

CLICK TRAVEL LTD

ANNUAL REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2021



CLICK TRAVEL LTD

COMPANY INFORMATION

Directors	J F McLean E D R Eden (resigned 5 July 2021) A J Livesey (appointed 5 July 2021) H L L Slater (appointed 5 July 2021)
Company secretary	J F McLean
Registered number	03770815
Registered office	Alpha Tower Suffolk Street Queensway Birmingham West Midlands B1 1TT
Independent auditor	Cooper Parry Group Limited Chartered Accountants & Statutory Auditor Sky View Argosy Road East Midlands Airport Castle Donington Derby DE74 2SA

CLICK TRAVEL LTD

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CLICK TRAVEL LTD

STRATEGIC REPORT FOR THE PERIOD ENDED 31 DECEMBER 2021

Introduction

The directors present their strategic report for Click Travel Ltd ("the company") for the nine months ended 31 December 2021. On 5 July 2021 TK Operations Ltd, a part of the TravelPerk Group, acquired 100% of the shares in Click Holdings Ltd, the company's immediate parent. The year end change was made to align with that of the TravelPerk group of companies.

Principal activity

The principal activity of the company in the period under review was that of travel management.

Business review

The results for the period and financial position of the company are as shown in the annexed financial statements.

The directors consider the key performance indicators to be turnover, profit before taxation and net assets, which communicate the financial performance and strength of the company and are all disclosed within the body of the financial statements.

Although a far less significant impact than in the prior year, the business travel sector continued to be impacted by Covid-19 and the associated travel restrictions put in place both in the UK and across the world. Restrictions were eased significantly during the period and the company experienced a strong recovery, particularly in the second half of the reporting period. The company recorded sales of £102.0m (12 months ended 31 March 2021: £33.3m), a 206% increase on the prior year despite the shorter accounting period. This significant increase in booking volumes meant that the company made a profit before taxation of £2.1m (12 months ended 31 March 2021: £2.9m loss), whilst net assets increased to £12.8m (31 March 2021: £10.7m).

At the date of signing these financial statements, the country appears to be finally emerging from the most damaging effects of the global pandemic. Whilst the risk of Covid-19 has not been totally removed, thankfully it appears that the economy is beginning to recover from the significant impact. There are no longer any restrictions impacting UK domestic travel and the restrictions on global travel are far less severe. This has been reflected in the recovery of domestic business travel during the period and the Company's associated return to profitability. The directors have considered the effect of the Covid-19 pandemic on the company and do not believe that it will affect its ability to continue as a going concern for the foreseeable future.

Following the acquisition of Click Holdings Ltd (the immediate parent) by TK Operations Ltd on 5 July 2021, there has been a focus on integration across the two businesses and aligning goals in order to capitalise on the continued recovery of the travel sector. The directors believe that the company is well placed to do so and has continued to invest heavily in its technology and the product and engineering teams which are responsible for its direction and ongoing development.

The directors anticipate that the company will continue to pursue its principal activities for the foreseeable future.

CLICK TRAVEL LTD

STRATEGIC REPORT (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2021

Principal risks and uncertainties

The company's activities expose it to credit risk, and wider economic uncertainty.

Credit risk

The company's principal financial assets are trade and other receivables and the company's credit risk is primarily attributable to its trade receivables. The company has no significant concentration of credit risk, with exposure spread over a large number of clients, who are mainly major corporate and public sector organisations thereby reducing credit risk.

Economic uncertainty

The company is exposed to economic and social uncertainty, including but not limited to that brought on by health emergencies, and the impact this has on the business travel market. This risk is managed through a lean, flexible cost base and continued investment in our technology to ensure it evolves to meet changing customer demands.

Section 172 statement and engagement with stakeholders

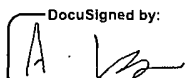
The directors have complied with their duty to act in the way they consider would be most likely to promote the success of the company for the benefit of its shareholders as a whole and to do so having regard to the stakeholders and other matters set out in section 172(1) of the Companies Act 2006. All Board decisions are made with the company's long-term success in mind and the Board has regard to a broad range of matters including the interests of stakeholders. The oversight and monitoring activity of the Board includes maintaining an understanding of key stakeholders and being receptive to their voices.

