

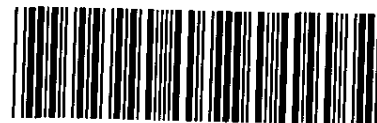
Collinson Service Solutions Limited

Annual report and financial statements

For the year ended 30 April 2022

Registered number: 02474708

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Contents

Company Information	1
Directors' Report	2
Statement of Directors' Responsibilities	4
Statement of Comprehensive Income	5
Statement of Financial Position	6
Statement of Changes in Equity	7
Notes to the Financial Statements	8

Company Information

Directors and Officers

Directors

D Evans (Appointed 21 January 2022)
P Escott
M Hampton (Resigned 21 January 2022)
L Watts

Company Secretary

S E Hayward

Registered Office

Cutlers Exchange
123 Houndsditch
London
EC3A 7BU

Directors' Report

The Directors present their report together with the financial statements of Collinson Service Solutions Limited for the year ended 30 April 2022.

Principal Activity

The principal activity of the Company is the product development and provision of global travel delay services for the benefits of clients across the corporate travel and specialty markets.

Directors

The names of the current directors are listed on page 1.

Subsequent Events

See note 14 on page 15 for details of any post balance sheet events.

Proposed dividend

The Directors do not recommend the payment of a dividend for the year (2021: £nil).

Qualifying Indemnity Provision

The Directors and officers of the Company are covered under a Directors' and Officers' Liability policy covering the entire Collinson group as defined by section 234 of the Companies Act 2006. These insurance policies were in force at 30 April 2022 and on the day the Directors' report was approved.

Financial instruments

The Company's principal financial instruments comprise debtors and creditors arising in the normal course of business. Information on the use of financial instruments by the Company and its management of financial risks is disclosed in Note 1.8 to the financial statements.

Streamlined Energy and Carbon Reporting

The Company is exempted from the SECR disclosure requirements under Paragraph 20A of The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

Going concern

The financial statements for Collinson Service Solutions Limited have been prepared on a going concern basis. The Directors have assessed the appropriateness of the going concern basis of accounting when preparing the financial statements in accordance with accounting standards and guidance from the Financial Reporting Council ('FRC'). As part of the assessment, the Directors have considered whether there are any material uncertainties relating to events or conditions (other than those with a remote probability of occurring) that may cast significant doubt upon the use of the going concern basis of accounting. In making the assessment, the Directors have considered the Company's current financial performance; forecasts of future financial performance, future cash flow and liquidity requirements based on operational business plans; and access to additional liquid resources. Based on the assessment the Directors have a reasonable expectation that the Company has access to sufficient liquid resources to continue in operational existence from the date of signing the financial statements to 31 January 2024.

The Company participates as a member of centralised treasury and banking arrangements with fellow subsidiaries in The Collinson Group (the "Group"). Through these centralised treasury arrangements subsidiaries have access to intercompany support from fellow subsidiaries and external borrowing from a 5-year financing arrangement signed on 2 July 2021. This financing arrangement comprises two facilities, a £50m Term Loan and an Acquisition Facility

Directors' Report

of up to £50m that is available to draw on until 1 July 2024. Both facilities mature on 1 July 2026. In addition, a new revolving credit facility of up to £12.5m was secured during the financial year, of which £5m is earmarked for use on letters of credit with the residual £7.5m available to support short-term working capital needs if required. As required by the terms of the financing arrangement, the Group drew down £50m of the Term Loan at the timing of signing, and as at 30 April 2022 had also drawn £8m on the Acquisition Facility and it had utilised £1.8m of the £5m carved out for letters of credit under the revolving credit facility. Taking account of the Group's available cash and access to the revolving credit facility, the Group had unrestricted access to £95.4m of liquidity as at 30 April 2022; as at 31 October 2022, the Group still had £62.8m of liquidity available to it. In addition, as at 30 April 2022 the Group still had £42m available to it under the Acquisition Facility which it can use to fund strategic investments to support the continued growth of its businesses.

Post the financial year the majority of the Collinson Service Solutions Limited client contracts were novated across to Collinson Insurance Services (CISL). This continues the corporate simplification program to rationalise and streamline the corporate structure, reducing the complexity of legal entities globally, consolidate activities and improve on efficiencies.

