

**Gold Medal Transport Limited**  
**Annual report for the year ended**  
**31 March 2021**

Registered number 09243393



# Gold Medal Transport Limited

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# **Gold Medal Transport Limited**

## **Officers and professional advisors**

### **Directors**

J Bevan

A Morris

### **Registered office**

Lancaster House

Centurion Way

Leyland

PR26 6TX

### **Independent auditors**

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

1 Hardman Square

Manchester

M3 3EB

# **Gold Medal Transport Limited**

## **Strategic report for the year ended 31 March 2021**

The directors present an annual report on the affairs of Gold Medal Transport Limited ('the Company'), together with the audited financial statements and auditors' report.

### **Business review and principal activities**

Gold Medal Transport Limited ('the Company'), registered in England and Wales, is a private company limited by shares. The Company is a wholly owned subsidiary of Gold Medal Travel Group Limited, whose ultimate parent company is the Investment Corporation of Dubai ('the Group').

The principal activity of the Company is the procurement of air transportation for the tour operating activity of sister companies Gold Medal Travel Group Limited and Airline Network Limited. Through purchasing and reselling flights to these companies, they are able to reduce the Tour Operator Margin Scheme (TOMS) tax liability as flights are zero rated. The Company charges a margin to its sister companies, however then is liable for management charges equal to the margin's charged.

The results for the Company show an operating result of £nil (2020: £nil) and revenue of £3.7m (2020: £104.5m). The Company has net assets of £0.03m (2020: £0.03m).

### **Business environment**

There are two distinct segments in the UK leisure and travel market; direct suppliers and travel intermediaries. Direct suppliers are the airlines, hotels and cruise companies that sell directly to the customer. The Company operates in the travel intermediary segment, made up of travel agents and tour operators.

The business environment is and will continue to be dominated by the repercussions of Covid-19 for the foreseeable future. Once the initial pandemic is contained, and travel starts up again, the market is likely to contract significantly in the short to medium term, with forecasts currently showing a full recovery to 2019 levels being unachievable until 2023 and beyond.

Management have therefore put in place a substantially reduced organisational group structure affecting the Company's sister entities, to support a commercially lean operating model. The long term strategy will always remain focusing on the customer and delivering memorable travel experiences in order to maximise sales through the brand's loyal customer base when the market recovers.

# Gold Medal Transport Limited

## Strategic report for the year ended 31 March 2021

### Strategy and future outlook

Our principal objective of the business is to support its intermediary companies focusing on the following key drivers

- Absolute focus on cash flow to ensure the Company emerges stronger from the pandemic
- Rightsizing the organisation in light of a Covid-19 related contraction in the industry, maintaining a best in class sustainable cost base through focus on cost control
- Putting the customer at the heart of all decisions (eg. refunds, amendments)
- Robust product innovation and selection
- Operational and administrative cost control to drive bottom line growth
- Customer service transformation
- Data driven decision making

The above drivers will assist in delivering improved market share, product development and efficiencies to deliver improvements in overall profitability.

### Principal risks and uncertainties

The Directors have identified a number of risks and uncertainties that could potentially damage the current business model and future growth opportunities of the Company and other group entities. They are listed below with their respective mitigation strategies.

<i>Risk / Uncertainty</i>	<i>Mitigation</i>
General contraction in demand and customer confidence due to the Covid-19 pandemic	Conserve its cash position to maintain liquidity, drawing down lines of credit from its parent company to navigate the short and medium term disruption from Covid-19.
Prolonged downturn in the UK economy following Britain's exit from the EU leading to a reduction in demand for the Company's products and services	Rightsize the business including all support functions to ensure that costs are optimised in the medium and long term
Any significant damage to the UK group's reputation or brands, including but not limited to experiences in delayed refunds within the travel industry as a whole	Ensure it operates fairly and equitably to both its customers and suppliers. Process Covid-19 related refunds in a timely manner.
Pace of technological advancement brings new entrants into the market with state of the art technology further enhancing the online travel agent customer offering	Ensure it delivers competitively-priced products to the market through its brand and is at the forefront of adopting developments in selling and fulfilment technology
Disruption to information technology systems or infrastructure, premises or business processes	

