

CLASS TOURS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

CLASS TOURS LIMITED

COMPANY INFORMATION

Directors	N S English P M Bryant A G Larsen
Registered number	06537480
Registered office	6-7 Lovers Walk Brighton East Sussex BN1 6AH
Independent auditors	Xeinadin Audit Limited Chartered Accountants 8th Floor Becket House Old Jewry London EC2R 8DD
Accountants	Elman Wall Limited Chartered Accountants 8th Floor Becket House Old Jewry London EC2R 8DD

CLASS TOURS LIMITED

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CLASS TOURS LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 OCTOBER 2022

Introduction and business review

Due to the continued Covid-19 crisis in early 2022, travel by UK clients only resumed in mid February and at much lower volumes than in previous years. Trading volumes started to return to normal in the second half of the financial year.

Despite not being able to trade properly for the first half of the year, the business was still able to deliver £9.4m of turnover and gross margins of 24%, yielding a small profit for the year.

Principal risks and uncertainties

Economic environment

The economic outlook is uncertain, given the legacy of the pandemic, the cost of living crisis and the war in Ukraine. However, whilst the group is reliant on discretionary consumer spending to drive demand for its educational trips, economic downturns have historically resulted in smaller group sizes, rather than fewer trips and demand for our centres has traditionally been extremely resilient, thanks to their core client base being independent schools. Nevertheless, we remain focused on delivering high levels of customer service and exceptional value for money.

Competition

Competition in the educational travel market is historically intense and we mitigate this threat by focusing on the educational benefits of our trips, providing excellent customer service and competitive pricing.

Financial risk

The group's principal financial instruments are bank balances, trade and other creditors, trade debtors and other debtors. The main purpose of these financial instruments is to maintain funds for the company's operations.

Financing risk

The company is partly funded through loan notes. The Group has interest bearing liabilities on these loan notes, which attract interest at a fixed rate.

Exchange rate risk

The group faces transactional exposure primarily relating to the cost of acquiring accommodation and operating our centres. The main exposure to exchange rate fluctuations is in relation to the Euro/Sterling exchange rates. This risk is managed by entering into forward contracts, maintaining appropriate levels of currency reserves to match our forward booking profile and adjusting our pricing accordingly.

Cash flow risk

The directors have prepared a cash flow forecast for a 12-month period from the date of approval of the financial statements. The forecast assumes returning to prepandemic levels in 2023. The outcome of the downside scenario indicates that the group will continue to have adequate financial resources to meet their liabilities as they fall due for that period.

CLASS TOURS LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2022

Financial key performance indicators

The performance indicators are considered to be:

	Year to 31 October 2022		Year to 31 October 2021
Turnover	£9,420,736	£1,290,268	
Gross profit margin	24%		21.9%
Sales growth	629%	-77%	
Full regulatory compliance (ABTA & ATOL)	Yes		Yes

Customer satisfaction and employee retention are important non-financial key performance indicators, performance against which was considered satisfactory for the year.

Future developments

Trading for 2023 is significantly up on 2019, the last normal year of trading, as our core UK market returns and demand from French schools continues to grow.

Our customers continue to remain loyal and supportive of the business, with no reported adverse impact on customer goodwill following the pandemic.

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

.....
N S English

Director

Date: 3 March 2023

CLASS TOURS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 OCTOBER 2022

The directors present their report and the financial statements for the year ended 31 October 2022.

Directors' responsibilities statement

The directors are responsible for preparing the group strategic report, the directors' report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 the group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The profit for the year, after taxation, amounted to £540 (2021 - loss £1,347,026).

Directors

The directors who served during the year were:

N S English
P M Bryant
A G Larsen

Future developments

Refer to strategic report on page 1 and 2.

CLASS TOURS LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2022

Disclosure of information to auditors

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company and the group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company and the group's auditors are aware of that information.

Post balance sheet events

There have been no significant events affecting the group since the year end.

Auditors

On 18 March 2022, Elman Wall Limited transferred its audit business to Xeinadin Audit Limited, which was appointed auditors in succession and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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

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N S English
Director

Date: 3 March 2023

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CLASS TOURS LIMITED

Opinion

We have audited the financial statements of Class Tours Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 October 2022, which comprise the Group Statement of comprehensive income, the Group and Company Statements of financial position, the Group and Company Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 October 2022 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CLASS TOURS LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Group 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 Group strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CLASS TOURS LIMITED (CONTINUED)

Auditors' 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 Auditors' 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 Group financial statements.