The directors operate the business in a responsible manner with the aim of ensuring that the company maintains a reputation for high standards of business conduct and good governance. The company regularly reviews its core values that are issued to employees in order to provide guidance on the high standards of professional and ethical conduct expected of them. This is done with the aim of preserving the company's reputation for high standards of business conduct across suppliers, customers and others.

The company places great emphasis on employee engagement and is very proud to have been recognised as one of the "Best Companies to Work For" by the Sunday Times for the ninth consecutive year. This commitment is demonstrated by the company's status as a Real Living Wage employer and the company's statement on Modern Slavery can be found on its website.

The company also has great regard for the impact of its operations on the community and environment it operates in. This is demonstrated by the company's donations to charitable causes and continual development of its GreenPerk product.

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

DocuSigned by:

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A J Livesey
Director

Date: 06 June 2022

CLICK TRAVEL LTD

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 DECEMBER 2021

The directors present their report and the financial statements for the period 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 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;
- 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.

Results and dividends

The profit for the period, after taxation, amounted to £2,222,380 (12 months ended 31 March 2021: loss £2,436,796).

No dividend was paid during the period (31 March 2021: £4,061,084). The company has not declared any dividends post year end.

Directors

The directors who served during the period are noted on the company information page.

Strategic report

The company has chosen in accordance with section 414C(11) of the Companies Act 2006 (strategic report and directors' report) Regulations 2013 to set out in the company's Strategic Report information required by the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 Schedule 7 to be contained in the directors' report.

Directors' indemnities

Directors' indemnity insurance, indemnifying each director against liability to third parties, has been in place throughout the period ended 31 December 2021.

Streamlined Energy Carbon Reporting (SECR) exemption

Information regarding SECR can be found in the group accounts of the largest and smallest group for which consolidated financial statements are prepared, TK Operations Ltd.

CLICK TRAVEL LTD

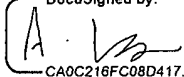
**DIRECTORS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2021**

Disclosure of information to auditor

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 auditor is 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 auditor is aware of that information.

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

DocuSigned by:

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A J Livesey
Director

Date: 06 June 2022

CLICK TRAVEL LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CLICK TRAVEL LTD

Opinion

We have audited the financial statements of Click Travel Ltd (the 'company') for the period ended 31 December 2021, which comprise the profit and loss account, the balance sheet, 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 period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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.

We have nothing to report in this regard.

CLICK TRAVEL LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CLICK TRAVEL LTD (CONTINUED)

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 period 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 3, 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.

CLICK TRAVEL LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CLICK TRAVEL LTD (CONTINUED)

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.

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:

Our assessment focused on key laws and regulations the entity has to comply with and areas of the Financial Statements we assessed as being more susceptible to misstatement. These key laws and regulations included, but were not limited to, compliance with the Companies Act 2016, United Kingdom Generally Accepted Accounting Practice and relevant tax legislation.

We are not responsible for preventing irregularities. Our approach to detect irregularity included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the entity and how the entity is complying with that framework, including a review of legal and professional nominal codes;
- obtaining an understanding of the entity's policies and procedures and how the entity has complied with these, through discussions and walkthrough testing of controls;
- obtaining an understanding of the entity's risk assessment process, including the risk of fraud;
- designing our audit procedures to respond to our risk assessment;
- performing audit testing over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias, such as capitalisation of intangible assets and their subsequent amortisation and impairments;

In response to the risk of irregularities in relation to non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing Financial Statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing correspondence with HMRC and associated parties.

Whilst considering how our audit work addressed the detection of irregularities, we also consider the likelihood of detection based on our approach. Irregularities from fraud are inherently more difficult to detect than those arising from error.

Because of the inherent limitations of an audit, there is a risk that we will not detect any irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the Financial Statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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 auditor's report.

CLICK TRAVEL LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CLICK TRAVEL LTD (CONTINUED)

Use of our report

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

Cooper Parry Group Ltd.