# Gold Medal Transport Limited

## Strategic report for the year ended 31 March 2021 *(continued)*

### Principal risks and uncertainties *(continued)*

<i>Risk / Uncertainty</i>	<i>Mitigation</i>
Loss of, or difficulty in, replacing senior talent	Maintain its people and culture programme including succession planning, professional development and robust recruitment process
Natural catastrophe including closure of airspace or another global pandemic	Continually monitor destinations that are sold and where necessary, take advice from both regulators and the government in regard to risk assessment
Political unrest or terrorism in different areas of the world	
Performance failure by outsourced partners and third party suppliers	Continually monitor financial health of key suppliers
Changes to the current regulatory environment	Keep abreast of government and regulatory mandates, plan appropriately
Environmental risks and regulations	

### Key performance indicators ("KPIs")

Given the straightforward nature of the business, the Company's directors are of the opinion that an analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

Approved by the Board on 20 August 2021 and signed on its behalf by:



A Morris  
Director

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# **Gold Medal Transport Limited**

## **Directors' report for the year ended 31 March 2021**

The directors present their Directors' Report on the affairs of the Company, together with the audited financial statements and auditors' report.

### **Directors**

The directors of the Company who were in office during the year and up to the date of signing the financial statements were as follows:

J Bevan

A Morris

### **Directors' indemnities**

During the year and up to the date of approving the financial statements, the Directors had a qualifying third party indemnity provision in place.

### **Dividends**

No dividends were declared or paid in the year ended 31 March 2021 (2020: £nil). None have been declared or paid after 31 March 2021 up to the date of signing.

### **Donations**

During the year the Company made £nil charitable or political donations (2020 £nil).

### **Post Balance Sheet event**

There have been no material post Balance Sheet events after 31 March 2021.

### **Going concern**

The net assets of the Company were £0.03m as at 31 March 2021 (2020: £0.03m). Due to the nature of the company, whereby it supports sister companies in the procurement of procurement of air transportation, the directors have considered the going concern assessment of the company alongside that of its sister companies. The company and its sister companies meets its day-to-day working capital requirements through its cash reserves and intercompany borrowings. The current economic conditions continue to create uncertainty particularly over the level of demand for products across the group.

A letter of support has been obtained from dnata, intermediate parent company, who have confirmed they will continue to support the company and its subsidiaries and provide any further intercompany financing, if required, for a period of at least 12 months from the date of approval of the financial statements. After making enquiries, the directors have a reasonable expectation that the company and its subsidiaries has adequate resources to continue in operational existence for a period of 12 months from the date of approving these financial statements. The company therefore, continues to adopt the going concern basis in preparing its financial statements.

# **Gold Medal Transport Limited**

## **Directors' report for the year ended 31 March 2021** *(continued)*

### **Required disclosures incorporated elsewhere in these financial statements**

Required disclosures in relation to the Company's principal activity, business performance and results, key performance indicators, principal risks and uncertainties and future outlook have been included within the strategic report on pages 2, 3 and 4 and are incorporated into the Directors' report through cross reference.

### **Statement of directors' responsibilities in respect of the financial statements**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are 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 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.

### **Statement of disclosure of information to auditors**

In accordance with Section 418 of the Companies Act 2006, in the case of each director in office at the date the Directors' Report is approved, the following applies:

(a) so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and

(b) each director has taken all the steps that he/she ought to have taken as director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.



## Gold Medal Transport Limited

### Directors' report for the year ended 31 March 2021 *(continued)*

#### Independent auditors

PricewaterhouseCoopers LLP were appointed in the year as auditors for the Company and have expressed their willingness to be re-appointed. A resolution will be proposed at the next Annual General Meeting to re-appoint PricewaterhouseCoopers LLP as the auditors of the Company.

Approved by the Board on 20 August 2021 and signed on its behalf by:



A Morris  
Director

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# **Gold Medal Transport Limited**

## **Independent auditors' report to the members of Gold Medal Transport Limited**

### **Report on the audit of the financial statements**

#### **Opinion**

In our opinion, Gold Medal Transport Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2021 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the balance sheet as at 31 March 2021; the income statement and the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Independence**

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

#### **Conclusions relating to going concern**

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

## **Gold Medal Transport Limited**

# **Independent auditors' report to the members of Gold Medal Transport Limited (*continued*)**

### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

### **Strategic report and Directors' report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 March 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

# Gold Medal Transport Limited

## Independent auditors' report to the members of Gold Medal Transport Limited (*continued*)

### Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

### 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 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.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to UK tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to manipulation of the financial statements through fictitious journal postings and management bias within accounting estimates. Audit procedures performed by the engagement team included:

- Obtained an understanding of the legal and regulatory framework applicable to the Company and how the Company is complying with that framework;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Identifying and testing journal entries, in particular all journal entries posted with combinations to revenue; and
- Challenging assumptions and judgements made by management in their significant accounting estimates.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