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

- Enquiry of management and those charged with governance around actual and potential litigation and claims
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

CLASS TOURS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CLASS TOURS LIMITED (CONTINUED)

Use of our report

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

Yasin Khandwalla (Senior statutory auditor)

for and on behalf of

Xeinadin Audit Limited

Chartered Accountants

8th Floor

Becket House

Old Jewry

London

EC2R 8DD

3 March 2023

CLASS TOURS LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 OCTOBER 2022

	Note	2022 £	As restated 2021 £
Turnover	4	9,420,736	1,290,268
Cost of sales		(7,132,381)	(1,492,762)
Gross profit/(loss)		2,288,355	(202,494)
Administrative expenses		(2,260,169)	(2,570,780)
Other operating income	5	74,484	1,065,109
Operating profit/(loss)	6	102,670	(1,708,165)
Share of profit of associates		-	26,483
Total operating profit/(loss)		102,670	(1,681,682)
Other gains and losses		-	(144,228)
Interest receivable and similar income	10	131	239
Interest payable and similar expenses	11	(73,783)	(24,059)
Profit/(loss) before tax		29,018	(1,849,730)
Tax on profit/(loss)	12	(28,478)	502,704
Profit/(loss) for the financial year		540	(1,347,026)
Other comprehensive income for the year			
Total comprehensive income for the year		540	(1,347,026)
Profit for the year attributable to:			
Owners of the parent company		(540)	1,347,026
Total comprehensive income attributable to:		(540)	1,347,026

The notes on pages 17 to 43 form part of these financial statements.

CLASS TOURS LIMITED
REGISTERED NUMBER:06537480

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 OCTOBER 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	13	86,900	59,005
Tangible assets	14	2,238,254	2,388,166
Investments	15	-	46,901
		<u>2,325,154</u>	<u>2,494,072</u>
Current assets			
Stocks	16	13,650	23,898
Debtors: amounts falling due within one year	17	1,798,814	2,297,294
Cash at bank and in hand	18	2,431,539	1,083,014
		<u>4,244,003</u>	<u>3,404,206</u>
Creditors: amounts falling due within one year	19	(4,851,097)	(4,021,200)
Net current liabilities		<u>(607,094)</u>	<u>(616,994)</u>
Total assets less current liabilities		<u>1,718,060</u>	<u>1,877,078</u>
Creditors: amounts falling due after more than one year	20	(2,064,477)	(2,224,035)
Net liabilities		<u><u>(346,417)</u></u>	<u><u>(346,957)</u></u>
Capital and reserves			
Called up share capital	23	141,414	141,414
Share premium account	24	10,000	10,000
Revaluation reserve	24	322,201	322,201
Profit and loss account	24	(820,032)	(820,572)
		<u><u>(346,417)</u></u>	<u><u>(346,957)</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 3 March 2023.

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N S English

Director

The notes on pages 17 to 43 form part of these financial statements.

CLASS TOURS LIMITED
REGISTERED NUMBER:06537480

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 OCTOBER 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	13	86,900	59,005
Tangible assets	14	369,770	342,966
Investments	15	1,000	9,850
		<u>457,670</u>	<u>411,821</u>
Current assets			
Stocks		13,650	19,011
Debtors: amounts falling due within one year	17	2,669,985	4,033,996
Cash at bank and in hand	18	1,874,504	669,224
		<u>4,558,139</u>	<u>4,722,231</u>
Creditors: amounts falling due within one year	19	(3,714,539)	(3,854,141)
Net current assets		<u>843,600</u>	<u>868,090</u>
Total assets less current liabilities		<u>1,301,270</u>	<u>1,279,911</u>
Creditors: amounts falling due after more than one year	20	(1,700,000)	(1,700,000)
Net assets excluding pension asset		<u>(398,730)</u>	<u>(420,089)</u>
Net liabilities		<u>(398,730)</u>	<u>(420,089)</u>
Capital and reserves			
Called up share capital	23	141,414	141,414
Share premium account	24	10,000	10,000
Profit and loss account brought forward		(571,503)	119,564
Profit/(loss) for the year		21,359	(691,067)
Profit and loss account carried forward		(550,144)	(571,503)
		<u>(398,730)</u>	<u>(420,089)</u>