Faye Wyles (Senior Statutory Auditor)

for and on behalf of

Cooper Parry Group Limited

Chartered Accountants
Statutory Auditor

Sky View
Argosy Road
East Midlands Airport
Castle Donington
Derby
DE74 2SA

Date: 6 June 2022

CLICK TRAVEL LTD

PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 31 DECEMBER 2021

	Note	9 months ended 31 December 2021 £	12 months ended 31 March 2021 £
Turnover	1,3	101,968,934	33,279,657
Cost of sales		(94,363,198)	(29,502,884)
Gross profit		<u>7,605,736</u>	<u>3,776,773</u>
Administrative expenses		(5,903,261)	(9,009,400)
Other operating income	4	<u>442,125</u>	<u>2,518,413</u>
Operating profit/(loss)	5	<u>2,144,600</u>	<u>(2,714,214)</u>
Interest payable	8	<u>(11,267)</u>	<u>(213,357)</u>
Profit/(loss) before tax		<u>2,133,333</u>	<u>(2,927,571)</u>
Tax on profit/(loss)	9	<u>89,047</u>	<u>490,775</u>
Profit/(loss) for the financial period		<u><u>2,222,380</u></u>	<u><u>(2,436,796)</u></u>

There were no recognised gains and losses for either period other than those included in the profit and loss account.

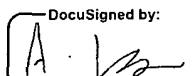
The notes on pages 12 to 25 form part of these financial statements.

CLICK TRAVEL LTD
REGISTERED NUMBER: 03770815

BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	31 December 2021 £	31 March 2021 £
Fixed assets			
Intangible assets	11	3,656,914	4,259,576
Tangible assets	12	-	-
Investments	13	2,280	2,280
		<u>3,659,194</u>	<u>4,261,856</u>
Current assets			
Debtors: amounts falling due after more than one year	14	230,000	230,000
Debtors: amounts falling due within one year	14	16,554,168	5,925,757
Cash at bank and in hand		2,326,708	9,388,675
		<u>19,110,876</u>	<u>15,544,432</u>
Creditors: amounts falling due within one year	15	<u>(8,969,989)</u>	<u>(6,452,403)</u>
Net current assets		<u>10,140,887</u>	<u>9,092,029</u>
Total assets less current liabilities		<u>13,800,081</u>	<u>13,353,885</u>
Creditors: amounts falling due after more than one year	16	-	(2,000,000)
Provisions for liabilities			
Deferred tax	17	(908,528)	(684,712)
Net assets		<u><u>12,891,553</u></u>	<u><u>10,669,173</u></u>
Capital and reserves			
Called up share capital	18	88,961	88,961
Profit and loss account		12,802,592	10,580,212
Shareholders' funds		<u><u>12,891,553</u></u>	<u><u>10,669,173</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

DocuSigned by:

 CA0C216FC08D417...
A J Livesey
 Director

Date: 06 June 2022

The notes on pages 12 to 25 form part of these financial statements.

CLICK TRAVEL LTD

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

	Called up share capital £	Profit and loss account £	Total equity £
At 1 April 2020	88,961	17,078,092	17,167,053
Loss for the year	-	(2,436,796)	(2,436,796)
Dividends paid	-	(4,061,084)	(4,061,084)
At 1 April 2021	<u>88,961</u>	<u>10,580,212</u>	<u>10,669,173</u>
Profit for the period	-	2,222,380	2,222,380
At 31 December 2021	<u><u>88,961</u></u>	<u><u>12,802,592</u></u>	<u><u>12,891,553</u></u>

The notes on pages 12 to 25 form part of these financial statements.

CLICK TRAVEL LTD

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

1. Accounting policies

1.1 Basis of preparation of financial statements

Click Travel Ltd ("the company") is a limited liability company incorporated and domiciled in the United Kingdom. The address of its registered office is disclosed on the company information page.

The financial statements are prepared in sterling (£), which is the functional currency of the company. The financial statements are for the 9 month period ended 31 December 2021 (2021: 12 month period ended 31 March 2021).

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with Financial Reporting Standard (FRS) 102, the Financial Reporting Standard applicable in England, Wales 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 judgement in applying the company's accounting policies (see note 2).

The following principal accounting policies have been applied:

1.2 Disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102:

- Section 7 'Statement of Cash Flows' - Presentation of a statement of cash flow and related notes and disclosures.
- Section 33 'Related Party Disclosures' - Compensation for key management personnel

This information is included in the consolidated financial statements of the ultimate parent company which are available to the public and can be obtained as set out in note 22.