## Gold Medal Transport Limited

# Independent auditors' report to the members of Gold Medal Transport Limited (*continued*)

### Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## Other required reporting

### Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Kate Finn (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Manchester  
20 August 2021

## Gold Medal Transport Limited

### Income statement for the year ended 31 March 2021

	Note	Year ended 31 March 2021 £'000	Year ended 31 March 2020 £'000
Revenue	3	3,746	104,501
Cost of sales		(1,851)	(76,948)
<b>Gross profit</b>		<b>1,895</b>	<b>27,553</b>
Administrative expenses		(1,895)	(27,553)
<b>Operating result</b>	4	-	-
Tax on profit or loss	5	-	-
Result for the financial year		-	-

There was no other comprehensive income or expense during the year other than the results shown above, and therefore no separate Statement of Comprehensive Income has been presented.

The notes on pages 15-22 are an integral part of these financial statements.

# Gold Medal Transport Limited

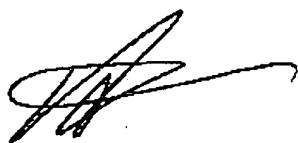
## Balance sheet as at 31 March 2021

	Note	31 March 2021 £'000	31 March 2020 £'000
<b>Current assets</b>			
Trade and other receivables	6	1,610	1,259
		<u>1,610</u>	<u>1,259</u>
<b>Creditors</b>			
Creditors: amounts falling due within one year	7	(1,580)	(1,229)
		<u>(1,580)</u>	<u>(1,229)</u>
<b>Net assets</b>		<u>30</u>	<u>30</u>
<b>Capital and reserves</b>			
Called up share capital	8	30	30
Retained earnings		-	-
<b>Total shareholders' funds</b>		<u>30</u>	<u>30</u>

The notes on pages 15-22 form part of these financial statements.

The financial statements on pages 12-22 were approved by the board of directors and approved for issue on 20 August 2021

Approved on behalf of the board



A Morris  
Director

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## Gold Medal Transport Limited

### Statement of changes in equity for the year ended 31 March 2021

	Called up share capital £'000	Retained earnings £'000	Total shareholders' funds £'000
As at 1 April 2019	30	-	30
Result for the year	-	-	-
As at 31 March 2020 and 1 April 2020	30	-	30
Result for the year	-	-	-
As at 31 March 2021	30	-	30

The notes on pages 15-22 are an integral part of these financial statements.



# **Gold Medal Transport Limited**

## **Notes to the financial statements for the year ended 31 March 2021**

### **1. General information**

The Company is a limited company incorporated and domiciled in United Kingdom under the Companies Act 2006. The address of its registered office is Lancaster House, Centurion Way, Leyland, PR26 6TX. The nature of the Company's operations and its principal activities are set out in the Strategic Report.

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

The Company is a wholly-owned subsidiary of dnata an intermediary company of the Investment Corporation of Dubai which is incorporated in The United Arab Emirates. The Investment Corporation of Dubai is the ultimate parent company and ultimate controlling party of the company. dnata is the parent undertaking of the largest and smallest group of undertakings to consolidate these financial statements. The consolidated financial statements of dnata are publicly available.

### **2. Significant accounting policies**

#### **Basis of preparation**

These financial statements were prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101).

The financial statements were prepared under the historical cost convention, and in accordance with the Companies Act 2006. Accounting policies have been applied consistently across all the years presented, unless otherwise stated.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. However management believe that there are no critical judgements in preparing these financial statements, nor key sources of estimation and uncertainty in preparing these financial statements.

#### **Summary of disclosure exemptions**

The following exemptions from requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- IFRS 7, 'Financial Instruments: Disclosures'
- Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement'
- Paragraph 38 of IAS 1, 'Presentation of financial statements' comparative information requirements in respect of:
  - (i) paragraph 79(a)(iv) of IAS1;
  - (ii) paragraph 73(e) of IAS 16 Property, plant and equipment;
  - (iii) paragraph 118(e) of IAS 38 Intangible assets (reconciliations between the carrying amount at the beginning and end of the year)

# Gold Medal Transport Limited

## 2. Summary of significant accounting policies and key accounting estimates *(continued)*

### Summary of disclosure exemptions *(continued)*

- The following paragraphs of IAS 1, 'Presentation of financial statements':
  - (i) 10(d), (statement of cash flows)
  - (ii) 10(f) (a statement of financial position as at the beginning of the preceding period when an entity applied an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassified items in its financial statements),
  - (iii) 16 (statement of compliance with all IFRS),
  - (iv) 38A (requirement for minimum of two primary statements, including cash flow statements),
  - (v) 38B-D (additional comparative information),
  - (vi) 40A-D (requirements for a third statements of financial position)
  - (vii) 111 (cash flow statement information), and
  - (viii) 134-136 (capital management disclosures)
- IAS 7, 'Statement of cash flows'
- Paragraph 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective)
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation)
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

### New standards, amendments and IFRIC interpretations

There are no amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 March 2021 that have a material impact on the company's financial statements.