CLASS TOURS LIMITED
REGISTERED NUMBER:06537480

COMPANY STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 OCTOBER 2022

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes as it prepares group accounts. The company's results for the period was profit £21,359 (2021 - loss £691,067). The financial statements were approved and authorised for issue by the board and were signed on its behalf on 3 March 2023.

.....
N S English
Director

The notes on pages 17 to 43 form part of these financial statements.

CLASS TOURS LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 OCTOBER 2022

	Called up share capital £	Share premium account £	Revaluation reserve £	Profit and loss account £	Equity attributable to owners of parent Company £	Total equity £
At 1 November 2021	141,414	10,000	322,201	(820,572)	(346,957)	(346,957)
Comprehensive income for the year	-	-	-	540	540	540
Profit for the year						
Other comprehensive income for the year	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	540	540	540
Total transactions with owners	-	-	-	-	-	-
At 31 October 2022	141,414	10,000	322,201	(820,032)	(346,417)	(346,417)

The notes on pages 17 to 43 form part of these financial statements.

CLASS TOURS LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 OCTOBER 2021

	Called up share capital £	Share premium account £	Revaluation reserve £	Profit and loss account £	Equity attributable to owners of parent Company £	Total equity £
At 1 November 2020	141,414	10,000	322,201	526,454	1,000,069	1,000,069
Comprehensive income for the year	-	-	-	(1,347,026)	(1,347,026)	(1,347,026)
Loss for the year						
Other comprehensive income for the year	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(1,347,026)	(1,347,026)	(1,347,026)
Total transactions with owners	-	-	-	-	-	-
At 31 October 2021	141,414	10,000	322,201	(820,572)	(346,957)	(346,957)

The notes on pages 17 to 43 form part of these financial statements.

CLASS TOURS LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 OCTOBER 2022

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 November 2021	141,414	10,000	(571,503)	(420,089)
Comprehensive income for the year	-	-	21,359	21,359
Profit for the year				
	-	-	-	-
Other comprehensive income for the year				
	-	-	21,359	21,359
Total comprehensive income for the year				
	-	-	-	-
Total transactions with owners				
At 31 October 2022	141,414	10,000	(550,144)	(398,730)

The notes on pages 17 to 43 form part of these financial statements.

CLASS TOURS LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 OCTOBER 2021

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 November 2020	141,414	10,000	119,564	270,978
Comprehensive income for the year	-	-	(691,067)	(691,067)
Loss for the year				
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	(691,067)	(691,067)
Total transactions with owners	-	-	-	-
At 31 October 2021	141,414	10,000	(571,503)	(420,089)

The notes on pages 17 to 43 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

1. General information

Class Tours Limited ("the company") is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is 6-7 Lovers Walk, Brighton, England, BN1 6AH.

The group consists of Class Tours Limited and all of its subsidiaries.

The company's and the group's principal activities and nature of its operations are disclosed in the directors' report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the group's accounting policies (see note 3).

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

Reduced disclosure framework

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;

- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;

- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

2. Accounting policies (continued)

2.2 Basis of consolidation

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

The consolidated financial statements present the results of the company and its own subsidiaries ("the group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

2.3 Going concern

With all Covid travel restrictions now fully suspended, the group has returned to normal trading and expects to see results in line with pre-pandemic levels for FY23.

The group FY22 results exceeded original forecasts and current projections, based on budgets prepared by the directors for a period of 12 months from the balance sheet date, bode well for an even stronger performance in FY23.

In order to offer air inclusive package holidays, the company requires the annual renewal by the CAA of its ATOL license. The CAA grants this license on the basis of meeting agreed financial criteria and renews this in March (effective 1st April) each year. Due to the Covid-19 pandemic, the CAA are looking to obtain additional financial information to build a picture of the damage Covid-19 has inflicted on every ATOL Holder and steps taken by the group to reduce outgoings and raise finance. The company has complied with these requirements and the directors are expecting the ATOL licence to be renewed in March 2023.

