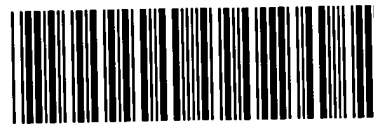


NST Travel Group Limited
Annual Report and Financial Statements
for the 17 month period ended 31 August 2019

Registered number: 02665024

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NST Travel Group Limited

Annual Report and Financial Statements For the 17 month period ended 31 August 2019

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NST Travel Group Limited

Officers and Professional Advisers

Directors

P J Churchus
A G Sadler
J G Firth
S Craven
T W May (resigned 14th January 2019)
N Bali (resigned 14th January 2019)
A Goenka (resigned 14th January 2019)
A J Bracey (appointed 14th January 2019)
A C Clegg (appointed 14th January 2019)
N A Currie (appointed 14th January 2019)

Registered Office

Discovery House
Brooklands Way
Whitehills Business Park
Blackpool
Lancashire
FY4 5LW

Registered number:

02665024 (England and Wales)

Auditor

Deloitte LLP
Statutory Auditor
Bristol
United Kingdom

Bankers

Barclays Bank PLC
1 Churchill Place
London
E14 5HP

NST Travel Group Limited

Strategic Report For the 17 month period ended 31 August 2019

The Directors, in preparing this strategic report have complied with s414c of the Companies Act 2006.

Principal activities

The principal activity of the company and its subsidiary continues to be that of tour operators, specialising in Educational travel.

Strategic and operational review

On 14 January 2019 the ultimate parent company became Aldgate Education Topco Limited, a company registered in Jersey, following a purchase of shares from Cox and Kings Limited, a company registered in India. The financial statements relate to a 17-month period ending 31 August 2019. The reason for this extended accounting period is to bring the accounting period end in line with its ultimate parent company, Aldgate Education Topco Limited.

The operating profit for the 17 month period to 31 August 2019 of £10.0m shows an increase on the previous 12 months operating profit of £5.0m. We continue to be confident that there is growth potential in the marketplace for the future. With reduced overhead costs and a focus on tour operations, the directors feel that the company is well positioned, as part of the HB Education Limited Group of companies, to profitably benefit from the growth opportunities.

The HB Education Limited Group manages its operations on a divisional basis. For this reason, the company's directors believe that further key performance indicators for the company are not necessary or appropriate for an understanding of the development, performance and position of the business. The performance of the Education division which includes the company is discussed in the HB Education Limited annual report which does not form part of this report.

The directors have assessed the main risk facing the business as being competition from niche operators, as well as further consolidation in the marketplace. However this threat is mitigated by the company's strengths in its ability to maintain its competitiveness, enhance its commitment to safety and provide customers with a high quality, differentiated product and service that adds significant value.

The directors believe the business with its focused customer service, specialist product range and its continued commitment to safety will enable the company to see continued growth and enhanced trading results in the coming year.

At the year-end, the company has net assets of £16.0m (2018: £8.6m). The increase in net assets has arisen as a result of the profit for the year, less dividends paid to the pre-acquisition immediate parent company.

Brexit Risk

Following the United Kingdom's exit from the European Union the implications of Brexit on both the economy and NST Travel Group Limited remain uncertain whilst terms are negotiated. The company is exposed to fluctuations in the value of sterling particularly relative to the Euro. To mitigate that risk the HB Education Group has entered into forward currency exchange contracts. Whilst travel could be affected by the outcome of Brexit, the Directors do not anticipate it having a material impact to trading conditions. Directors are proactive in monitoring risks and will take quick and decisive action where necessary to mitigate such risks.

Climate Risk

As consumers become more environmentally aware and consider their carbon footprint this could have an adverse effect on demand. NST Travel Group Limited are working at ways to offset its carbon usage by, reducing electricity use, moving to green energy, reducing plastic usage, reducing printing and postage and implementing a plant a tree scheme.

Results and Dividends

The profit on the ordinary activities of the company before taxation for the year amounted to £9.9 m (2018: £4.9m). Pre-dividends the profit after tax of £9.4m (2018: £4.9m) has been transferred to reserves.

