Taptripco Limited

Annual Report and financial statements

For the 214 day period ended

31 December 2022

Company Number 11368452



Taptripco Limited

Report and financial statements
for the 214 day period ended 31 December 2022

Contents

Page:

1	Strategic report
3	Directors' report
4	Directors' responsibilities statement
5	Independent auditor's report
8	Profit and loss account
9	Balance sheet
10	Statement of changes in equity
11	Notes forming part of the financial statements

Directors

I C Sinderson
J Ramsey (appointed on 01 July 2022)
T Young (resigned on 01 July 2022)

Registered office

The Royals, 353 Altrincham Road, Manchester, M22 4BJ

Company number

11368452

Auditors

BDO LLP, 3 Hardman Street, Manchester, M3 3AT

Taptripco Limited

Strategic report
for the 214 day period ended 31 December 2022

The directors, in preparing this Strategic Report, have complied with s414C of the Companies Act 2006.

Principal activities

The company is a wholly owned subsidiary of Tripstax Technologies Limited, another group undertaking.

Taptripco Limited was incorporated on 17th May 2018, under Companies Act 2006, as a private company limited by shares. The reporting period within the set of financial statements and accompanying reports is from 31st May 2022 to 31st December 2022.

Taptripco Limited is a technology company providing IT services to external customers and other group companies under common control of the parent company, ATPI Holdings (Jersey) Limited. Income is derived from the provision of services including IT support, product development and IT subscription services. The directors are not aware, at the date of this report, of any likely major changes to the company's principal activities in the next year.

Strategy and objectives

Taptripco Limited is a technology company and the directors of the business intend for this company to remain as such going forward. The company's vision is to be the industry leading provider of PaaS/SaaS based, cohesive travel technologies, powering the future of Travel Management.

In order to maintain our vision, we are committed to investing in proven and innovative technology, allowing our customers to be more competitive, make significant cost savings and simplify tech integration by utilising a state of the art data processing nerve centre.

Principal risks and uncertainties

Financial risk

The Company's activities expose it to a number of financial risks including cash flow risk and liquidity risk, and foreign exchange risk.

Cash flow and liquidity risk: the Company's cash flow and liquidity risk is principally affected by the combination of interest service costs and receipts from customers. The directors manage these on a group-wide basis and closely monitor the underlying performance of the Group, to ensure that the company has sufficient cash to settle obligations as they arise.

Foreign exchange risk: Management continuously assesses the interest rate and exchange rate risk that the Group is subject to. The Group has a number of overseas operations resulting in foreign currency denominated receivables and payables. As part of risk management, the Group uses derivatives to hedge its exposures to changes in foreign currency exchange rates.

Review of the year and key performance indicators

The company financial statements presented herein are prepared in Sterling. The company financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101") as issued by the Financial Reporting Council.

The company generated £255,423 in turnover during the 214 day period ended 31 December 2022 (full year to 31 May 2022: £180,305), with an operating loss of £303,797 (full year to 31 May 2022: loss of £1,163,601) and loss after tax of £303,797 (full year to 31 May 2022: loss of £947,581).

The balance sheet shows total net liabilities of £155,895 at 31 December 2022 (at 31 May 2022: net liabilities £1,907,782). The decrease in net liabilities is primarily attributable to the capital contribution in the 214 day period ended 31 December 2022.

Future outlook

The directors consider the measures taken as described in this Strategic report will position the group for future growth. As such the Directors expect the Operating profit of the business to grow in the foreseeable future. The Directors have a reasonable expectation that the Group will be able to operate within its current facility and meet its covenant tests.

Approval

This strategic report was approved on behalf of the Board on 06/09/2023.

I C Sinderson
Director

Taptripco Limited

Directors' report
for the 214 day period ended 31 December 2022

The directors present their report together with the audited financial statements for the seven Month ended 31 December 2022.