Based on the above, the directors are confident that the group will have adequate resources to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and have prepared the financial statements on a going concern basis.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

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

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

2.5 Revenue

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the group and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Turnover is recognised at the fair value of the consideration received or receivable as a tour operator.

Revenue is recognised on the date of departure. Hotel revenue is recognised on the date the booking

becomes non-cancellable. Income from cancellations is recognised where the company is entitled to the revenue under the terms and conditions of the booking.

2.6 Operating leases: the group as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

2. Accounting policies (continued)

2.7 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.8 Government grants

Grants are accounted under the accruals model as permitted by FRS 102.

2.9 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.11 Pensions

Defined contribution pension plan

The group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the group pays fixed contributions into a separate entity. Once the contributions have been paid the group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the group in independently administered funds.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

2. Accounting policies (continued)

2.12 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company and the group operate and generate income.

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

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

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

2. Accounting policies (continued)

2.13 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the consolidated statement of comprehensive income over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Development expenditure is capitalised when there is a clearly defined project, the related expenditure is separately identifiable and the outcome of the project has been assessed with reasonable certainty as to its technical, commercial and financial feasibility. In the absence of such criteria, development costs are expensed. Development costs are amortised over their expected useful lives of five years from the project release date.

2.14 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on the following bases:.

Freehold Property	-	2%	on cost
Leasehold improvements	-	10%	on cost
Plant and machinery	-	25%	and 15% on reducing balance
Motor vehicles	-	25%	on reducing balance and 20% straight line
Fixtures and fittings	-	25%	on reducing balance
Computer equipment	-	25%	on cost

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

2. Accounting policies (continued)

2.15 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the reporting date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in other comprehensive income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

2.16 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.17 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted group shares, whose market value can be reliably determined, are remeasured to market value at each reporting date. Gains and losses on remeasurement are recognised in the consolidated statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in unlisted group shares, whose market value can be reliably determined, are remeasured to market value at each reporting date. Gains and losses on remeasurement are recognised in the Consolidated statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

2. Accounting policies (continued)

2.18 Associates and joint ventures

An entity is treated as a joint venture where the group is a party to a contractual agreement with one or more parties from outside the group to undertake an economic activity that is subject to joint control.

An entity is treated as an associated undertaking where the group exercises significant influence in that it has the power to participate in the operating and financial policy decisions.

In the consolidated accounts, interests in associated undertakings are accounted for using the equity method of accounting. Under this method an equity investment is initially recognised at the transaction price (including transaction costs) and is subsequently adjusted to reflect the investors share of the profit or loss, other comprehensive income and equity of the associate. The consolidated statement of comprehensive income includes the group's share of the operating results, interest, pre-tax results and attributable taxation of such undertakings applying accounting policies consistent with those of the group. In the consolidated statement of financial position, the interests in associated undertakings are shown as the group's share of the identifiable net assets, including any unamortised premium paid on acquisition.

Any premium on acquisition is dealt with in accordance with the goodwill policy.

2.19 Stocks

Stocks comprise brochures held for distribution at no or nominal consideration and are measured at the lower of replacement cost and cost adjusted where applicable for any loss of service potential.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.20 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.21 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.22 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.23 Financial instruments

The group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

2. Accounting policies (continued)

2.23 Financial instruments (continued)

third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the consolidated statement of comprehensive income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the consolidated statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the group would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

CLASS TOURS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2022

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future

periods.

Critical judgements

The following judgements have had the most significant effect on amounts recognised in the financial statements.

Valuation of property

The key accounting estimate in preparing these financial statements relates to the carrying value of the property which is stated at fair value. The company uses external valuers, at intervals, and also considers current market conditions as a basis for determining the directors' estimation of the fair value of the property. However, the valuation of the company's property is inherently subjective, as it is made on the basis of valuation assumptions which may in future not prove to be accurate.

In addition, the deferred tax liabilities recognised in respect of the fair value gains on the property are assessed on the basis of assumptions regarding the future, the likelihood that assets will be realised and liabilities will be settled, and estimates as to the timing of those future events and as to the future tax rates that will be applicable.