The company paid final dividends of £13.33 per share, giving a total dividend of £2,000,000 (2018: £100.00 per share, total dividend of £15,000,000)

NST Travel Group Limited

Strategic Report (continued) For the year ended 31 August 2019

Financial Risk Management Objectives

The company finances its operations through a mixture of retained profits and, where necessary to fund expansion or capital expenditure programmes, through funding from the parent company, HB Education Limited.

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

The directors of HB Education Limited manage these risks at a group level, rather than at an individual business level. For this reason, the directors of NST Travel Group Limited believe that a discussion of the company's risks would not be appropriate for an understanding of the development, performance or position of NST Travel Group Limited. The financial risk management objectives and policies of HB Education Limited group, which include those of the company are in the group's annual report, which does not form part of this report.

Subsequent Events

There have been no significant events since the Balance sheet date.

Employee Involvement and Communication

The company places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the company. This is achieved through formal and informal meetings and regular communication between relevant parties. Employee representatives are consulted regularly on a wide range of matters affecting their current and future interests.

Disabled Employees

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Company continues and that appropriate training is arranged. It is the policy of the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical with that of other employees.

The Board would like to express its thanks to management and staff throughout the Group for their continued hard work and commitment and for their expertise and dedication to serving our customers.

The Strategic Report of NST Travel Group Limited, registered number 02665024 was approved by the Board of Directors on 28 February 2020 and signed on its behalf by:



P J Churchus
Director

NST Travel Group Limited

Directors' Report For the 17 month period ended 31 August 2019

The directors present the Annual Report and the audited financial statements for the 17 month period ended 31 August 2019. Under section 414(C) (11) of the Companies Act 2006 the directors have opted to disclose information regarding principal risks and uncertainties, financial risk management policies, subsequent events and dividends in the Strategic Report.

The financial statements relate to a 17-month period ending 31 August 2019. The comparative information relates to a 12-month period ending 31 March 2018. Therefore, the amounts presented in the financial statements are not entirely comparable. The reason for this extended accounting period is to bring the accounting period end in line with its ultimate parent company.

Going Concern

The directors have prepared the financial statements on a going concern basis. Further details on the basis of preparation are given in note 3 to the financial statements.

Directors

The directors who served during the 17 month period and thereafter, unless otherwise noted, were as follows:

P J Churchus
T W May (resigned 14th January 2019)
A G Sadler
N Bali (resigned 14th January 2019)
J G Firth
A Goenka (resigned 14th January 2019)
S Craven
A J Bracey (appointed 14th January 2019)
A C Clegg (appointed 14th January 2019)
N A Currie (appointed 14th January 2019)

Donations

During the 17 month period to 31 August 2019, the company made charitable donations of £1,583 (12 months to 31 March 2018: £2,000).

Director Indemnities

From 1 April 2018 to 14 January 2019, Holidaybreak Limited, former parent company, maintained liability insurance for the Directors and officers of Holidaybreak Limited, its parent company and its subsidiaries. Since 15 January 2019, Aldgate Education Topco Limited, has maintained liability insurance for the Directors and officers of Aldgate Education Topco Limited and its subsidiaries. Neither the insurance nor the indemnity provides cover where a Director acts fraudulently or dishonestly. The Company has made qualifying third-party indemnity provisions for the benefit of the Group's Directors which were made during the year and remain in force at the date of this report.

Information to Auditor

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

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

Pursuant to s487 of the Companies Act, 2006, the auditor will be deemed to be reappointed and Deloitte LLP will therefore continue in office.

NST Travel Group Limited

Directors' Report (continued) For the 17 month period ended 31 August 2019

Approved by the board of directors and signed on its behalf by:



P J Churchus

Director

28 February 2020

NST Travel Group Limited

Directors' Responsibilities Statement For the 17 month period ended 31 August 2019

The directors are responsible for preparing the Annual 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditor's report to the members of NST Travel Group Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of NST Travel Group Limited (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 31 August 2019 and of its profit for the 17 month period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006

We have audited the financial statements which comprise:

- the Income Statement;
- the statement of comprehensive income [where relevant];
- the statement of financial position;
- the statement of changes in equity;
- the statement of accounting policies; and
- the related notes 1 to 23.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, 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.

Independent auditor's report to the members of NST Travel Group Limited (continued)

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 6, 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; 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 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.

We have nothing to report in respect of these matters.