During the year ended 30 April 2022, the Company generated a profit of £0.5m and as of that date, had net liabilities of £0.9m and net current liabilities of £0.9m. The Company is reliant on a letter of support from its intermediate parent, The Collinson Group Limited, to meet its obligations as they fall due.

Given this the Directors have also considered the ability of the Group to continue as a going concern. In making this going concern assessment the Directors of the Group have modelled a base case scenario, which represents the Group's current outlook of future expected performance of the business, and considers the Group's access to liquidity, along with projected liquidity and net debt positions. The base case reflects the Group's continued increase in volumes in its Travel Experiences and Airport Dimensions businesses as the pace of travel recovery increases and more modest growth across all other divisions with the exception of travel testing in the Assistance business with demand for testing now in decline. Under the base case the Group has adequate liquidity to continue operating throughout the going concern period and to meet all its financial covenants.

The Directors of the Group consider the most significant risks to the Group at this time relate to emerging macroeconomic factors. As such its Directors have also modelled the potential impact on the Group's financial performance and liquidity of a severe but plausible downside, which considers a reduction of lounge visit volumes as well as elevated costs compared to the base case. This reflects the risk of a significant slow-down in travel recovery and weaker travel demand due to the cost-of-living crisis and the related inflationary pressures. Whilst the Directors of the Group believe the risk of this severe but plausible downside materialising is unlikely, if it did occur, the Group would breach one or more covenants from July 2023 unless management action was taken. The Directors of the Group have therefore identified multiple, realistic, management actions that could be taken to mitigate the impact, including rationalising its overhead base. These mitigating actions are entirely within management's control, can be put into place at speed, and would enable the Group to remedy any potential breaches and provide it with sufficient liquidity and headroom over its other financial covenants to continue to operate throughout the going concern period.

The Directors of the Group have also considered a reverse stress test which considers a scenario where a combination of individually plausible adverse macroeconomic factors all materialise concurrently and for a sustained period. The Directors of the Group believe that the combination of all such factors happening concurrently, which would be necessary to result in a breach of the financial covenants even after allowing for available management accounts, is remote.

Based on the above the Directors of the Group have a reasonable expectation that the Group will continue in operation and be able to meet its commitments as they fall due throughout the going concern period.

Accordingly, as the Company has obtained a letter of support from its intermediate parent, the Directors have concluded that based on the assessments of the Company performed together with the confidence the Directors have in the Group's forecast and ability to continue as a going concern that there is a reasonable expectation that the Company will continue in operation and be able to meet its commitments as they fall due throughout the going concern period to 31 January 2024. As such the Directors have continued to adopt the going concern basis in preparing these financial statements.

Collinson Service Solutions Limited

Annual report and financial statements

Directors' Statement of Responsibility

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable United Kingdom 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including Financial Reporting Standard FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102")). 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 and the profit or loss of the company for that period.

In preparing these financial statements the Directors are required to:

- select suitable accounting policies in accordance with Section 10 of FRS 102 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in FRS 102 is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the financial position and financial performance;
- state whether applicable UK Accounting Standards, including FRS 102, 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 appropriate to presume that the Company will not 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 Company 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.

Under applicable law and regulations, the Directors are also responsible for preparing a strategic report, and Directors' report that comply with that law and those regulations. The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

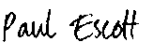
Strategic report exemption

The Company is excluded from preparing accounts in accordance with the small companies regime as it is a member of an ineligible group. The Company would be entitled to the small companies exemption had it not been a member of an ineligible group and has therefore opted to take exemption from preparing a strategic report in accordance with section 414B(b) of the Companies Act 2006.

Audit exemption

The Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. Accordingly, these financial statements have not been audited.

This report was approved by the Board and signed on its behalf by:

DocuSigned by:

CF4BC19BA2A745C
P Escott
Director

01 December 2022

Statement of Comprehensive Income

For the year ended 30 April 2022

	<i>Note</i>	2022 £	2021 £
Revenue	<i>3</i>	2,165,106	2,150,988
Cost of sales		(135,222)	(173,422)
Gross profit		2,029,884	1,977,566
Administrative expenses		(1,443,150)	(1,658,352)
Operating profit		586,734	319,214
Interest receivable		17,669	1,142
Interest payable		(29,373)	(25,603)
Profit on ordinary activities before taxation	<i>4</i>	575,030	294,753
Tax on profit on ordinary activities	<i>7</i>	(109,256)	(56,003)
Total comprehensive income		465,774	238,750

The notes on pages 8 to 15 are an integral part of these financial statements.