Goodwill

Management consider that there are no indicators of impairment based on the preparation of a discounted cashflow model which relies on the assumptions noted in the going concern accounting policy. Therefore no impairment losses are required to be recognised against the value of the group's goodwill at the reporting date.

4. Turnover

An analysis of turnover by class of business is as follows:

	2022 £	2021 £
Licensable turnover	1,137,599	1,009,763
Other non-licensable turnover	6,746,394	906
Unbonded Class Tours France	1,536,743	279,599
	<u>9,420,736</u>	<u>1,290,268</u>

All turnover arose within the United Kingdom and France.

CLASS TOURS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

5. Other operating income

	2022	2021
	£	£
Net rents receivable	31,161	36,579
Government grants receivable	-	993,371
Sundry income	20,422	35,159
Profit on disposal of tangible assets	22,901	-
	<u>74,484</u>	<u>1,065,109</u>

6. Operating profit/(loss)

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

	2022	2021
	£	£
Exchange differences	15,130	12,937
Other operating lease rentals	161,863	114,114
Amortisation of intangible assets	28,933	48,399
Depreciation on assets held under finance lease	<u>95,191</u>	<u>116,462</u>

7. Auditors' remuneration

During the year, the Group obtained the following services from the Company's auditors:

	2022	2021
	£	£
Fees payable to the Company's auditors for the audit of the consolidated and parent Company's financial statements	30,000	30,000

CLASS TOURS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

8. Employees

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

	Group 2022 £	<i>Group 2021 £</i>	Company 2022 £	<i>Company 2021 £</i>
Wages and salaries	2,181,515	1,686,817	1,327,464	1,162,261
Social security costs	218,274	172,608	158,465	137,103
Cost of defined contribution scheme	32,382	28,711	22,633	22,750
	<u>2,432,171</u>	<u>1,888,136</u>	<u>1,508,562</u>	<u>1,322,114</u>

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

	Group 2022 No.	<i>Group 2021 No.</i>	Company 2022 No.	<i>Company 2021 No.</i>
Directors	3	3	3	3
UK Sales and administration	60	74	24	37
France operations	38	30	37	25
	<u>101</u>	<u>107</u>	<u>64</u>	<u>65</u>

9. Directors' remuneration

	2022 £	<i>2021 £</i>
Directors' emoluments	78,970	101,095
Group contributions to defined contribution pension schemes	3,962	4,166
	<u>82,932</u>	<u>105,261</u>

During the year retirement benefits were accruing to 1 directors (2021 - NIL) in respect of defined contribution pension schemes.

CLASS TOURS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

10. Interest receivable

	2022 £	2021 £
Bank interest	131	239
	<u>131</u>	<u>239</u>

11. Interest payable and similar expenses

	2022 £	2021 £
Bank and loan interest payable	58,894	3,040
Finance leases and hire purchase contracts	14,889	21,019
	<u>73,783</u>	<u>24,059</u>

12. Taxation

	2022 £	2021 £
Corporation tax		
Adjustments in respect of previous periods	6,081	(123,967)
	<u>6,081</u>	<u>(123,967)</u>
Total current tax	<u>6,081</u>	<u>(123,967)</u>
Deferred tax		
Origination and reversal of timing differences	22,397	(378,737)
	<u>22,397</u>	<u>(378,737)</u>
Total deferred tax	<u>22,397</u>	<u>(378,737)</u>
Taxation on profit/(loss) on ordinary activities	<u>28,478</u>	<u>(502,704)</u>

CLASS TOURS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

12. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2021 - the same as) the standard rate of corporation tax in the UK of 19% (2021 - 19%) as set out below:

	2022 £	2021 £
Profit/(loss) on ordinary activities before tax	<u>29,018</u>	<u>(1,849,730)</u>
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	5,513	(351,449)
Effects of:		
Tax effect of expenses that are not deductible in determining taxable profit	4,368	62,248
Change in unrecognised deferred tax assets	(108)	11,448
Adjustments to tax charge in respect of prior periods	6,081	(123,967)
Depreciation on assets not qualifying for tax allowances	18,449	10,391
Remeasurement of deferred tax for change in tax rates	5,375	(111,413)
Other permanent difference	11	38
Chargeable gains/(losses)	<u>(11,211)</u>	<u>-</u>
Total tax charge for the year	<u>28,478</u>	<u>(502,704)</u>

Factors that may affect future tax charges

The group has approximately £2,183,904 (2021: £2,332,969) of tax losses available to be carried forward against future profits. Deferred tax assets on these losses have been recognised in the financial statements.