1.3 Going concern

Long term forecasts prepared by the directors include expected impacts on the business as a result of the easing of all Covid-19 restrictions, and show that the company has the ability to continue to operate within the funding facilities available to it, for a period of at least 12 months from the signing of these financial statements. The directors therefore consider it appropriate for the financial statements to be prepared on a going concern basis.

1.4 Turnover

Turnover represents service fees, commissions and the recharge of travel costs to clients for air, rail, hotel and ancillary bookings net of VAT.

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured, which varies depending on the contractual terms of each booking.

Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

CLICK TRAVEL LTD

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

1. Accounting policies (continued)

1.5 Operating leases

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.

1.6 Finance costs

Finance costs are charged to the profit and loss account 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.

1.7 Government grants

Grants of a revenue nature are recognised in the profit and loss account in the same period as the related expenditure.

Grants relating to the Coronavirus Job Retention Scheme are recognised when the requirements are met and shown in the profit and loss account within other operating income in the period to which they relate.

1.8 Pensions

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 the profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

1.9 Current and deferred taxation

The tax charge for the period comprises of current and deferred tax.

Current tax is recognised for the amount of corporation tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

CLICK TRAVEL LTD

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

1. Accounting policies (continued)

1.10 Intangible assets

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses. Amortisation is charged as, to allocate the cost of the assets to their residual values over their estimated useful lives, as follows:

Software - 5 or 7 years straight line

Amortisation is included in administrative expenses in the profit and loss account.

Where factors, such as technological advancement or changes in market price, indicate that residual value or useful life have changed, the residual value, useful life or amortisation rate are amended prospectively to reflect the new circumstances. The assets are reviewed for impairment if the above factors indicate that the carrying amount may be impaired.

Costs associated with maintaining computer software are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the company are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use;
- management intends to complete the software and use or sell it;
- it can be demonstrated how the software will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software are available; and
- the expenditure attributable to the software during its development can be reliably measured

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

CLICK TRAVEL LTD

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

1. Accounting policies (continued)

1.11 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:

Fixtures and fittings	- Between 2 and 5 years
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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.

At each balance sheet date, the directors review the carrying amounts of its tangible fixed assets to determine whether there is any indication that any items have suffered an impairment loss. If any such indication exists, the recoverable amount of an asset is estimated in order to determine the extent of the impairment loss, if any.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Any impairment loss is recognised as an expense immediately.

Repairs and maintenance are charged to the profit and loss account during the period in which they are incurred.

1.12 Valuation of investments

Investments in unlisted company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the profit and loss account for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

1.13 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 the profit and loss account in the period that the company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the balance sheet.

CLICK TRAVEL LTD

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

1. Accounting policies (continued)

1.14 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 third parties and loans to related parties.

All financial assets and liabilities are initially measured at transaction price and subsequently measured at amortised cost.

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 balance sheet date.

1.15 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

CLICK TRAVEL LTD

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

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

The directors make estimates and assumptions concerning the future. The directors are also required to exercise judgement in the process of applying the company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

Capitalised development costs

Internally generated software costs are capitalised when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use;
- management intends to complete the software and use or sell it;
- it can be demonstrated how the software will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software are available; and
- the expenditure attributable to the software during its development can be reliably measured.

The directors review ongoing projects at each financial year end to ensure the above criteria are met. In assessing the capitalisation policy the directors ensure the costs are not indicative of replacement or repair of existing assets.

Impairment of fixed assets

The directors assess the impairment of fixed assets subject to depreciation and amortisation whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Factors considered important that could trigger an impairment review include the following:

- Significant under performance relative to historical or projected future operating results;
- Significant changes in the manner of the use of the acquired assets or the strategy for the overall business; and
- Significant negative industry or economic trends.

Recoverability of trade debtors

Trade and other debtors are recognised to the extent that they are judged recoverable. The directors' reviews are performed to estimate the level of reserves required for irrecoverable debt. Provisions are made specifically against invoices where recoverability is uncertain.

