts relate to continuing activities

The notes on pages 15 to 32 form part of these financial statements.

# Reed & Mackay Travel Limited

## Balance sheet at 31 January 2022

<i>Company number 00963087</i>	Note	31 January 2022 £'000	31 March 2021 £'000
<b>Fixed assets</b>			
Investments	14	-	80
Intangible assets	15	5,576	6,098
Tangible assets	16	591	924
		6,167	7,102
<b>Current assets</b>			
Debtors	17	64,993	48,450
Cash at bank and in hand		11,751	24,040
		76,744	72,490
<b>Creditors: amount falling due within one year</b>	18	(37,991)	(23,922)
<b>Net current assets</b>		38,753	48,568
<b>Total assets less current liabilities</b>		44,920	55,670
<b>Creditors: amounts falling due after more than one year</b>			
Provisions for liabilities	19	-	(536)
	21	(1,912)	(872)
		(1,912)	(1,408)
<b>Net assets</b>		43,008	54,262
<b>Capital and reserves</b>			
Called up share capital	24	429	429
Profit & Loss account		42,579	53,833
<b>Shareholders' funds</b>		43,008	54,262

The financial statements were approved by the Board of Directors and authorised for issue on 28.07.2022

F A Stafford  
Director

The notes on pages 15 to 32 form part of these financial statements

## Reed & Mackay Travel Limited

### Statement of changes in equity for the period ended 31 January 2022

	Share capital £'000	Profit and loss account £'000	Total Equity £'000
At 1 April 2020	429	69,006	69,435
Comprehensive expense for the year Loss for the year	-	(15,173)	(15,173)
<b>Total comprehensive expense for the year</b>	-	(15,173)	(15,173)
At 31 March 2021	429	53,833	54,262
	<b>Share capital £'000</b>	<b>Profit and loss account £'000</b>	<b>Total Equity £'000</b>
<b>At 1 April 2021</b>	<b>429</b>	<b>53,833</b>	<b>54,262</b>
<b>Comprehensive expense for the period</b> Loss for the period	-	(6,746)	(6,746)
Currency translation differences	-	(8)	(8)
Dividends paid	-	(4,500)	(4,500)
<b>Total comprehensive expense for the period</b>	-	(11,254)	(11,254)
<b>At 31 January 2022</b>	<b>429</b>	<b>42,579</b>	<b>43,008</b>

The notes on pages 15 to 32 form part of these financial statements

# Reed & Mackay Travel Limited

## Notes forming part of the financial statements for the period ended 31 January 2022

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### 1 Accounting policies

Reed & Mackay Travel Limited is a private company, limited by shares, incorporated in England & Wales under the Companies Act. The address of the registered office is given on the contents page and the nature of the company's operations and its principal activities are set out in the Strategic report. The financial statements have been prepared under the historical cost convention in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires company management to exercise judgement in applying the company's accounting policies. Further information is provided in note 2.

#### *Reporting period*

In the prior year the financial statements were prepared for the year from 01 April 2020 to 31 March 2021. Following the acquisition of the company by TripActions Inc. on 30 April 2021, the reporting date has been shortened to 31 January 2022 to align with its holding company's reporting date. The current period financial statements are for the period from 01 April 2021 to 31 January 2022, such comparatives included are therefore not comparable.

#### *Going concern*

The Company is reliant on the funding and liquidity of TripActions Inc, its ultimate controlling party. TripActions have pledged its continuing support and not to call its intercompany debt for repayment for a minimum of 12 months from the date of approval of these financial statements.

The directors of the Company have considered the cash flow projections of the Company and those of the Group. These cash flow projections indicate that the Company and Group have sufficient funds to meet its liabilities as they fall due and as such the Directors consider it appropriate to prepare the accounts on a going concern basis.