CLASS TOURS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

13. Intangible assets

Group

	Development expenditure £	Goodwill £	Total £
Cost			
At 1 November 2021	339,337	88,523	427,860
Additions	56,828	-	56,828
At 31 October 2022	396,165	88,523	484,688
Amortisation			
At 1 November 2021	280,333	88,522	368,855
Charge for the year on owned assets	28,933	-	28,933
At 31 October 2022	309,266	88,522	397,788
Net book value			
At 31 October 2022	86,899	1	86,900
<i>At 31 October 2021</i>	<i>59,004</i>	<i>1</i>	<i>59,005</i>

CLASS TOURS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

13. Intangible assets (continued)

Company

	Development expenditure £	Goodwill £	Total £
Cost			
At 1 November 2021	339,337	35,001	374,338
Additions	56,828	-	56,828
At 31 October 2022	396,165	35,001	431,166
Amortisation			
At 1 November 2021	280,333	35,000	315,333
Charge for the year	28,933	-	28,933
At 31 October 2022	309,266	35,000	344,266
Net book value			
At 31 October 2022	86,899	1	86,900
<i>At 31 October 2021</i>	<i>59,004</i>	<i>1</i>	<i>59,005</i>

CLASS TOURS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

14. Tangible fixed assets

Group

	Freehold property £	Leasehold improvements £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation							
At 1 November 2021	1,547,387	537,440	560,012	1,934,142	114,271	167,917	4,861,169
Additions	-	108,797	15,605	687	34,041	14,494	173,624
Disposals	-	-	-	(121,250)	-	-	(121,250)
Exchange adjustments	-	8,687	(18,234)	8,440	3,968	(52,001)	(49,140)
	1,547,387	654,924	557,383	1,822,019	152,280	130,410	4,864,403
At 31 October 2022							
Depreciation							
At 1 November 2021	190,484	514,542	438,990	1,069,722	102,893	156,372	2,473,003
Charge for the year on owned assets	25,738	72,595	30,978	60,091	6,787	14,024	210,213
Charge for the year on financed assets	-	-	-	95,191	-	-	95,191
Disposals	-	-	-	(96,152)	-	-	(96,152)
Exchange adjustments	-	5,834	(19,338)	8,411	3,966	(54,979)	(56,106)
	216,222	592,971	450,630	1,137,263	113,646	115,417	2,626,149
At 31 October 2022							
Net book value							
	1,331,165	61,953	106,753	684,756	38,634	14,993	2,238,254

CLASS TOURS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

14. Tangible fixed assets (continued)

The freehold property was revalued in February 2017 by Cocatrix Immobilier, an independent valuer. The directors believe that no further valuation is required of the property as at 31 October 2022.

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2022 £
Motor vehicles	452,981
	<u>452,981</u>

Cost or valuation at 31 October 2022 is as follows:

	Freehold Property and leasehold improvements £
At cost	1,852,726
At valuation: 2017	<u>349,585</u>
	<u>2,202,311</u>

If the Freehold Property had not been included at valuation they would have been included under the historical cost convention as follows:

	2022 £
Group	
Cost	1,852,726
Accumulated depreciation	(767,243)
Net book value	<u>1,085,483</u>

CLASS TOURS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

14. Tangible fixed assets (continued)

Company

	Leasehold improvements	Plant and machinery	Motor vehicles	Fixtures and fittings	Computer equipment	Total
	£	£	£	£	£	£
Cost or valuation						
At 1 November 2021	785,728	482,291	47,508	101,705	155,548	1,572,780
Additions	71,727	15,605	687	34,041	12,850	134,910
Exchange adjustments	8,687	(18,234)	8,440	3,968	(52,001)	(49,140)
	866,142	479,662	56,635	139,714	116,397	1,658,550
At 31 October 2022						
Depreciation						
At 1 November 2021	554,536	392,377	41,595	95,149	146,157	1,229,814
Charge for the year on owned assets	71,373	23,990	2,436	5,714	11,559	115,072
Exchange adjustments	5,834	(19,338)	8,411	3,966	(54,979)	(56,106)
	631,743	397,029	52,442	104,829	102,737	1,288,780
At 31 October 2022						
Net book value						
At 31 October 2022	234,399	82,633	4,193	34,885	13,660	369,770