Going concern
After making enquiries, and on the basis outlined in note 2 to the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Financial risk management objectives and policies
Principal financial risk management objectives and policies have been included with the Strategic Report in accordance with s414C of the Companies Act 2006. The company's supplier payment policy is to settle terms of payment with suppliers when agreeing the terms of each transaction, ensure that suppliers are made aware of the terms of payment and abide by the terms of payment.

Dividends
The directors do not recommend payment of a dividend.

Directors
The directors that served during the year and thereafter were as follows:

I C Sinderson
J Ramsey (appointed on 01 July 2022)
T Young (resigned on 01 July 2022)

Auditors
BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them as auditors will be proposed at the next annual general meeting. This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

First period accounts and audit
The directors note that this is the first period of accounts and first audited period for this company.

Political donations and expenditure
There were no political donations made or political expenditure incurred during the financial year.

Approval
This directors' report was approved on behalf of the Board on 06/09/2023.

I C Sinderson
Director

Taptripco Limited

Directors' responsibilities statement
for the 214 day period ended 31 December 2022

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 'Reduced Disclosure Framework'. 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 judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TAPTRIPCO LIMITED

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its result for the 214 day 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.

We have audited the financial statements of Taptripco Limited ("the Company") for the year ended 31 December 2022 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, 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 101 *Reduced Disclosure Framework* (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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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 FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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 Directors are responsible for the other information. The other information comprises the information included in the Directors report and financial statements, other than the financial statements and our auditor's report thereon. 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.

Other information (continued)

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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 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 Statement of Directors Responsibilities, 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.

Extent to which the audit was 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:

Auditor's responsibilities for the audit of the financial statements (continued)

Extent to which the audit was capable of detecting irregularities, including fraud (continued)

Based on our understanding and accumulated knowledge of the Company and the sector in which it operates we considered the risks of acts by the Company which were contrary to applicable laws and regulations, including fraud, and whether such actions or non-compliance might have a material effect on the non-statutory financial statements. These included but are not limited to those that relate to the form and content of the financial statements, such as accounting policies, UK GAAP, the Companies Act 2006, relevant taxation legislation, Health and Safety and the Bribery Act 2010.

Our audit procedures included, but were not limited to:

- Agreement of the financial statement disclosures to underlying supporting documentation;
- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud ;
- Review of minutes of Board meetings throughout the period to identify any non-compliance with laws and regulations, or any unrecorded contingencies or commitments; and
- Obtaining an understanding of the control environment in monitoring compliance with laws and regulations
- We communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit
- We assessed the susceptibility of the Financial Statements to material misstatement, including fraud and the risk of management override of internal controls. We determined that the principal risks were related to posting inappropriate journal entries and management bias in accounting estimates.
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to the investment impairment assessment; and
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations or including specific keywords.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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

DocuSigned by:
Stuart Wood
D8CD362D513C4D9...

Stuart Wood (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Manchester , UK
Date 06 September 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Taptripco Limited

Profit and loss account
for the 214 day period ended 31 December 2022

	Note	214 day period ending 31 December 2022 £'000	Full year ending 31 May 2022 £'000
Turnover	4	255	180
Administrative expenses		(559)	(1,344)
Operating loss		(304)	(1,164)
Finance income	5	-	-
Finance costs	5	-	-
(Loss) before tax	6	(304)	(1,164)
Taxation	8	-	216
(Loss) for the year		**(304)**	**(948)**

All amounts relate to continuing activities.
There have been no other comprehensive income or expenses in the current year other than the (loss) reported above. Consequently, a separate statement of comprehensive income has not been presented.

The notes on pages 11 to 23 form part of these financial statements.

Taptripco Limited

Balance sheet
at 31 December 2022

Company number 11368452	Note	31 December 2022 £'000	31 December 2022 £'000	31st May 2022 £'000	31st May 2022 £'000
Fixed assets					
Intangible Assets	9		53		57
Tangible Assets	10		13		21
			66		78
Current assets					
Cash		28		28	
Debtors - due within one year	11	307		230	
Creditors: amounts falling due within one year	12	(557)		(2,244)	
Net current liabilities			(222)		(1,986)
Net liabilities			(156)		(1,908)
Capital and reserves					
Called up share capital	14		216		206
Share premium account			2,834		718
Profit and loss account			(3,206)		(2,832)
Shareholder's deficit			(156)		(1,908)

The financial statements were approved by the Board of Directors and authorised for issue on 06/09/2023

I C Sinderson
Director

The notes on pages 11 to 23 form part of these financial statements.