The COVID-19 crisis has caused massive disruption to all aspects of life and significantly affected the travel industry globally. The directors have considered the impact on the Company's revenue streams, operational and administrative costs and liquidity. As noted above, the Company has experienced a significant decline in revenue since February 2020 and has taken measures to control costs through a combination of removing all discretionary spend, reduced staff numbers and utilisation of government schemes where these apply. The Company has prepared forecasts and modelled the combined effects of the decline in revenue and costs reduction based on various scenarios relating to the probable timing and pace of recovery in corporate travel. This detailed review has demonstrated that the Company has sufficient liquidity to meet its day to day working capital requirements from its cash reserves, including scenarios where there is a slow and gradual recovery in corporate travel.

# Reed & Mackay Travel Limited

Notes forming part of the financial statements  
for the period ended 31 January 2022 (continued)

## 1 Accounting policies (continued)

The following principal accounting policies have been applied

### *Consolidated financial statements*

The financial statements contain information about Reed & Mackay Travel Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company has taken advantage of the exemption conferred by Section 400 of the Companies Act 2006 not to produce consolidated financial statements as it is included in the EEA ('European Economic Area') accounts of a larger group

### *Statement of cash flows*

The company has taken advantage of the exemption conferred by Financial Reporting Standard FRS 102 Summary - Section 7 - Statement of Cash Flows not to prepare a Statement of Cash Flows on the grounds that at least 90% of the voting rights in the company are controlled within the group headed by Reed & Mackay Holdings Limited and the company is included in consolidated financial statements. These financial statements may be obtained from the Registrar of Companies

### *Turnover*

Turnover consisted primarily of commission and fees earned on the sale of travel, hotel bookings and events, exclusive of value added tax

Transaction fee income is recognised at the date the ticket is issued, amended or a refund is processed. Management fee and event management fees are recognised over the period to which the service relates. Marketing income and commissions are recognised over the term of the agreement on an accrual basis. As agent, the value of tickets and other travel costs are not recognised by the Company as turnover

### *Government subsidies and grant income*

Government subsidies and grant income is recognised when there is reasonable assurance that the conditions attached to the income will be met and that the income will be received. The income is recognised in profit or loss over the periods in which the Company incurs expenses for which the subsidies or grants are intended to compensate. In this financial year, under FRS 102 reporting standards, the company has included its income from the Government's Coronavirus Job Retention Scheme within other income

### *Goodwill*

Goodwill represents the excess of the cost of a business combination over the fair value of the company's share of the net identifiable assets of the acquired business at the date of acquisition. Goodwill on acquisitions of businesses is included in 'intangible assets'. Gains and losses on the disposal of a business include the carrying amount of goodwill relating to the business sold. Goodwill is carried at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to profit or loss over its useful economic life of 10 years

The estimate of the useful economic life of goodwill is based on a variety of factors such as the expected use of the acquired business, the expected useful life of the cash generating units to which the goodwill is attributed, any legal, regulatory or contractual provisions that can limit useful life and assumptions that market participants would consider in respect of similar businesses

### *Other intangible assets*

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. Intangible assets relating to development costs are measured at cost or fair value less any accumulated amortisation and any accumulated impairment losses

# Reed & Mackay Travel Limited

## Notes forming part of the financial statements for the period ended 31 January 2022 (continued)

### 1 Accounting policies (continued)

#### *Amortisation*

Amortisation is provided to write off the cost, less estimated residual values, of all intangible fixed assets, evenly over their expected useful lives using the straight-line method. Expected useful lives have been determined by reference to contract lengths, likelihood of renewals and historic comparatives of similar assets. It is calculated at the following rates:

Brand, Customer relationships, Technology	-	3 to 10 years
Computer software	-	3 years

#### *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.

#### *Tangible fixed assets*

Tangible fixed assets 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.

Repairs and maintenance are charged to profit or loss during the year in which they are incurred.

#### *Depreciation*

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. The estimated useful lives range as follows:

Leasehold improvements	-	20% per annum straight line
Plant, machinery and motor vehicles	-	25% per annum straight line
Fixtures, fittings and IT equipment	-	33% per annum straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, 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 within 'other operating income or losses' in profit or loss.