Use of our report

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

Andrew Wright

Andrew Wright BA FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Bristol, United Kingdom
28 February 2020

NST Travel Group Limited

Profit and Loss Account

For the 17 month period ended 31 August 2019

		17 month period ended 31 August 2019	Year ended 31 March 2018
	Note	£	£
Turnover	5	82,690,737	56,486,112
Cost of sales		(72,627,254)	(51,594,407)
Gross profit		10,063,483	4,891,705
Administrative expenses		(8,078,080)	(4,976,934)
Other operating income		7,992,811	5,079,807
Operating profit		9,978,214	4,994,578
Interest receivable and similar income	10	4,337	630
Interest payable and similar expenses	11	(124,967)	(96,129)
Profit before taxation		9,857,584	4,899,079
Tax on profit	12	(459,942)	(12,600)
Profit for the financial year attributable to owners of the Company		9,397,642	4,886,479

The accompanying notes form an integral part of these financial statements.

Turnover and operating profit are all derived from continuing operations.

The Company has no other comprehensive income or expense in either year other than those included in the results above, and therefore no separate statement of comprehensive income has been presented.

NST Travel Group Limited

Balance sheet

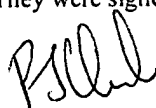
As at 31 August 2019

	Note	At 31 August 2019 £	At 31 March 2018 £
Fixed assets			
Intangible assets	13	2,357	8,083
Tangible assets	14	13,305	13,545
Investments	15	2,001	2,001
		<u>17,663</u>	<u>23,629</u>
Current assets			
Stocks	16	20,945	21,254
Debtors	17	77,086,271	65,368,669
Cash at bank and in hand		6,815,483	7,089,542
		<u>83,922,699</u>	<u>72,479,465</u>
Creditors: Amounts falling due within one year	18	<u>(67,785,157)</u>	<u>(63,513,731)</u>
Net current assets		<u>16,137,542</u>	<u>8,965,734</u>
Total assets less current liabilities		<u>16,155,205</u>	<u>8,989,363</u>
Creditors: Amounts falling due after more than one year	18	<u>(191,450)</u>	<u>(423,250)</u>
Net assets		<u>15,963,755</u>	<u>8,566,113</u>
Capital and reserves			
Called up share capital	20	150,000	150,000
Profit and loss account		15,813,755	8,416,113
		<u>15,963,755</u>	<u>8,566,113</u>

The accompanying notes form an integral part of these financial statements.

The financial statements of NST Travel Group Limited (registered number 02665024) were approved by the board of directors and authorised for issue on 28 February 2020.

They were signed on its behalf by:



P J Churchus
Director

NST Travel Group Limited

Statement of changes in equity For the 17 month period ended 31 August 2019

	Share capital £	Profit and loss account £	Total £
Balance at 1 April 2017	150,000	18,529,634	18,679,634
Total profit/comprehensive income for the financial year	-	4,886,479	4,886,479
Dividends paid (note 8)	-	(15,000,000)	(15,000,000)
Balance at 31 March 2018	<u>150,000</u>	<u>8,416,113</u>	<u>8,566,113</u>
Total profit/comprehensive income for the financial period	-	9,397,642	9,857,584
Dividends paid (note 8)	-	(2,000,000)	(2,000,000)
Balance at 31 August 2019	<u><u>150,000</u></u>	<u><u>15,813,755</u></u>	<u><u>15,963,755</u></u>

The accompanying notes form an integral part of these financial statements.

NST Travel Group Limited

Notes to the financial statements

For the period ended 31 August 2019

1. General information

NST Travel Group Limited (the Company) is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and registered in England. The address of the registered office is Discovery House, Brooklands Way, Whitehills Business Park, Blackpool, FY4 5LW. Registered number 02665024.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Company operates.

The nature of the Company's operations and its principal activities are set out in the strategic report.

The financial statements contain information about NST Travel Group Limited as an individual company and do not contain consolidated financial information as a parent of a group. As at 31 August 2019, the company was exempt under section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings were included by full consolidation in the publically available financial statements of its intermediate parent Aldgate Midco 2 Limited, a company incorporated in the United Kingdom.