Collinson Service Solutions Limited
Annual report and financial statements

Statement of Financial Position

As at 30 April 2022

	Note	2022 £	2021 £
Current assets			
Cash		142,080	170,784
Trade and other receivables	9	1,559,799	1,188,014
		<u>1,701,879</u>	<u>1,358,798</u>
Current liabilities			
Trade and other payables	10	(2,640,034)	(2,762,728)
		<u>(938,155)</u>	<u>(1,403,930)</u>
Total Net liabilities		<u>(938,155)</u>	<u>(1,403,930)</u>
Equity			
Called up share capital	11	100	100
Retained earnings		(938,255)	(1,404,030)
		<u>(938,155)</u>	<u>(1,403,930)</u>
Equity attributable to owners		<u>(938,155)</u>	<u>(1,403,930)</u>

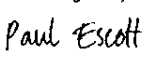
The Company is excluded from preparing accounts in accordance with the small companies regime as it is a member of an ineligible group. The Company would be entitled to the small companies exemption had it not been a member of an ineligible group and has therefore opted to take exemption from preparing a strategic report in accordance with section 414B(b) of the Companies Act 2006.

For the year ending 30 April 2022 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors Responsibilities

- the members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476;
- the Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements were approved by the board of directors and authorised for issue on 01 December 2022.

DocuSigned by:

 CF48C19BA2A745C
P Escott
 Director

The notes on pages 8 to 15 are an integral part of these financial statements.

Statement of Changes in Equity

For the year ended 30 April 2022

	Called Up Share Capital £	Retained Earnings £	Total £
At 30 April 2020	100	(1,642,780)	(1,642,680)
Profit for the year	-	238,750	238,750
At 30 April 2021	100	(1,404,030)	(1,403,930)
Profit for the year	-	465,775	465,775
At 30 April 2022	100	(938,255)	(938,155)

The notes on pages 8 to 15 are an integral part of these financial statements.

Notes to the Financial Statements

For the year ended 30 April 2022

1 Accounting policies

1.1 General information

Collinson Service Solutions is a private company limited by shares incorporated in the United Kingdom. The address of its registered office and principal place of business is Cutlers Exchange, 123 Houndsditch, London EC3A 7BU.

The principal activity of the Company is the product development and provision of global travel delay services for the benefits of clients across the corporate travel and specialty markets.

The financial statements have been presented in pounds sterling and this is the Company's functional currency, being the currency of the primary economic environment in which the Company operates.

1.2 Basis of preparation

These financial statements have been prepared in accordance with FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' ('FRS 102') and applicable legislation, as set out in the Companies Act 2006 and The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008. These financial statements have been prepared under the historical costs convention.

1.3 Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of and no objection to, the use of exemptions by the Company's shareholders. These financial statements are separate financial statements. The Company is exempt from the preparation and delivery of consolidated financial statements, because it is included in the group accounts of its parent undertaking, Parminder Investments Limited. Note 13 provides details of where those consolidated financial statements may be obtained from.

In preparing these financial statements, the Company has taken advantage of the following exemptions:

- I. from presenting a statement of cash flows, as required by Section 7 'Statement of Cash Flows';
- II. from disclosing key management personnel compensation, as required by FRS 102 paragraph 33.7;
- III. from presenting a reconciliation of the number of shares outstanding at the beginning and end of the year, as required by FRS 102 paragraph 4.12; and
- IV. from disclosing related party transactions with other wholly owned group companies, as required by FRS 102 paragraph 33.9

On the basis that equivalent disclosures are given in the consolidated financial statements of Parminder Investments Limited, the Company has also taken advantage of the exemption not to provide:

- V. the disclosure requirements of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues'.

1.4 Going concern

The financial statements for Collinson Service Solutions Limited have been prepared on a going concern basis. The Directors have assessed the appropriateness of the going concern basis of accounting when preparing the financial statements in accordance with accounting standards and guidance from the Financial Reporting Council ('FRC'). As part of the assessment, the Directors have considered whether there are any material uncertainties relating to events or conditions (other than those with a remote probability of occurring) that may cast significant doubt upon the use of the going concern basis of accounting. In making the assessment, the Directors have considered the Company's current financial performance; forecasts of future financial performance, future cash flow and liquidity requirements based on operational business plans; and access to additional liquid resources. Based on the assessment the Directors have a reasonable expectation that the Company has access to sufficient liquid resources to continue in operational existence from the date of signing the financial statements to 31 January 2024.