#### *Foreign currency*

Foreign currency transactions are translated into the company's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in profit or loss within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income or expense'.

# Reed & Mackay Travel Limited

## Notes forming part of the financial statements for the period ended 31 January 2022 (continued)

### 1 Accounting policies (continued)

#### *Current and deferred taxation*

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a charge attributable to an item of income or 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's subsidiaries operate and generate taxable income.

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

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

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax.

Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

#### *Leased assets*

Operating lease annual rentals are charged to profit or loss on a straight-line basis over the term of the lease.

Rent free periods or other lease incentives received for entering into a lease are accounted for over the period of the lease so as to spread the benefit received over the lease term.

#### *Pension costs*

Contributions to the company's defined contribution pension scheme are charged to profit or loss in the year in which they become payable. Amounts not paid are shown in creditors as a liability in the balance sheet.

#### *Debtors*

Short term debtors are measured at underlying transaction price, being the cost of providing travel services plus any commission earned, 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.

#### *Cash and cash equivalents*

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty or 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 change in value.

# Reed & Mackay Travel Limited

Notes forming part of the financial statements  
for the period ended 31 January 2022 (*continued*)

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## 1 Accounting policies (*continued*)

### *Financial liabilities and equity*

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities, excluding convertible debt and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost.

### *Finance costs*

Finance costs are charged to profit or loss over the term of the debt using the effective interest rate 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.

### *Provisions*

Provisions are recognised when the company has a present obligation as a result of a past event, it is probable that a transfer of economic benefit will be required to settle the obligation, 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 balance sheet.

### *Holiday pay accrual*

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the reporting date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the reporting date.

### *Borrowing costs*

All borrowing costs are recognised in profit and loss using the effective interest rate method.

### *Reserves*

The Company's reserves are as follows:

- Called up share capital reserve represents the nominal value of the shares issued
- Profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments

## 2 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgements:

- Determine whether provisions are required as a result of obligations arising from past events. An assessment is made as to whether it is probable that there will be an outflow of economic benefits in settlement and whether the amount of the obligation can be measured reliably
- Determine whether leases entered into by the company either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis

# Reed & Mackay Travel Limited

Notes forming part of the financial statements  
for the period ended 31 January 2022 (continued)

## 2 Judgements in applying accounting policies and key sources of estimation uncertainty (continued)

- Determine whether there are indications of impairment of the company's intangible assets, including goodwill. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and, where it is a component of a larger cash generating unit, the viability and expected future performance of that unit.

### *Other key sources of estimation uncertainty*

- *Intangible fixed assets (see note 15)*

Intangible fixed assets are amortised over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as future cashflows, changes in business models are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

- *Impairment of goodwill, other intangible and tangible assets and investments*

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 an indication that an asset may be impaired, the carrying value of the assets (or cash generating unit ('CGU') to which the asset has been allocated) is tested for impairment. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). An impairment loss is recognised for the amount by which the asset's carrying value 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. To determine the fair value, valuations were undertaken based on estimates and assumptions about the future cash flows of each CGU, discounted to present value at the reporting date, using discount factors determined based on the weighted average cost of capital appropriate to that CGU.

# Reed & Mackay Travel Limited

## Notes forming part of the financial statements for the period ended 31 January 2022 (continued)

### 2 Judgements in applying accounting policies and key sources of estimation uncertainty (continued)

#### Other key sources of estimation uncertainty (continued)

The future cash flow estimates were based on projected future performance of the CGU taking into consideration the risks associated with Covid-19 known at the reporting date, having reference to independent 3rd party industry analysis, in particular in respect of the expected return to travel under Covid-19. As at 31 January 2022, the carrying value of the CGU is greater than the NBV of the associated intangibles recorded in the accounts and therefore no impairment has been recognised.