The directors make allowances for doubtful debts based on an assessment of the recoverability of debtors. Allowances are applied to debtors where events or changes in circumstances indicate that the carrying amounts may not be recoverable. The directors specifically analyse historical bad debts, customer creditworthiness, current economic trends and changes in customer payment terms when making a judgement to evaluate the adequacy of the provision for doubtful debts. Where the expectation is different from the original estimate, such a difference will impact the carrying value of debtors and the charge in the profit and loss account.

Taxation

There are many transactions and calculations for which the ultimate tax determination is uncertain. The company takes professional advice on its tax affairs and recognises liabilities for anticipated tax based on estimates of what taxation is likely to be due.

The directors estimation is required to determine the amount of any deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits.

CLICK TRAVEL LTD

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

3. Turnover

All turnover is attributable to the principal activity of the company and arose in the United Kingdom.

4. Other operating income

	9 months ended 31 December 2021 £	12 months ended 31 March 2021 £
Government grant income: Coronavirus Job Retention Scheme	442,125	2,518,413

5. Operating profit/(loss)

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

	9 months ended 31 December 2021 £	12 months ended 31 March 2021 £
Amortisation of intangible fixed assets	736,806	926,191
Additional R&D deduction	36,214	-
Operating lease rentals	80,078	107,301
Auditors remuneration	28,750	22,000
Tax compliance	4,000	4,000

CLICK TRAVEL LTD

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

6. Employees

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

	9 months ended 31 December 2021 £	12 months ended 31 March 2021 £
Wages and salaries	3,701,098	5,925,365
Social security costs	386,664	643,611
Pension costs	79,089	132,036
	<u>4,166,851</u>	<u>6,701,012</u>

The above costs are shown net of £134,143 (31 March 2021: £694,058) which have been capitalised as intangible assets (software).

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

	9 months ended 31 December 2021 No.	12 months ended 31 March 2021 No.
Administration and sales	146	202
	<u>146</u>	<u>202</u>

7. Directors' remuneration

	9 months ended 31 December 2021 £	12 months ended 31 March 2021 £
Directors' emoluments	145,432	532,943
Contributions to defined contribution pension schemes	5,090	8,024
Compensation for loss of office	-	30,000
	<u>150,522</u>	<u>570,967</u>

During the period retirement benefits were accruing to 1 director (31 March 2021: 3) in respect of defined contribution pension schemes.

CLICK TRAVEL LTD

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

8. Interest payable and similar expenses

	9 months ended 31 December 2021 £	12 months ended 31 March 2021 £
Bank interest	11,267	13,357
Other loan interest	-	200,000
	<u>11,267</u>	<u>213,357</u>

9. Taxation

	9 months ended 31 December 2021 £	12 months ended 31 March 2021 £
Corporation tax		
Current tax on profits for the year	17,931	-
Adjustments in respect of previous periods	(330,794)	(326,481)
Total current tax	<u>(312,863)</u>	<u>(326,481)</u>
Deferred tax		
Origination and reversal of timing differences	(151,465)	(164,294)
Adjustments in respect of previous periods	120,883	-
Effects in changes in tax rates	254,398	-
Total deferred tax	<u>223,816</u>	<u>(164,294)</u>
Taxation on profit/loss	<u>(89,047)</u>	<u>(490,775)</u>

CLICK TRAVEL LTD

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

9. Taxation (continued)

Factors affecting tax charge for the period/year

The tax assessed for the period/year is lower than (31 March 2021: higher than) the standard rate of corporation tax in the UK of 19% (2020: 19%). The differences are explained below:

	9 months ended 31 December 2021 £	12 months ended 31 March 2021 £
Profit/(loss) before tax	2,133,333	(2,927,571)
Profit/(loss) multiplied by standard rate of corporation tax in the UK of 19% (2020: 19%)	405,333	(556,238)
Effects of:		
Expenses not deductible for tax purposes	3,860	24,929
Other permanent differences	(395,648)	-
Losses carried back	-	326,478
Additional deduction for R&D	(36,214)	-
Group relief claimed	(33,975)	-
Adjustments to tax in respect of prior periods	(209,911)	(326,481)
Remeasurement of deferred tax for changes in tax rate	218,047	-
Deferred tax not recognised	(40,539)	40,537
Total tax charge for the period/year	(89,047)	(490,775)

Factors that may affect 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. The deferred tax has been provided at the rate it is expected to unwind.