2. Adoption of new and revised International Financial Reporting Standards

Amendments to IFRSs and the new Interpretation that are mandatorily effective for the current period

In the current year, the Company has applied the amendments to IFRSs and new Interpretations issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 April 2017. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Impact of initial application of IFRS 9 Financial Instruments

Background to IFRS 9

In the current period, the company has applied IFRS 9 Financial Instruments (as revised in July 2014) and the related consequential amendments to other IFRS Standards that are effective for an annual period that begins on or after 1 January 2018.

All recognised financial assets 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.

Specifically:

- Debt instruments that are held within a business model whose objective is to collect the contractual cash flows, and have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured subsequently at amortised cost;
- Debt instruments that are held within a business mode whose objective is both to collect the contractual cash flows and to sell the debt instruments, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured subsequently at fair value through other comprehensive income (FVTOCI);
- All other debt investments and equity investments are measured subsequently at fair value through profit and loss (FVTPL).

Despite the foregoing, the company may make the following irrevocable election/designation at initial recognition of a financial asset:

- The company may irrevocably elect to present subsequent changes in fair value of an equity investment that is not held for trading in other comprehensive income; and
- The company may irrevocably designate a debt investment that meets the amortised cost or FVTOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

Impacts of IFRS 9 Financial instruments on NST Travel Group Limited

The directors of the company reviewed and assessed the company's existing financial assets as at 31 August 2019 based on the facts and circumstances that existed at that date and concluded that the initial implication of IFRS 9 has had no impact on the company's financial assets as regards their classification and measurement.

NST Travel Group Limited

Notes to the financial statements (continued) For the 17 month period ended 31 August 2019

2. Amendments to IFRSs and the new Interpretation that are mandatorily effective for the current period (continued)

Impact of application of IFRS 15 Revenue from Contracts with Customers

In the current period, 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 2018. IFRS 15 introduced a 5-step approach to revenue recognition. More prescriptive guidance has been added in IFRS 15 to deal with specific scenarios.

The company's accounting policies for its revenue streams are disclosed in detail in further detail in 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.

Revenue recognition

The company recognises the revenue from the following major source:

- Income received in respect of the provision of activity holidays and educational tours

Sale of services

Turnover from the supply of services represents the value provided under contracts to the extent that there is a right to the consideration and is recorded at the value of the consideration due. Where a contract has only been partially completed at the balance sheet date turnover represents the value of the service provided to date based on a proportion of the total contract value. Where payments are received from customers in advance of services provided, the amounts are recorded as deferred income and included as part of creditors due within one year and over one year.

New and revised IFRSs in issue but not yet effective

At the date of authorisation of these financial statements, the Company has not applied the following new and revised IFRSs that have been issued but are not yet effective and in some cases had not yet been adopted by the EU:

Title	Subject
IFRS 16	Leases
IFRS 17	Insurance Contracts
Amendments to IAS 40	Transfers of investment property
IFRIC 22	Foreign currency transaction and advance consideration
IFRIC 23	Uncertainty over Income Tax Treatments
Clarifications to IFRS 15	Clarifications to IFRS 15 Revenue from Contracts with Customers
Amendments to IAS 7	Disclosure Initiative
Amendments to IAS 12	Recognition of Deferred Tax Assets for Unrealised Losses
Amendments to IAS 1	Disclosure Initiative
Amendments to IAS 19	Plan Amendment, Curtailment or Settlement
Amendments to IAS 28	Long-term Interests in Associates and Joint Ventures
Annual Improvements to IFRSs: 2014-2016 Cycle	Annual Improvements to IFRSs: 2014-2016 Cycle
Annual Improvements to IFRSs: 2015-2017 Cycle	Annual Improvements to IFRSs: 2015-2017 Cycle
Amendments to IFRS 2	Classification and Measurement of Share-based Payment Transactions
Amendments to IFRS 4	Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts
Amendments to IFRS 9	Prepayment Features with Negative Compensation
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

NST Travel Group Limited

Notes to the financial statements (continued) For the 17 month period ended 31 August 2019

2. Adoption of new and revised International Financial Reporting Standards (continued)

New and revised IFRSs in issue but not yet effective (continued)

IFRS 16 Leases

The adoption of IFRS 16 'Leases' from 1 January 2019 is expected to have an impact on both the company's balance sheet and income statement. For those leases where it is the lessee, the company will be required to recognise assets and liabilities in the balance sheet in the majority of cases, and the recognition of depreciation and finance costs is required in the profit and loss account. The company is undertaking a detailed assessment to determine the overall impact of IFRS 16 on its results and financial position, which will clearly depend upon the transition options selected and the specific circumstances at the date of adoption.