Taptripco Limited

Statement of changes in equity
for the 214 day period ended 31 December 2022

	Called up share capital £'000	Share premium account £'000	Profit and loss account £'000	Total £'000
Balance at 01 Jun 2022	212	718	(1,884)	(954)
Loss for the period	-	-	(948)	(948)
Share buyback	(6)	-	-	(6)
Balance at 31 May 2022	**206**	**718**	**(2,832)**	**(1,908)**
Balance at 01 Jun 2022	206	718	(2,832)	148
Capital Contribution	10	2,116	-	-
Loss for the period	-	-	(374)	(304)
Balance at 31 December 2022	**216**	**2,834**	**(3,206)**	**(156)**

The notes on pages 11 to 23 form part of these financial statements.

Taptripco Limited

Notes forming part of the financial statements
for the 214 day period ended 31 December 2022

1 General information

Taptripco Limited is a private company limited by shares incorporated in the United Kingdom under the Companies Act and registered in England and Wales. The address of the registered office is given on the contents page. The nature of the company's operations and its principal activities are set out in the Strategic Report on pages 1 to 2.

2 Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the period.

Basis of accounting

The company meets the definition of a qualifying entity under FRS 100 'Application of Financial Reporting Requirements' issued by the Financial Reporting Council. Accordingly, these financial statements were prepared in accordance with FRS 101 (Financial Reporting Standard 101) 'Reduced Disclosure Framework' as issued by the Financial Reporting Council.

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services.

As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, presentation of a cash-flow statement, financial instruments, standards not yet effective and related party transactions. Where required, equivalent disclosures are given in the group financial statements of ATPI Holdings (Jersey) Limited. The group financial statements of ATPI Holdings (Jersey) Limited are available to the public and can be obtained as set out in the notes.

Going concern

The directors' make a combined assessment on going concern with respect to the Group and the company as the forecasts and range of possible scenarios on the financial position have been assessed as such, with considerations to the principal risks and uncertainties as set out in the Strategic Report.

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic report. The Strategic report describes the financial position of the Group; its cash flows, liquidity position and borrowing facilities; the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposure to credit risk and liquidity risk.

The Group has bank loans of £86,717,000 excluding overdrafts as at 31 December 2022 (2021 - £83,066,000) which are subject to covenant restrictions. Of this, £3,500,000 is due within one year, and the remainder is repayable on 30 June 2024. The group's revolving credit facilities of £43,300,000, are committed until 30 June 2024.

2 Accounting policies (continued)

Going concern (continued)

The board has considered and debated a range of substantial possible scenarios on the Group's operations, financial position and forecasts covering a period of at least the next 12 months to June 2024. These take into account sensitivity analysis and stress testing performed on the forecasts, the potential impact on revenue and cash flows together with mitigating actions that could be taken including cost reductions. Taking into account reasonable possible changes in trading performance along with other mitigating factors available to them, the Directors have a reasonable expectation that the Group should be able to operate within its current facility and to satisfy any upcoming covenant conditions.

After review of the forecasts along with mitigating factors available to them, the Directors have a reasonable expectation that the Group and Company have adequate resources to continue in operational existence and to satisfy any upcoming covenant conditions in the foreseeable future. Accordingly, the Directors continue to adopt the going concern basis in preparing the annual report and financial statements.

Post balance sheet events

None.

Intangible assets internally generated

Expenditure on research activities relating to internally generated IT software assets is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised when it is probable that economic benefits will flow to the company from the asset being developed, and the cost of the asset can be reliably measured and technical feasibility can be demonstrated. Capitalisation ceases when the asset being developed is ready for use.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred. Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired in a business combination. Their estimated useful life is 5-10 years.