Notes to the Financial Statements

For the year ended 30 April 2022

The Company participates as a member of centralised treasury and banking arrangements with fellow subsidiaries in The Collinson Group (the “Group”). Through these centralised treasury arrangements subsidiaries have access to intercompany support from fellow subsidiaries and external borrowing from a 5-year financing arrangement signed on 2 July 2021. This financing arrangement comprises two facilities, a £50m Term Loan and an Acquisition Facility of up to £50m that is available to draw on until 1 July 2024. Both facilities mature on 1 July 2026. In addition, a new revolving credit facility of up to £12.5m was secured during the financial year, of which £5m is earmarked for use on letters of credit with the residual £7.5m available to support short-term working capital needs if required. As required by the terms of the financing arrangement, the Group drew down £50m of the Term Loan at the timing of signing, and as at 30 April 2022 had also drawn £8m on the Acquisition Facility and it had utilised £1.8m of the £5m carved out for letters of credit under the revolving credit facility. Taking account of the Group’s available cash and access to the revolving credit facility, the Group had unrestricted access to £95.4m of liquidity as at 30 April 2022; as at 31 October 2022, the Group still had £68.2m of liquidity available to it. In addition, as at 30 April 2022 the Group still had £42m available to it under the Acquisition Facility which it can use to fund strategic investments to support the continued growth of its businesses.

Post the financial year the majority of the Collinson Service Solutions Limited client contracts were novated across to Collinson Insurance Services (CISL). This continues the corporate simplification program to rationalise and streamline the corporate structure, reducing the complexity of legal entities globally, consolidate activities and improve on efficiencies.

During the year ended 30 April 2022, the Company generated a profit of £0.5m and as of that date, had net liabilities of £0.9m and net current liabilities of £0.9m. The Company is reliant on a letter of support from its intermediate parent, The Collinson Group Limited, to meet its obligations as they fall due.

Given this the Directors have also considered the ability of the Group to continue as a going concern. In making this going concern assessment the Directors of the Group have modelled a base case scenario, which represents the Group’s current outlook of future expected performance of the business, and considers the Group’s access to liquidity, along with projected liquidity and net debt positions. The base case reflects the Group’s continued increase in volumes in its Travel Experiences and Airport Dimensions businesses as the pace of travel recovery increases and more modest growth across all other divisions with the exception of travel testing in the Assistance business with demand for testing now in decline. Under the base case the Group has adequate liquidity to continue operating throughout the going concern period and to meet all its financial covenants.

The Directors of the Group consider the most significant risks to the Group at this time relate to emerging macroeconomic factors. As such its Directors have also modelled the potential impact on the Group’s financial performance and liquidity of a severe but plausible downside, which considers a reduction of lounge visit volumes as well as elevated costs compared to the base case. This reflects the risk of a significant slow-down in travel recovery and weaker travel demand due to the cost-of-living crisis and the related inflationary pressures. Whilst the Directors of the Group believe the risk of this severe but plausible downside materialising is unlikely, if it did occur, the Group would breach one or more covenants from July 2023 unless management action was taken. The Directors of the Group have therefore identified multiple, realistic, management actions that could be taken to mitigate the impact, including rationalising its overhead base. These mitigating actions are entirely within management’s control, can be put into place at speed, and would enable the Group to remedy any potential breaches and provide it with sufficient liquidity and headroom over its other financial covenants to continue to operate throughout the going concern period.

The Directors of the Group have also considered a reverse stress test which considers a scenario where a combination of individually plausible adverse macroeconomic factors all materialise concurrently and for a sustained period. The Directors of the Group believe that the combination of all such factors happening concurrently, which would be necessary to result in a breach of the financial covenants even after allowing for available management accounts, is remote.

Based on the above the Directors of the Group have a reasonable expectation that the Group will continue in operation and be able to meet its commitments as they fall due throughout the going concern period.

Notes to the Financial Statements

For the year ended 30 April 2022

Accordingly, as the Company has obtained a letter of support from its intermediate parent, the Directors have concluded that based on the assessments of the Company performed together with the confidence the Directors have in the Group's forecast and ability to continue as a going concern that there is a reasonable expectation that the Company will continue in operation and be able to meet its commitments as they fall due throughout the going concern period to 31 January 2024. As such the Directors have continued to adopt the going concern basis in preparing these financial statements.