3. Significant accounting policies

Basis of accounting

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

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash-flow statement, standards not yet effective, impairment of assets and related party transactions. Where relevant, equivalent disclosures have been given in the group financial statements of HB Education Limited Limited.

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.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2, leasing transactions that are within the scope of IAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

The principal accounting policies adopted are set out below.

Going concern

The Company's business activities, together with the factors likely to affect its future development and position, are set out in the Strategic report.

The company is a subsidiary of Aldgate Education Topco Ltd, which manages its facilities and working capital across the Group.

The Directors of this company have sought and received an expression of the parent company's intention to provide such support as may be necessary for the foreseeable future. In relying on this support, the Directors have considered Aldgate Education Topco Ltd's ability to continue to provide this support through the borrowing facilities available to it and have concluded that the group has adequate resources to continue to operate for at least the next 12 months.

The Directors therefore have prepared the financial statements on a going concern basis.

NST Travel Group Limited

Notes to the financial statements (continued) For the 17 month period ended 31 August 2019

3. Significant accounting policies (continued)

Intangible assets

Intangible assets related to internally generated intangible assets for website and mobile application development expenditure. Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally-generated intangible asset arising from the Company's website and mobile application development (or from the development phase of an internal project) is recognised if, and only if, all of the following conditions have been demonstrated:

- the technical feasibility of completing the intangible assets so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible assets; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

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 the profit and 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. Amortisation is recognised on a straight-line basis over their estimated useful lives which is 33% straight-line. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets that are purchased in the normal course of business are initially recognised at cost. Subsequently to initial recognition purchased intangible assets are reported as cost less accumulated amortisation and accumulated impairment losses. Amortisation for purchased intangible assets is recognised on a straight-line basis over their estimated useful lives which is 33% straight-line.

De-recognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Tangible assets

Tangible fixed assets are stated at cost less accumulated depreciation and any recognised impairment loss.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives, using the straight-line method, on the following bases:

Computer and IT Equipment	25% straight line
Plant and machinery	10% straight line
Fixtures and fittings	25% straight line

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.

A tangible fixed asset is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or scrapping of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in income.

NST Travel Group Limited

Notes to the financial statements (continued) For the 17 month period ended 31 August 2019

3. Significant accounting policies (continued)

Investments

Investments in subsidiaries are accounted for at cost less, where appropriate, provisions for impairment.

Impairment of tangible and intangible assets

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.

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.

Financial instruments

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

All financial assets are recognised and derecognised on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Loans and receivables

Trade debtors, loans, and other debtors that have fixed or determinable payments that are not quoted in an active market are classified as "loans and receivables". Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

NST Travel Group Limited

Notes to the financial statements (continued) For the 17 month period ended 31 August 2019

3. Significant accounting policies (continued)

Financial instruments (continued)

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For financial assets carried at amortised cost, the amount of the impairment is the differences between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade debtors, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

De-recognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

Financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

NST Travel Group Limited

Notes to the financial statements (continued) For the 17 month period ended 31 August 2019

3. Significant accounting policies (continued)

Financial instruments (continued)

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

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. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

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.

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.

Foreign currencies

Transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the average rates of exchange prevailing during the month of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates 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.

Turnover recognition

Turnover represents amounts receivable for goods and services provided in the normal course of business, net of trade discounts, VAT and other sales related taxes. Revenue is recognised when the risks and rewards are transferred to the customer and this is considered by the directors to be the date of departure.

NST Travel Group Limited

Notes to the financial statements (continued) For the 17 month period ended 31 August 2019

3. Significant accounting policies (continued)

Financial instruments (continued)

Other operating income

Other operating income is measured at the fair value of the consideration received or receivable and represents the amounts receivable, excluding VAT and similar taxes, for the services provided to the *group companies*. Other operating income is recognised in the profit and loss account on the date when the service has been provided.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rentals payable under operating leases are charged to income on a straight-line basis over the term of the relevant lease except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability.

The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Retirement benefit costs

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

Stocks

Stock represents restaurant vouchers and attraction tickets held by the Company for resale. Stock is valued at the lower of cost and net realisable value, after making due allowances for slow moving and obsolete items.

4. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, the director is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The directors have considered and concluded that there are no critical accounting judgements or key sources of estimation uncertainty impacting the financial statements.

5. Turnover

	17 month period ended 31 August 2019 £	Year ended 31 March 2018 £
Continuing operations		
United Kingdom	77,387,522	51,720,007
Republic of Ireland	5,303,215	4,766,105
Total turnover	82,690,737	56,486,112

Presented above is the turnover analysed by geographical location (source market). Turnover is wholly attributable to the principal activity of the Company as noted in the strategic report.

NST Travel Group Limited

Notes to the financial statements (continued) For the 17 month period ended 31 August 2019

6. Profit for the financial year

Profit for the year has been arrived at after (crediting)/charging:

	17 month period ended 31 August 2019 £	Year ended 31 March 2018 £
Net foreign exchange gains	(4,043)	(315,031)
Depreciation of intangible assets	5,726	4,042
Depreciation of tangible fixed assets	5,082	2,938
Staff costs (see note 9)	6,176,807	4,112,689
Inventory Expenses	21,254	21,003
Operating lease costs:		
Land and Buildings	331,175	269,500
Plant and Equipment	13,175	9,430
	<u> </u>	<u> </u>

7. Auditor's remuneration

Fees payable to Deloitte LLP and their associates for the audit of the Company's annual financial statements were £25,800 (2018: £17,850).

Fees payable to Deloitte LLP and their associates for non-audit services to the Company are not required to be disclosed because the consolidated financial statements of the parent Company are required to disclose such fees on a consolidated basis.

8. Dividends

	17 month period ended 31 August 2019 Number	Year ended 31 March 2018 Number
Final dividend of £13.33 (2018: £100.00) per ordinary share	2,000,000	15,000,000
	<u> </u>	<u> </u>

NST Travel Group Limited

Notes to the financial statements (continued) For the 17 month period ended 31 August 2019

9. Staff costs

The average monthly number of employees was:

	17 month period ended 31 August 2019 Number	Year ended 31 March 2018 Number
Office and management	75	76
Sales and tour operators	81	77
	<u>156</u>	<u>153</u>

	17 month period ended 31 August 2019 £	Year ended 31 March 2018 £
Their aggregate remuneration comprised:		
Wages and salaries	5,390,257	3,579,367
Social security costs	454,430	314,791
Other pension costs	332,120	218,531
	<u>6,176,807</u>	<u>4,112,689</u>

Former directors N Bali, A Goenka and T W May were employed up until the point they resigned by Holidaybreak Limited and their remuneration is disclosed in the financial statements of Holidaybreak Limited.

P J Churchus, A G Sadler, A J Bracey, A C Clegg, N A Currie, J G Firth and S Craven were also directors of other Aldgate Education Midco 2 Limited group companies and were remunerated by these companies with no recharges made to European Study Tours Limited, as the directors do not receive any emoluments in respect of services to European Study Tours Limited.

10 Interest receivable and similar income

	17 month period ended 31 August 2019 £	Year ended 31 March 2018 £
Interest receivable:		
Bank deposits	4,337	630
Total interest receivable	<u>4,337</u>	<u>630</u>

NST Travel Group Limited

Notes to the financial statements (continued) For the 17 month period ended 31 August 2019

11. Interest payable and similar expenses

	17 month period ended 31 August 2019 £	Year ended 31 March 2018 £
Interest payable to group companies	124,785	95,224
Interest payable on late payments	182	905
Total interest payable	<u>124,967</u>	<u>96,129</u>

12. Tax

Corporation tax is calculated at 19% (2018: 19%) of the estimated taxable profit for the year.

Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

The tax charge for the year is lower (2018: lower) than the standard rate of corporation tax. The differences are explained below:

	17 month period ended 31 August 2019 £	Year ended 31 March 2018 £
Corporation tax:		
Current tax on profits for the year	<u>453,310</u>	<u>-</u>
		-
Deferred tax: (note 19)		
Current Year	15,993	16,923
Adjustments in respect of prior years	(7,677)	(2,542)
Effect of changes in tax rates	(1,684)	(1,781)
	<u>(459,942)</u>	<u>12,600</u>

Finance Act 2016, included provisions to reduce the rate of corporation tax to 19% with effect from 1 April 2017 and 17% from 1 April 2020. Accordingly, as this legislation was substantively enacted by 31 August 2019 deferred tax balances have been revalued to the lower rate of 17% in these financial statements. To the extent that the deferred tax reverses before 1 April 2020 then the impact on the net deferred tax asset will be reduced.