Tangible fixed assets

Tangible fixed assets are shown at cost less accumulated depreciation. Cost is defined as expenditure directly attributable to the acquisition of the item.

Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Plant and equipment - 3 - 5 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

2 **Accounting policies** *(continued)*

Impairment of tangible and intangible assets excluding goodwill

At each balance sheet date, the company reviews the carrying amounts of its tangible and intangible 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 to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

An intangible asset with an indefinite useful life is tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Investments

Fixed asset investments are shown at cost less provision for impairment.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

2 **Accounting policies** *(continued)*

Taxation (continued)

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the company intends to settle its current tax assets and liabilities on a net basis.

Current tax and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Retirement benefit costs

The company operates a number of defined contribution pension schemes. The pension charge for the 214 day period ended 31 December 2022 represents contributions payable to individual pension plans of employees. Differences between contributions payable in the 214 day period ended 31 December 2022 and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Foreign currencies

The financial statements are presented in pounds sterling, which is the currency of the primary economic environment in which the company operates (its functional currency).

Transactions in foreign currencies are initially recorded by the company at the functional currency rates prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange ruling at the reporting date.

All differences are taken to the profit and loss account.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

Cash and cash equivalents

Cash and cash equivalents includes bank balances and deposits with original maturities of 90 days or less. Bank overdrafts, where there is no right of set-off, are shown as borrowings within current liabilities.

2 **Accounting policies** *(continued)*

Financial instruments

Financial instruments are recorded initially at fair value net of issue costs incurred. Subsequent measurement depends on the designation of the instrument as noted below.

All recognised financial assets and liabilities that are within the scope of IFRS 9 are required to be measured subsequently at amortised cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Impairment of financial assets

In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model. The expected credit loss model requires the Company to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

Specifically, IFRS 9 requires the Company to recognise a loss allowance for expected credit losses on:

(1) debt investments measured subsequently at amortised cost or at FVTOCI;

(2) lease receivables;

(3) trade receivables and contract assets; and

(4) financial guarantee contracts to which the impairment requirements of IFRS 9 apply.

In particular, IFRS 9 requires the Company to measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses (ECL) if the credit risk on that financial instrument has increased significantly since initial recognition, or if the financial instrument is a purchased or originated credit impaired financial asset.

However, if the credit risk on a financial instrument has not increased significantly since initial recognition (except for a purchased or originated credit impaired financial asset), the Company is required to measure the loss allowance for that financial instrument at an amount equal to 12 months ECL. IFRS 9 also requires a simplified approach for measuring the loss allowance at an amount equal to lifetime ECL for trade receivables, contract assets and lease receivables in certain circumstances.

The company applies a simplified approach and recognises lifetime ECL on trade and other receivables, all bank balances have been deemed to have a low credit risk at each reporting date as they are held with reputable institutions.

The directors have concluded that it would require undue cost and effort to determine the credit risk of each loan on their respective dates of initial recognition. These loans are also assessed to have credit risk other than low. Accordingly, the Company recognises lifetime ECL for these loans until they are derecognised.

Financial assets

The company classifies its financial assets as either at fair value through profit or loss or amortised cost. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

At fair value through profit or loss – Financial instruments at fair value through profit or loss are financial instruments held for trading. A financial instrument is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also categorised as held for trading unless they are designated as hedges. Financial instruments in this category are classified as current assets or liabilities.

2 Accounting policies *(continued)*

Amortised cost – Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except where expected maturity is greater than 12 months after the balance sheet date which are classified as non-current assets. The company's loans and receivables comprise trade and other debtors and cash and cash equivalent assets in the Balance Sheet.

Regular purchases and sales of financial assets are recognised on the trade-date, the date on which the company commits to purchase or sell the asset. Investments are initially recognised at fair value for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the profit and loss account. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred, the company no longer has control of the asset, and the company has transferred substantially all risks and rewards of ownership. Loans and receivables are carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the financial assets at fair value through profit or loss category are presented in the profit and loss account in the period in which they arise. Trade debtors are recognised initially at fair value with subsequent provision for impairment, which is calculated under the ECL model as discussed above.