- *Intercompany debt*

Recoverability of intercompany debt has been assessed and is deemed recoverable based individual trading, cashflow forecasts and funding support from TripActions Inc.

- *Taxation and deferred tax*

The likelihood of any timing differences on tax balances reversing is assessed each year when calculating the deferred tax balances. This takes into account forecast taxable income in each region and any changes in tax legislation.

### 3 Turnover

Turnover is wholly attributable to the principal activity of the company and arises solely within the United Kingdom.

### 4 Administrative Expenses

	10-month period ended 31 January 2022 £'000	Year ended 31 March 2021 £'000
COGS	8,504	13,305
General & Administration	13,862	17,102
Research & Development	3,817	5,583
Sales & Marketing	1,696	1,605
	<hr/>	<hr/>
	27,879	37,595
	<hr/>	<hr/>

Administrative expenses have been analysed and split out based the nature of the expense and the employee headcount in relation to the department.

## Reed & Mackay Travel Limited

Notes forming part of the financial statements  
for the period ended 31 January 2022 (continued)

### 5 Other Income

	10-month period ended 31 January 2022 £'000	Year ended 31 March 2021 £'000
Coronavirus Job Retention Scheme	549	7,516
RDEC tax credit	77	-
	626	7,516

### 6 Operating loss

	10-month period ended 31 January 2022 £'000	Year ended 31 March 2021 £'000
This has been arrived at after charging/(crediting)		
Depreciation of tangible fixed assets	565	873
Amortisation of intangible assets	1,254	1,830
Hire of plant and machinery - operating leases	80	157
Hire of other assets - operating leases	667	1,681
Fees payable to the company's auditor for the auditing of the company's annual accounts	100	65
Fees payable to the company's auditor for other services:		
- audit of the company's fellow subsidiaries and group companies	-	95
- tax compliance services	-	24
Recharges from group companies	4,099	2,065
Exchange differences	65	161
	65	161

## Reed & Mackay Travel Limited

Notes forming part of the financial statements  
for the period ended 31 January 2022 (continued)

### 7 Employees

	10-month period ended 31 January 2022 £'000	Year ended 31 March 2021 £'000
Staff costs (including directors) consist of:		
Wages and salaries	12,527	18,523
Social security costs	1,350	2,080
Other pension costs	447	453
	14,324	21,056

Staff costs of £732,000 (2021 - £836,000) were capitalised in software development within intangible assets (note 15) in the year.

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

	10-month period ended 31 January 2022 Number	Year ended 31 March 2021 Number
Travel consultants and managers	211	365
Sales	13	20
Office and management	142	187
	366	572

### 8 Directors' remuneration

	10-month period ended 31 January 2022 £'000	Year ended 31 March 2021 £'000
Directors' emoluments	462	786
Company contributions to money purchase pension schemes	15	25
	477	811

There were 3 directors in the company's defined contribution pension scheme during the year (2021 - 2).

The total amount payable to the highest paid director in respect of emoluments was £260,000 (2021 - £235,000). No pension contributions were made to a money purchase scheme on their behalf (2021 - £Nil).

## Reed & Mackay Travel Limited

Notes forming part of the financial statements  
for the period ended 31 January 2022 (*continued*)

9 Interest received and similar income	10-month period ended 31 January 2022 £'000	Year ended 31 March 2021 £'000
Bank deposits	1	12
	<u>1</u>	<u>12</u>
10 Interest payable and similar expenses	10-month period ended 31 January 2022 £'000	Year ended 31 March 2021 £'000
Group interest payable	4	-
Interest paid on overdue tax	16	-
	<u>20</u>	<u>-</u>
11 Impairment of intercompany investment	10-month period ended 31 January 2022 £'000	Year ended 31 March 2021 £'000
Write off of investment in Hillgate Travel Holdings Limited (in liquidation)	80	-
	<u>80</u>	<u>-</u>

# Reed & Mackay Travel Limited

Notes forming part of the financial statements  
for the period ended 31 January 2022 (continued)