NST Travel Group Limited

Notes to the financial statements (continued) For the 17 month period ended 31 August 2019

12. Tax (continued)

	17 month period ended 31 August 2019 £	Year ended 31 March 2018 £
Profit before tax	9,857,584	4,899,079
Tax at the UK corporation tax rate of 19% (2018 -19%)	1,872,941	930,825
Adjustments in respect of prior years	(7,677)	(2,542)
Tax effect of expenses that are not deductible in determining taxable profit	208	114
Tax rate changes	(1,684)	(1,781)
Group relief claimed	(1,403,845)	(914,016)
Rounding's	(1)	-
Tax expense for the year	459,942	12,600

Group relief has been claimed from other group companies under Aldgate Education Midco 2 Limited.

13. Intangible assets

	Product Development £
Cost	
At 1 April 2018	12,125
At 31 August 2019	12,125
Amortisation	
At 1 April 2018	4,042
Charge for the year	5,726
At 31 August 2019	9,768
Net book value	
At 31 August 2019	2,357
At 31 March 2018	8,083

The amortisation period for product development costs incurred on the Company's travel app (Vámoos) is 3 years.

NST Travel Group Limited

Notes to the financial statements (continued) For the 17 month period ended 31 August 2019

14. Tangible assets

	Computer and IT equipment £	Plant and machinery £	Fixtures and fittings £	Total £
Cost				
At 1 April 2018	63,152	11,918	473,747	548,817
Additions	-	-	4,842	4,842
At 31 August 2019	63,152	11,918	478,589	553,659
Accumulated depreciation				
At 1 April 2018	63,152	3,470	468,650	535,272
Charge for the year	-	1,688	3,394	5,082
At 31 August 2019	63,152	5,158	472,044	540,354
Carrying amount				
At 31 August 2019	-	6,760	6,545	13,305
At 31 March 2018	-	8,448	5,097	13,545

15. Other investments

	At 31 August 2019 £	At 31 March 2018 £
Subsidiaries	2,001	2,001
Subsidiaries		
		£
Cost		
At 1 April 2018		162,001
At 31 August 2019		162,001
Provisions for impairment		
At 1 April 2018		160,000
At 31 August 2019		160,000
Carrying amount		
At 31 August 2019		2,001
At 31 March 2018		2,001

NST Travel Group Limited

Notes to the financial statements (continued) For the 17 month period ended 31 August 2019

15. Other investments (continued)

Fixed asset investments

Details of subsidiary undertakings at 31 August 2019 were:

Company and registered office	Country of registration or incorporation	Principal activity	Class	Proportion and class of shares held %
NST Transport Services Limited Discovery House, Brooklands Way Whitehills Business Park, Blackpool FY4 5LW	England	Transport	Ordinary	100

The company's voting rights in respect of its subsidiary undertaking is held in the same proportion as the company's share of the ordinary share capital of the subsidiary.

16. Stocks

	At 31 August 2019 £	At 31 March 2018 £
Finished Goods	20,945	21,254

There is no material difference between the balance sheet value of stocks and the replacement cost.

17. Debtors

	At 31 August 2019 £	At 31 March 2018 £
Amounts falling due within one year:		
Trade debtors	3,665,249	5,324,768
Amounts owed by group undertakings	73,011,457	59,166,192
Other debtors	4,458	129,584
Prepayments	376,882	706,745
Deferred taxation (note 19)	28,226	34,859
	<u>77,071,548</u>	<u>65,362,148</u>
	At 31 August 2019 £	At 31 March 2018 £
Amounts falling due after more than one year:		
Prepayments	14,723	6,521
	<u>14,723</u>	<u>6,521</u>

Amounts owed by Group undertakings are unsecured, interest free and have no fixed date of repayment (2018: same). The average credit period is 30 days (2018: 30 days).

Trade debtors disclosed above include amounts paid to suppliers in advance of departure and amounts owed by customers.