CLASS TOURS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

14. Tangible fixed assets (continued)

Cost or valuation at 31 October 2022 is as follows:

	Leasehold improvements £
At cost	866,142
At valuation:	
Not revalued	-
	<u>866,142</u>

CLASS TOURS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

15. Fixed asset investments

Group

	Investments in associates £
At 1 November 2021	46,901
Amounts written off	(46,901)
At 31 October 2022	-

Company

	Investments in subsidiary companies £	Investments in associates £	Total £
Cost or valuation			
At 1 November 2021	1,000	8,850	9,850
Amounts written off	-	(8,850)	(8,850)
At 31 October 2022	1,000	-	1,000

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Castaway School Travel Limited*	6-7 Lovers Walk, Brighton, East Sussex England BN1 6AH	Ordinary	100 %
Poole Bay Travel Limited*	as above	Ordinary	100 %
The Travel Adventure Limited*	as above	Ordinary	100 %
SARL Central Windsurf	France	Ordinary	49.60 %

All companies above denoted with a * are exempt from audit by virtue of Section 479A of the Companies Act 2006. In accordance with Section 479C of the Companies Act 2006, Class Tours Limited has provided guarantees over the liabilities of these subsidiaries.

CLASS TOURS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

16. Stocks

	2022 £	2021 £
Finished goods and goods for resale	13,650	23,898
	<u>13,650</u>	<u>23,898</u>

17. Debtors

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Trade debtors	140,363	110,115	1,014	35,982
Amounts owed by group undertakings	-	552,058	1,768,413	3,097,195
Other debtors	299,988	543,744	66,041	168,458
Prepayments and accrued income	992,628	630,065	675,565	459,869
Tax recoverable	9,495	82,575	9,495	82,575
Deferred taxation	356,340	378,737	149,457	189,917
	<u>1,798,814</u>	<u>2,297,294</u>	<u>2,669,985</u>	<u>4,033,996</u>

18. Cash and cash equivalents

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Cash at bank and in hand	2,431,539	1,083,014	1,874,504	669,224
	<u>2,431,539</u>	<u>1,083,014</u>	<u>1,874,504</u>	<u>669,224</u>

Cash and cash equivalents comprise amounts held in Escrow totalling £565,940. Amounts held in Escrow are segregated monies received and held in a separate CAA Approved Escrow account. These amounts are held as a financial guarantee for the company's travel licenses and for the protection of monies collected from passengers.

CLASS TOURS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

19. Creditors: Amounts falling due within one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Bank loans	333,333	150,000	333,333	150,000
Payments received on account	2,605,895	1,928,257	2,078,323	1,228,003
Trade creditors	625,934	138,445	454,747	106,255
Amounts owed to group undertakings	169,632	858,312	72,523	1,585,241
Other taxation and social security	137,497	354,431	114,907	315,455
Obligations under finance lease and hire purchase contracts	84,217	92,265	-	-
Other creditors	259,194	230,081	108,413	206,068
Accruals and deferred income	593,201	269,409	510,099	263,119
Financial instruments	42,194	-	42,194	-
	<u>4,851,097</u>	<u>4,021,200</u>	<u>3,714,539</u>	<u>3,854,141</u>

20. Creditors: Amounts falling due after more than one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Bank loans	1,000,000	1,350,000	1,000,000	1,350,000
Net obligations under finance leases and hire purchase contracts	364,477	524,035	-	-
Amounts owed to group undertakings	700,000	350,000	700,000	350,000
	<u>2,064,477</u>	<u>2,224,035</u>	<u>1,700,000</u>	<u>1,700,000</u>

Amounts due under finance leases are secured on the assets financed.

At the balance sheet date £350,000 shown in Amounts due to group undertakings was formally subordinated to the Civil Aviation Authority (CAA) and cannot be withdrawn without the CAA's prior written consent.