## 12 Taxation on loss from ordinary activities

	10-month period ended 31 January 2022 £'000	Year ended 31 March 2021 £'000
<i>UK corporation tax</i>		
Current tax on (loss) for the year	(443)	(1,191)
Adjustment in respect of previous periods	(18)	149
Total current tax (credit)	(461)	(1,042)
<i>Deferred tax</i>		
Origination and reversal of timing differences	-	-
Adjustment in respect of prior years	7	107
Effect of rate change on opening balance	-	-
Total deferred tax charge	7	107
Taxation on (loss) on ordinary activities	(454)	(935)

The tax assessed for the year is lower than (2021 – higher than) the standard rate of corporation tax in the UK applied to profit before tax. The differences are explained below.

	10-month period ended 31 January 2022 £'000	Year ended 31 March 2021 £'000
(Loss) on ordinary activities before tax	(7,200)	(16,107)
Loss on ordinary activities at the standard rate of corporation tax in the UK of 19.00% (2021 – 19.00%)	(1,368)	(3,060)
Effects of		
Expenses not deductible for tax purposes	461	107
Fixed asset differences	5	-
Adjustment to tax charge in respect of previous periods	(18)	149
Effect of change in tax rate	-	-
R&D expenditure credits	3	-
Other tax adjustments - reliefs and transfers	-	306
Adjustment in respect of prior years - deferred tax	7	107
Deferred tax not recognised	436	630
Losses carried back	-	826
Group Relief	20	-
Total tax credit for year	(454)	(935)

## Reed & Mackay Travel Limited

Notes forming part of the financial statements  
for the period ended 31 January 2022 (continued)

### 12 Taxation on loss from ordinary activities (continued)

#### Factors affecting future tax charges

On 3 March 2021 the Chancellor of the Exchequer announced that the corporation tax rate would increase to a maximum of 25% from 1 April 2023. It was substantively enacted on 24 May 2021 and so the deferred tax rate applicable at 31 January 2022 was 25%.

### 13 Dividends

	10-month period ended 31 January 2022 £'000	Year ended 31 March 2021 £'000
Dividends paid to parent company	4,500	-

### 14 Investments

	31 January 2022 £'000	31 March 2021 £'000
<b>Investments in subsidiaries</b>		
At 1 April 2021	80	80
Write off (see note 11)	(80)	-
<b>At 31 January 2022</b>	-	80

The undertakings in which the company's interest at the period-end is 20% or more are as follows

	Country of incorporation or registration	Class of share capital held	Proportion of share capital held	Nature of business	Registered Office
Reed & Mackay Partnership International (Holdings) Limited**	England and Wales	Limited by guarantee	100%	Holding company	Nexus Place 25 Farringdon Street London. EC4A 4AF
Reed & Mackay Partnership International Limited* **	England and Wales	Ordinary	100%	Global travel service provider	Nexus Place. 25 Farringdon Street. London EC4A 4AF
Hillgate Incentives Limited	England and Wales	Ordinary	100%	Travel agency	Nexus Place 25 Farringdon Street. London. EC4A 4AF

\* Held indirectly

\*\* in liquidation

## Reed & Mackay Travel Limited

Notes forming part of the financial statements  
for the period ended 31 January 2022 (*continued*)

15 Intangible fixed assets	Customer relationships £'000	Brand £'000	Technology £'000	Goodwill on consolidation £'000	Software development £'000	Total £'000
<i>Cost or valuation</i>						
At 1 April 2021	2,034	341	361	2,707	5,343	10,786
Additions	-	-	-	-	732	732
<b>At 31 January 2022</b>	<b>2,034</b>	<b>341</b>	<b>361</b>	<b>2,707</b>	<b>6,075</b>	<b>11,518</b>
<i>Amortisation</i>						
At 1 April 2021	339	189	200	451	3,508	4,688
Charge for the period	203	114	120	226	592	1,255
<b>At 31 January 2022</b>	<b>542</b>	<b>303</b>	<b>320</b>	<b>677</b>	<b>4,100</b>	<b>5,943</b>
<i>Net book value</i>						
<b>At 31 January 2022</b>	<b>1,492</b>	<b>38</b>	<b>41</b>	<b>2,030</b>	<b>1,975</b>	<b>5,576</b>
At 31 March 2021	1,695	152	161	2,256	1,835	6,098