Financial liabilities

The company classifies its financial liabilities as either at fair value through profit or loss or amortised cost. Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Borrowings are held at amortised cost and are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.. Exchange movements on long term foreign currency borrowings are taken to reserves to the extent that the borrowing is in the functional currency of the obligor and to the Income statement to the extent they are not.

Net finance costs are recognised as an expense in the year in which they are incurred. Debt issue costs are amortised proportionally over the anticipated life of the relevant debt facility using the effective interest method.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. A financial liability is a contractual obligation to deliver cash or another financial asset to a third party.

Impact of application of IFRS 15 Revenue from Contracts with Customers

In the current year, the Company has applied IFRS 15 Revenue from Contracts with Customers (as amended in April 2016) which is effective for an annual period that begins on or after 1 January 2019. IFRS 15 introduced a 5-step approach to revenue recognition. The Company's accounting policies for its revenue streams are disclosed further in note 4 below. Apart from providing more extensive disclosures for the Company's revenue transactions, the application of IFRS 15 has not had a significant impact on the financial position and/or financial performance of the Company.

3 Critical accounting judgements and key sources of estimation uncertainty

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 principal management judgements made in preparation of these financial statements are:

- the evaluation of the recoverability of intercompany debtors (see note 11), which depends on assessment of profitability and the position of the counterparty; and
- the assessment of the impairment of internally developed IT assets. This depends on the preparation of estimates of future cash flows expected to be generated by the company.

4 Turnover

Turnover represents amounts derived from contract negotiations as a part of its provision of management services which fall within the company's principal activities after deduction of value added tax. All turnover is derived from the principal activity of the company, that of technology services to group and external companies which was carried out totally within the United Kingdom. Turnover by origin is not materially different to turnover by destination.

5 Finance income and finance costs

	214 day Period ending 2022 £'000	Full year ended 31 May 2022 2022 £'000
Finance cost		
Interest and Similar Charges	-	-
Net finance cost	-	-

6 (Loss) before taxation

	214 day Period ending 2022 £'000	Full year ended 31 May 2022 £'000
(Loss) before taxation is stated after charging:		
Exchange rate (gains)	(1)	(1)
Staff costs (see note 7)	(192)	(817)
Premises cost and Sales & Marketing cost	(1)	-

7 Staff costs

	214 day Period ending 2022 £'000	Full year ended 31 May 2022 £'000
Their aggregate remuneration comprised:		
Wages and salaries	168	701
Social security costs	20	72
Other pension costs	3	15
Staff overheads and Staff Travel	1	29
	192	817

	2022	2022
The average monthly number of employees was:		
Management and administration	5	10

No remuneration has been paid to the directors by the company in the current period. All emoluments have been borne by the ultimate parent company and have not been recharged.

8 Taxation

The tax charge comprises:	214 day Period ending 2022 £'000	Full year ended 31 May 2022 £'000
Corporation tax		
UK corporation tax	-	216
Adjustments in respect of prior years	-	-
	-	216
Deferred tax		
Current year charge	-	-
Adjustments in respect of prior years	-	-
Effect of changes in tax rates	-	-
Total tax on loss	-	216

Corporation tax is calculated at 19% of the estimated taxable profit for the year.

The credit for the year can be reconciled to the loss in the profit and loss account as follows:

	214 day Period ending 2022 £'000	Full year ended 31 May 2022 £'000
Loss before tax	(304)	(1,164)
Tax on loss at standard UK corporation tax rate of 19%	58	216
Effects of:		
Expenses not deductible/income not taxable for tax purposes	(58)	(216)
Overseas taxes	-	-
Adjustments to tax charge in respect of previous years	-	-
Deferred Tax	-	-
R&D, capital allowances and use of losses	-	-
Total tax payable for year	-	-

From 01 April 2023, the Corporation Tax Main rate for non-ring fenced profits will be increased to 25% applying to profits over £250,000. This was substantively enacted during the year. The standard rate of corporation tax will remain at 19%, effective from 1 April 2022 until April 2023. The rates are ratified within Finance Act 2023, which received Royal Assent in January 2023. Deferred tax has been calculated using these rates based on the timing of when each individual deferred tax balance is expected to reverse in the future.