The bank loan is secured by a fixed and floating charge over all the property of the company and a guarantee and debentures from the company's subsidiaries.

The bank loan is repayable over equal monthly instalments commencing in May 2022, and interest is charged at 2.88% above base rate, paid quarterly.

CLASS TOURS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022**

21. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	Group 2022 £	<i>Group 2021 £</i>
Within one year	95,374	179,071
Between 1-5 years	390,212	298,170
Over 5 years	-	187,415
Less future finance charges	(36,892)	(48,357)
	<u>448,694</u>	<u>616,299</u>

Finance lease payments represent rentals payable by the company or group for certain items of plant and machinery.

Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets.

The average lease term is 5 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

22. Deferred taxation

Group

	2022 £
At beginning of year	378,737
Charged to profit or loss	(18,655)
Utilised in year	(3,742)
At end of year	<u>356,340</u>

CLASS TOURS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

22. Deferred taxation (continued)

Company

	2022 £
At beginning of year	189,917
Utilised in year	(40,460)
At end of year	149,457

The deferred tax asset is made up as follows:

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Accelerated capital allowances	(173,799)	(190,173)	(6,255)	7,896
Tax losses carried forward	572,195	625,148	155,288	180,910
Short term timing difference	700	1,270	424	1,111
Capital loss	(42,756)	(57,508)	-	-
	<u>356,340</u>	<u>378,737</u>	<u>149,457</u>	<u>189,917</u>

23. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
141,414 (2021 - 141,414) Ordinary shares of £1.00 each	<u>141,414</u>	<u>141,414</u>

The company's ordinary shares carry full voting, dividend and capital distribution rights (including on winding up) and do not confer any rights of redemption.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2022

24. Reserves

Share premium account

Consideration received for shares issued above their nominal value net of transaction costs.

Revaluation reserve

The revaluation reserve represents the carrying value of revalued assets over and above the original cost.

Profit and loss account

Profit and loss reserves represent the cumulative profit and loss of the company, net of distributions to owners.

25. Restatement of Comparatives

During the year the company reclassified some costs in the profit and loss account. This had no impact of retained reserves.

26. Contingent liabilities

The Company currently holds an Air Travel Organiser's License (ATOL) issued by the Civil Aviation Authority (CAA) and is a member of the Association of British Travel Agents Limited (ABTA).

As at 31 October 2022, there were contingent liabilities given by the Company in the normal course of business in respect of ABTA bonds, amounting to £1,271,462.

27. Pension commitments

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £32,382 (2021 : £28,711).

28. Commitments under operating leases

At 31 October 2022 the group and the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Not later than 1 year	268,463	201,603	157,410	151,353
Later than 1 year and not later than 5 years	1,039,902	795,457	656,789	628,457
Later than 5 years	541,467	496,524	372,254	496,524
	<u>1,849,832</u>	<u>1,493,584</u>	<u>1,186,453</u>	<u>1,276,334</u>

CLASS TOURS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2022

29. Cash flow hedging

The Company enters into forward foreign currency contracts to mitigate the exchange rate risk for certain foreign currency payables. At 31 October 2022, the outstanding contracts all mature within 3 months of the year end. The Company is committed to buy Euro 1,550,000 and pay a fixed sterling amount £1,372,570.

30. Related party transactions

During the year the group entered into the following transactions with related parties:

	2022 £	2021 £
Other related parties	8,773	1,407
	<u>8,773</u>	<u>1,407</u>

31. Post balance sheet events

The directors have concluded that no material events have occurred since the date of approval of these financial statements that would affect the financial statements of the Company.

32. Controlling party

Voyager Bidco Limited is the immediate parent company by virtue of its ownership of 100% of the share capital of Class Tours Limited.

Voyager Topco Limited, a company incorporated in the United Kingdom, is the parent of the largest group for which consolidated accounts including Class Tours Limited are prepared. Copies of the consolidated accounts of Voyager Topco Limited can be obtained from its registered office, 6-7 Lovers Walk, Brighton, East Sussex, BN1 6AH.

The ultimate parent undertaking of Class Tours Limited is RJD Private Equity Fund III LP.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.