## Reed & Mackay Travel Limited

Notes forming part of the financial statements  
for the period ended 31 January 2022 (continued)

### 16 Tangible assets

	Leasehold improvements £'000	Plant, machinery and motor vehicles £'000	Fixtures, fittings and IT equipment £'000	Total £'000
<i>Cost</i>				
At 1 April 2021	876	679	4 254	5,809
Additions	6	-	300	306
Disposal	-	(74)	-	(74)
<b>At 31 January 2022</b>	<b>882</b>	<b>605</b>	<b>4,554</b>	<b>6,041</b>
<i>Depreciation</i>				
At 1 April 2021	672	569	3,644	4,885
Charge for the period	69	68	502	639
Disposal	-	(74)	-	(74)
<b>At 31 January 2022</b>	<b>741</b>	<b>563</b>	<b>4,146</b>	<b>5,450</b>
<i>Net book value</i>				
<b>At 31 January 2022</b>	<b>141</b>	<b>42</b>	<b>408</b>	<b>591</b>
At 31 March 2021	204	110	610	924

### 17 Debtors

	31 January 2022 £'000	31 March 2021 £'000
Trade debtors	19,994	3,392
Amounts owed by group undertakings	39,972	41,591
Other debtors	98	519
Prepayments and accrued income	2,889	1,216
Corporation tax	982	1,357
Deferred taxation	1,058	375
	<b>64,993</b>	<b>48,450</b>

All amounts shown under debtors fall due for payment within one year except

- Deferred tax asset recognised in respect of short-term timing differences & fixed asset timing differences £1,058,000 (2021 - £375,000)
- The impairment loss recognised in profit or loss for the year in respect of bad and doubtful trade debtors was £Nil (2021 - £Nil)
- Amounts owed by group undertakings consists of unsecured, non-interest bearing loans payable on request

## Reed & Mackay Travel Limited

Notes forming part of the financial statements  
for the period ended 31 January 2022 (continued)

### 18 Creditors: amounts falling due within one year

	31 January 2022 £'000	31 March 2021 £'000
Trade creditors	18,004	9,932
Amounts owed to group undertakings	13,022	6,531
Other taxation and social security	657	891
Other creditors	2,718	128
Accruals and deferred income	3,590	6,440
	37,991	23,922

Amounts owed to group undertakings consists of unsecured, non-interest bearing intercompany loans payable on request.

Due to the impact of Covid-19, Trade creditors includes amounts due to customers in respect of refunds

### 19 Creditors: amounts falling due after more than one year

	31 January 2022 £'000	31 March 2021 £'000
Other creditors	-	536
	-	536

### 20 Financial instruments

The Company's financial instruments may be analysed as follows:

	31 January 2022 £'000	31 March 2021 £'000
<b>Financial assets</b>		
Financial assets that are debt instruments measured at amortised cost	73,829	70,269
	73,829	70,269
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	36,718	21,409
	36,718	21,409

Financial assets measured at amortised cost comprise cash, trade debtors, other debtors, accrued income and amounts owed by group undertakings.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors, accruals and amounts owed to group undertakings

Information regarding the company's exposure to and management of credit risk, liquidity risk, market risk, cash flow, interest rate risk, and foreign exchange risk is included in the strategic report.