1.5 Revenue recognition

The Company generates revenue from services and fees associated with the provision of global travel delay services. Fees and other income receivable are recognised in the month to which they relate and when they can be measured with reasonable certainty.

1.6 Taxation

Tax expense for the year comprises current tax only. Tax currently payable or recoverable, relating to UK corporation tax, is calculated on the basis of the tax rates and laws that have been enacted or substantively enacted as at the reporting date.

Deferred tax is recognised on all timing differences that have originated but not reversed at the reporting date. Transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future give rise to a deferred tax liability or asset. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expenses in tax assessments in years different from those in which they are recognised in the financial statements.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted as at the reporting date, that are expected to apply to the reversal of the timing difference. The tax expense is recognised in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense.

Deferred income tax assets are recognised only to the extent that, on the basis of all available evidence, it is deemed probable that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

1.7 Foreign currencies

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date the transactions took place.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are reported at the rates of exchange prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the reporting date of monetary assets and liabilities are reported in profit or loss.

1.8 Financial instruments

Financial assets and liabilities are recognised when the Company becomes party to the contractual provisions of the financial instrument. The Company holds only basic financial instruments, which comprise cash and cash equivalents, trade and other receivables and trade and other payables. The Company has chosen to apply the measurement and recognition provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' in full.

Financial assets – classified as basic financial instruments

(i) Trade and other receivables

Trade and other receivables are initially recognised at the transaction price, including any transaction costs, and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

Notes to the Financial Statements

For the year ended 30 April 2022

Amounts that are receivable within one year are measured at the undiscounted amount of the cash expected to be received, net of any impairment.

Where a financial asset constitutes a financing transaction it is initially and subsequently measured at the present value of the future payments, discounted at a market rate of interest.

At the end of each reporting year, the Company assesses whether there is objective evidence that any receivable amount may be impaired. A provision for impairment is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised immediately in profit or loss.

(ii) **Trade and other payables**

Trade and other payables are initially measured at the transaction price, including any transaction costs, and subsequently measured at amortised cost using the effective interest method. Amounts that are payable within one year are measured at the undiscounted amount of the cash expected to be paid.

Where a financial liability constitutes a financing transaction it is initially and subsequently measured at the present value of the future payments, discounted at a market rate of interest.

1.9 Impairment of assets

At each reporting date the Company reviews the carrying value of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

The recoverable amount of an asset is the higher of fair value less costs to sell and value in use. Value in use is the present value of the future cash flows expected to be derived from the asset, or cash generating unit.

The present value calculation involves estimating the future cash inflows and outflows to be derived from continuing use of the asset, and from its ultimate disposal, applying an appropriate discount rate to those future cash flows.

Where the recoverable amount of an asset is less than the carrying amount, an impairment loss is recognised immediately in profit or loss.

An impairment loss recognised for all assets is reversed in a subsequent year if, and only if, the reasons for the impairment loss have ceased to apply.

2 Critical accounting judgements and key sources of estimation uncertainty

In applying the Company's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised, if the revision affects only that year, or in the year of the revision and future years, if the revision affects both current and future years.

Notes to the Financial Statements

For the year ended 30 April 2022

2.1 Critical judgements in applying the Company's accounting policies

The critical judgements that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the statutory financial statements are discussed below.

(i) Assessing indicators of impairment

In assessing whether there have been any indicators of impairment assets, the directors have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability. There have been no indicators of impairments identified during the current financial year.

2.2 Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Revenue recognition

The Group uses the percentage of completion method to recognise project revenue for fixed price contracts. This method requires the directors to estimate the level of services performed at each reporting date as a proportion of the total services to be performed to complete the contract. Variations to estimates could result in the over or under recognition of revenue.

(ii) Recoverability of receivables

The Company establishes a provision for receivables that are estimated not to be recoverable. When assessing recoverability the directors consider factors such as the aging of the receivables, past experience of recoverability, and the credit profile of individual or groups of customers.