10. Dividends

	31 December 2021 £	31 March 2021 £
Dividends paid	-	4,061,084

CLICK TRAVEL LTD

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

11. Intangible assets

	Software £
Cost	
At 1 April 2021	6,742,366
Additions	134,143
At 31 December 2021	<u>6,876,509</u>
Amortisation	
At 1 April 2021	2,482,790
Charge for the period	736,805
At 31 December 2021	<u>3,219,595</u>
Net book value	
At 31 December 2021	<u>3,656,914</u>
At 31 March 2021	<u>4,259,576</u>

12. Tangible fixed assets

	Fixtures and Fittings £
Cost	
At 1 April 2021	169,002
At 31 December 2021	<u>169,002</u>
Depreciation	
At 1 April 2021	169,002
At 31 December 2021	<u>169,002</u>
Net book value	
At 31 December 2021	<u>-</u>
At 31 March 2021	<u>-</u>

CLICK TRAVEL LTD

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

13. Fixed asset investments

	Unlisted investments £
Cost	
At 1 April 2021	2,280
At 31 December 2021	<u>2,280</u>

14. Debtors

	31 December 2021 £	31 March 2021 £
Due after more than one year		
ATOC bond	230,000	230,000
	<u>230,000</u>	<u>230,000</u>
Due within one year		
Trade debtors	15,682,907	5,223,423
Other debtors	-	137,137
Corporation tax repayable	639,835	326,972
Prepayments and accrued income	231,426	238,225
	<u>16,554,168</u>	<u>5,925,757</u>

15. Creditors: Amounts falling due within one year

	31 December 2021 £	31 March 2021 £
Trade creditors	7,641,546	5,385,756
Amounts owed to group undertakings	342,567	93,123
Other taxation and social security	354,404	120,336
Other creditors	519,467	650,954
Accruals and deferred income	112,005	202,234
	<u>8,969,989</u>	<u>6,452,403</u>

The amounts owed to group undertakings are unsecured, repayable on demand and interest-free.

CLICK TRAVEL LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2021**16. Creditors: Amounts falling due after more than one year**

Analysis of the maturity of loans is given below:

	31 December 2021 £	31 March 2021 £
Amounts falling due 1-5 years		
Other loans	-	2,000,000
	<u> </u>	<u> </u>

The other loans were repaid in full on the 1 April 2021.

17. Deferred taxation

	Deferred tax £
At 1 April 2021	684,712
Charged to the profit and loss account	223,816
At 31 December 2021	<u> </u> <u> </u> 908,528

The provision for deferred taxation is made up as follows:

	31 December 2021 £	31 March 2021 £
Accelerated capital allowances	<u> </u> <u> </u> 908,528	<u> </u> <u> </u> 684,712

18. Share capital

	31 December 2021 £	31 March 2021 £
Allotted, called up and fully paid		
88,961 Ordinary shares of £1	<u> </u> <u> </u> 88,961	<u> </u> <u> </u> 88,961

19. 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 £79,089 (31 March 2021: £132,036). Contributions totaling £28,414 (31 March 2021: £28,766) were payable to the fund at the reporting date and are included in creditors.

CLICK TRAVEL LTD

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

20. Commitments under operating leases

At 31 December 2021 the company had future minimum lease payments due under non-cancellable operating leases as follows:

	31 December 2021 £	31 March 2021 £
Within one year	106,770	106,770
Between 1 - 5 years	71,180	151,258
	<u>177,950</u>	<u>258,028</u>

21. Related party transactions

The company has taken advantage of FRS 102 Section 33.1A exemption from disclosing transactions with wholly owned group companies.

22. Controlling party

The company's immediate parent undertaking is Click Holdings Ltd, a company incorporated in England and Wales, which shares the registered address of the company.

The largest and smallest company for which consolidated financial statements are prepared is the intermediary holding company, TK Operations Ltd, registered in England and Wales with the registered office of 3rd Floor, Regent Street, London, W1B 3HH.

The ultimate parent undertaking is TravelPerk Inc, registered in the United States with the registered office of 251 Little Falls Drive, Wilmington, Delaware, United States, 19808. The directors believe there to be no ultimate controlling party of TravelPerk Inc.