## Reed & Mackay Travel Limited

Notes forming part of the financial statements  
for the period ended 31 January 2022 (continued)

21 Provisions for liabilities	Deferred Tax liability £'000	TOMS Provision £'000	Dilapidations Provision £'000	Total Provision £'000
At 1 April 2021	368	-	504	872
Movement in Provision	690	275	75	1,040
At 31 January 2022	1,058	275	579	1,912

The deferred tax liability relates to deferred tax on intangible assets arising on business combinations. The dilapidations provision relates to the requirements under the terms of the operating lease for business premises. The TOMS ('Tour Operating Margin Scheme') provision relates to the company's liability of net fare incomes falling within the scope of the TOMS for travel services scheme.

### 22 Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions of £nil (2021 - £122) were payable to the fund at the end of the financial year and are included in other creditors.

### 23 Deferred taxation

	31 January 2022 £'000	31 March 2021 £'000
<b>Deferred tax assets</b>		
Origination and reversal of timing differences	1,058	375
<b>Deferred tax liabilities</b>		
Deferred tax arising on business combination	(1,058)	(368)

The net reversal of deferred tax assets and liabilities expected in 2022 is £7,000. This is expected to arise due to: utilisation of brought forward tax losses, depreciation anticipated to be higher than the available capital allowances and short-term timing differences.

The Company is carrying back loss of £2,000,000 from total trading loss of £4,551,026 from the current year. the remaining losses are being carried forward to be utilised against future profit, at the 31 January 2022 the value of unutilised losses was £4,956,752 (2021 - £2,841,000)

# Reed & Mackay Travel Limited

Notes forming part of the financial statements  
for the period ended 31 January 2022 (*continued*)

## 24 Share capital

	Allotted, called up and fully paid			
	2022 Number	2021 Number	2022 £'000	2021 £'000
Ordinary shares of £1 each	429,267	429,267	429	429

The shares have attached to them full voting, dividend and capital distribution (including on winding up) rights. they do not confer any rights of redemption

## 25 Contingent liabilities

Up to the acquisition date of 30 April 2021, the company had guaranteed bank borrowings of Monaco Bidco Limited, a fellow group company. At the period end the liabilities covered by these guarantees totalled £nil (2021 - £95,571,844). These borrowings have been fully settled by TripActions Inc following the acquisition of the Reed & Mackay group during the period.

## 26 Commitments under operating leases

The company had minimum lease payments under non-cancellable operating leases as set out below

	Land and buildings	Other	Land and buildings	Other
	2022 £'000	2022 £'000	2021 £'000	2021 £'000
Not later than 1 year	1,415	42	1,412	57
Later than 1 year and not later than 5 years	1,096	1	2,176	3
	<u>2,511</u>	<u>43</u>	<u>3,588</u>	<u>60</u>

## 27 Related party disclosures

The company is a wholly owned subsidiary of Reed & Mackay Holdings Limited and has taken advantage of the exemption conferred by FRS 102 Summary - Section 33 - Related Party Disclosures not to disclose transactions with Reed & Mackay Holdings Limited or other wholly owned subsidiaries within the group. This includes TripActions Inc and its wholly owned subsidiaries.

### *Key management and personnel*

The key management and personnel of the company are the directors. Details of the remuneration of the directors is given in note 8.

# Reed & Mackay Travel Limited

Notes forming part of the financial statements  
for the period ended 31 January 2022 (*continued*)

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## 28 Controlling party

The smallest undertaking for which the company is a member and for which Group financial statements are prepared is Reed & Mackay Holdings Limited, a company incorporated in England and Wales, with a registered address at Nexus Place, 25 Farringdon Street, London, EC4A 4AF. The largest undertaking for which group accounts are drawn up is TripActions Inc, a company registered in the United States of America, whose address is 1209 Orange St., Wilmington DE 19801. The ultimate controlling party at 31 January 2022 was TripActions Inc.

## 29 Post balance sheet events

Subsequent to the year end the Company undertook a group reorganisation whereby a number of its fellow group companies were placed into liquidation to simplify the group structure. The liquidation of these entities resulted in the net settlement amounting to £10.7m of intercompany balances through a £20.9m capital contribution provided by the ultimate parent company, TripActions Inc.