9 Intangible Fixed Assets

	Software £'000
Cost	
At 31 May 2021	67
Additions	-
At 31 May 2022	67
Amortisation	
At 31 May 2021	(3)
Charged during the year	(7)
At 31 May 2022	(10)
Net book value	
At 31 May 2022	
At 31 May 2022	57
Cost	
At 31 May 2022	67
Additions	-
At 31 December 2022	67
Amortisation	
At 31 May 2022	(10)
Charged during the year	(4)
At 31 December 2022	(14)
Net book value	
At 31 December 2022	53
At 31 May 2022	57

10 Tangible Fixed Assets

	2022
	£'000
Cost	
At 31 May 2021	42
Additions	0
At 31 May 2022	42
Amortisation	
At 31 May 2021	(9)
Charged during the year	(14)
At 31 May 2022	(23)
Net book value	
At 31 May 2022	19
At 31 May 2021	33
Cost	
At 31 May 2022	42
Additions	1
At 31 December 2022	43
Amortisation	
At 31 May 2022	(23)
Charged during the year	(7)
At 31 December 2022	(30)
Net book value	
At 31 December 2022	13
At 31 May 2022	19

11 Debtors

Trade debtors disclosed below are classified as loans and receivables and are therefore measured at amortised cost. The directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value.

	2022 £'000	31 May 2022 £'000
Amounts falling due within one year:		
Trade debtors	-	13
Amounts owed by other group undertakings	307	-
	307	13

Intercompany balances arising from trading items are due within 30 days following invoice. There is no interest payable on these unsecured balances. Other short term intercompany balances are repayable on demand and interest is charged at 5.25% above the base rate.

12 Creditors: amounts falling due within one year

	2022 £'000	31 May 2022 £'000
Bank overdraft	-	-
Trade creditors	1	-
Amounts owed to group undertakings	496	-
Amounts owed to associated companies	-	-
Other taxes and social security	50	21
Accruals and other payable	10	2,222
Deferred taxation liability (note 13)	-	-
	557	2,243

The directors consider that the carrying amount of trade creditors approximates to their fair value. The bank overdraft is repayable on demand. Intercompany balances arising from trading items are due within 30 days following invoice. There is no interest payable on these unsecured balances. Other short term intercompany loans are repayable on demand and interest is charged at 5.25% above the base rate.

13 Deferred tax

Deferred tax is provided as follows:

	Accelerated tax depreciation £'000
At 01 Jun 2021	-
Credit to profit or loss	-
At 31 May 2022	216
Credit to profit or loss	(216)
Adjustment in respect of prior years	-
At 31 December 2022	-

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so.

The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	2022 £'000
Deferred tax assets	-

14 Share capital and reserves

	2022 £'000	31 May 2022 £'000
Allotted and fully paid		
Ordinary shares of £0.1 each	216	206

The ordinary shares rank equally in the distribution of the full equity funds of the company after repayment of the issue price of the £0.1 preference, together with any accrued dividends payable.

Reserves

All reserves are as stated in the statement of changes in equity.

15 Related party transactions

As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to related party transactions between wholly-owned member companies of the ATPI Holdings (Jersey) Limited group.

16 Controlling party

The company's immediate parent undertaking is Tripstax Technologies Limited, which is registered in United Kingdom. The ultimate parent undertaking of the largest and smallest group, which includes the company and for which group financial statements are prepared, is ATPI Holdings (Jersey) Limited. In the opinion of the directors, ATPI Holdings (Jersey) Limited's ultimate controlling party is ICG Europe Fund V Investor Feeder Limited Partnership, a company incorporated in Jersey whose address is IFC 1, The Esplanade, St Helier, Jersey, JE1 4BP.