NST Travel Group Limited

Notes to the financial statements (continued) For the 17 month period ended 31 August 2019

18. Creditors

Amounts falling due within one year	At 31 August 2019 £	At 31 March 2018 £
Trade creditors	1,246,957	2,660,766
Amounts owed to group undertakings	50,918,243	43,429,799
Amounts owed to related parties	-	57,638
Accruals	437,327	510,845
Deferred income	12,387,283	15,478,075
Corporation Tax	453,310	-
Other creditors	26,687	23,624
Other taxation and social security	2,315,350	1,352,984
	<u>67,785,157</u>	<u>63,513,731</u>
	At 31 August 2019 £	At 31 March 2018 £
Amounts falling due after more than one year		
Deferred income	<u>191,450</u>	<u>423,250</u>

Amounts owed to Group undertakings are unsecured, bear no interest and have no fixed date of repayment (2018: same).

The amounts owed to related parties were in relation to transactions with Superbreak Mini Holidays Limited which was a company part owned by the previous ultimate parent company.

The deferred income arises as a result of bookings with a departure date after the financial year end. The turnover will be recognised at the date of departure.

19. Deferred tax

The following are the major deferred tax assets recognised by the Company and movements thereon during the current and prior reporting period.

	Retirement Benefits £	Fixed Assets £	Total £
At 31 March 2018	4,016	30,843	34,859
Charge to profit or loss	521	(7,154)	(6,633)
At 31 August 2019	<u>4,537</u>	<u>23,689</u>	<u>28,226</u>

Management has assessed, based on the latest forecasts that the Company is expected to generate sufficient profits in future periods to conclude that the deferred tax asset is recoverable.

NST Travel Group Limited

Notes to the financial statements (continued) For the 17 month period ended 31 August 2019

20. Share capital

	At 31 August 2019 £	At 31 March 2018 £
Authorised, issued and fully paid:		
142,500 'A' ordinary shares of £1 each	142,500	142,500
7,500 'B' ordinary shares of £1 each	7,500	7,500
	<u>150,000</u>	<u>150,000</u>

All shares rank equally in all respects.

21. Operating lease arrangements

The Company as lessee

	At 31 August 2019 £	At 31 March 2018 £
Lease payments under operating leases recognised as an expense in the year	<u>344,350</u>	<u>278,930</u>

At the balance sheet date, the Company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	At 31 August 2019 £	At 31 March 2018 £
Within one year	256,666	255,000
In the second to fifth years inclusive	1,004,000	913,000
After five years	3,062,500	-
	<u>4,323,166</u>	<u>1,168,000</u>

Operating lease payments represent rentals payable by the Company for the office property and vehicles.

22. Related party transactions

Transactions with Group undertakings

The Company has taken advantage of the reduced disclosure exemption available in FRS101 to disclose transactions entered into between the Company and other fully owned subsidiaries of Aldgate Education Midco 2 Limited.

Transactions with Related Parties

	Transactions 2019 £	Transactions 2018 £	Creditor 2019 £	Creditor 2018 £
Superbreak Mini Holidays Ltd – related party	<u>-</u>	<u>683,161</u>	<u>-</u>	<u>57,638</u>

Superbreak Mini Holidays Limited was a related party of the company as it was part owned by the previous ultimate parent undertaking.

Superbreak Mini Holidays Limited is no longer a related party and there are no amounts outstanding.

NST Travel Group Limited

Notes to the financial statements (continued) For the 17 month period ended 31 August 2019

23. Ultimate parent company

Prior to 1 January 2019

The ultimate parent undertaking and controlling party was Cox & Kings Limited, a company registered in India, which was the largest group to consolidate these financial statements. Copies of Cox & Kings Limited consolidated financial statements can be obtained from the Company Secretary at the company's registered office address which is 1st Floor, Turner Morrison Building, 16 Bank Street, Fort, Mumbai-400 001.

Since 14 January 2019

In the opinion of the directors, the company's ultimate parent company and ultimate controlling party is Aldgate Education Topco Limited, a company incorporated in Jersey.

The smallest group for which group financial statements have been drawn up is that headed by Aldgate Education Midco 2 Limited. The financial statements can be obtained from its registered address at Aldgate Education Midco 2 Limited, Alton Court, Penyard Lane, Ross-On-Wye, Herefordshire, HR9 5GL.

The immediate parent undertaking is HB Education Limited.