3 Revenue

The Company has one class of business which is the provision of global travel delay services. An analysis of the Company's revenue by geographical market is as follows:

	2022 £	2021 £
<i>By geographical market:</i>		
United Kingdom	419,417	142,580
Rest of Europe	1,423,742	1,562,780
North and South America	23,321	1,000
Asia including Middle East	298,626	444,628
	<u>2,165,106</u>	<u>2,150,988</u>

4 Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging/(crediting):

	2022 £	2021 £
Difference on foreign exchange	(36,737)	152,944

Administration expenses are initially incurred by the Company's service company, Collinson IG (Management) Limited, and then a portion of these expenses has been re-allocated to the Company based primarily on revenue and

Notes to the Financial Statements

For the year ended 30 April 2022

an estimate of the time spent by the Group's employees. The Group believes this is a fair and reasonable method. The re-allocated expenses include salaries plus other associated overhead costs.

5 Staff costs

For the year ended 30 April 2022 the Company had no contracted employees (2021: nil). The Company utilised the services of employees of group companies for which a charge was received. The total charges received in the year, including staff costs, were £1,067,892 (2021: £977,385).

6 Directors' remuneration

The directors do not receive any remuneration specifically for their services as directors of the Company as certain directors are also directors of other companies within The Collinson Group. The Group considers it impractical to apportion directors' remuneration among the Group companies.

7 Tax on profit on ordinary activities

The tax charge comprises:

	2022 £	2021 £
Current tax on profit on ordinary activities		
UK corporation tax	109,256	56,003
Total tax on profit on ordinary activities	109,256	56,003

Tax on profit on ordinary activities for the year is at the standard rate of corporation tax in the UK of 19% (2021: 19%). The differences are reconciled below:

	2022 £	2021 £
Profit on ordinary activities before taxation	575,030	294,753
Income tax calculated at 19% (2021: 19%)	109,256	56,003
Adjustment not in Income Statement	-	-
Expenses not deductible for tax purposes	-	-
Total tax on profit	109,256	56,003

The Company has claimed the benefit of tax losses from other group companies for a consideration of £109,256 (2021: £56,003).

Factors affecting the tax charge

Finance Act 2021 included an increase in the corporate tax rate to 25% from April 2023. The deferred tax assets and liabilities have been measured at the enacted rate that is expected to apply when the asset is realised or the liability settled.

Notes to the Financial Statements

For the year ended 30 April 2022

8 Dividends

No dividends were declared in respect of 2022 (2021: £nil) at the reporting date.

9 Trade and other receivables

	2022	2021
	£	£
Trade receivables	885,486	425,244
Amounts owed by group undertakings	-	20,628
Other receivables	204,173	19,658
Prepayments and accrued income	470,140	722,484
	<u>1,559,799</u>	<u>1,188,014</u>

10 Trade and other payables

	2022	2021
	£	£
Trade payables	-	3,303
Amounts owed to group undertakings	2,306,760	2,678,331
Other payables	82,106	50,731
Accruals and deferred income	251,168	30,363
	<u>2,640,034</u>	<u>2,762,728</u>

Amounts owed to Collinson Finance Ltd included in amounts owed to other group undertakings accrue interest at LIBOR plus 0.5% up to and including 31 December 2021 and at SONIA plus 0.2% plus 2.25% from 1 January 2022. These amounts are repayable within 5 business days upon request of the lender.

Amounts due to other group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

11 Share capital

	2022	2021
	£	£
<i>Allotted, called up and fully paid</i>		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

12 Related party transactions

The Company has taken advantage of the exemption available under FRS 102 Section 33.1A not to disclose related party transactions with other wholly owned group companies.

13 Parent undertaking and ultimate controlling party

At the reporting date, the Company's immediate parent undertaking was Collinson Insurance Group Limited, a company incorporated in England. The Collinson Group Limited, a company incorporated in England (company number 11141096), is the parent undertaking of the largest and smallest group for which group accounts are prepared. Copies of those group accounts may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

The directors regard Parminder Limited, a company incorporated in the Isle of Man, to be the Company's ultimate parent undertaking. The ultimate controlling parties identified by the directors are the Trustees of the Colin Evans 1987 Settlement, established under the laws of the Isle of Man, the beneficiary of which is Mr C R Evans.

Notes to the Financial Statements

For the year ended 30 April 2022

14 Post balance sheet events

Post the financial year the majority of the Collinson Service Solutions Limited client contracts were novated across to Collinson Insurance Services (CISL). This continues the corporate simplification program to rationalise and streamline the corporate structure, reducing the complexity of legal entities globally, consolidate activities and improve on efficiencies.