### Going concern

The net assets of the Company were £0.03m as at 31 March 2021 (2020: £0.03m). Due to the nature of the company, whereby it supports sister companies in the procurement of procurement of air transportation, the directors have considered the going concern assessment of the company alongside that of its sister companies. The company and its sister companies meets its day-to-day working capital requirements through its cash reserves and intercompany borrowings. The current economic conditions continue to create uncertainty particularly over the level of demand for products across the group.

A post Covid-19 reforecasting exercise continues to be assessed by the Directors, identifying potential shortfalls in working capital, and therefore requiring access to further intercompany borrowing. Additional intercompany borrowing is requested from the Group by immediate parent company Dnata Travel Holdings UK Limited.

# **Gold Medal Transport Limited**

## **Notes to the financial statements for the year ended 31 March 2021** *(continued)*

### **2. Significant accounting policies** *(continued)*

#### **Going concern** *(continued)*

This will be utilised to address any potential shortfalls in working capital across all entities.

Management continues to assess forecasts and projections, taking account of reasonably possible changes in trading performance across all entities arising due to the continued unpredictability within the travel industry. These do not suggest that the company will return to its previous levels of performance in the short term.

A letter of support has been obtained from dnata, intermediate parent company, who have confirmed they will continue to support the company and provide any further intercompany financing, if required, for a period of at least 12 months from the date of approval of the financial statements. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for a period of 12 months from the date of approving these financial statements. The company therefore, continues to adopt the going concern basis in preparing its financial statements.

#### **Taxes**

Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

#### **Revenue recognition and associated costs**

Gold Medal Transport Limited's revenue is received from sister companies for the provisions of flights. In this regard, the Company, acts as a principal in these sales, and therefore recognises the gross amount as Revenue, with the payments due to airline providers recognised as Cost of sales.

#### **Share capital**

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

# Gold Medal Transport Limited

## Notes to the financial statements for the year ended 31 March 2021 *(continued)*

### 2. Significant accounting policies *(continued)*

#### Financial instruments

The company classifies its financial assets as; amortised cost or fair value through profit or loss (FVTPL).

The classification depends on the purpose for which the financial assets were acquired i.e. the entity's business model for managing the financial assets and/or the contractual cash flow characteristics of the financial asset.

Regular purchases and sales of financial assets are recognised on trade date, being the date on which the group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the company has transferred substantially all the risks and rewards of ownership.

At initial recognition, the company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

#### a) Financial assets at amortised cost

The company classifies its financial assets as at amortised cost only if both of the following criteria are met (and are not designated as FVTPL):

- the asset is held within a business model whose objective is to collect the contractual cash flows, and
- the contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest.

Subsequent to initial recognition these are measured at amortised cost using the effective interest method. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other (expenses)/income together with foreign exchange gains and losses. Impairment losses are presented as separate line item within the income statement under net impairment losses on financial and contract assets.

#### b) Financial assets at fair value through profit or loss

The company only holds derivative financial instruments at fair value through profit or loss, the policy for which has been discussed below.

# Gold Medal Transport Limited

## Notes to the financial statements for the year ended 31 March 2021 *(continued)*

### 2. Significant accounting policies *(continued)*

#### Fair value measurement

Regular purchases and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit and loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. Available for sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the income statement within other comprehensive income in the period in which they arise. Dividend income from financial assets at fair value through profit and loss is recognised in the income statement as part of other income when the Company's right to receive payments is established.

Changes in the fair value of monetary and non-monetary securities classified as available for sale are recognised in other comprehensive income.

When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the income statement.

Interest on available for sale securities calculated using the effective interest method is recognised in the income statement as part of finance income. Dividends on available for sale equity instruments are recognised in the income statement as part of other income when the Company's right to receive payments is established.

#### Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade and other receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement within 'administrative expenses'. When a receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against 'administrative expenses' in the income statement.

# Gold Medal Transport Limited

## Notes to the financial statements for the year ended 31 March 2021 *(continued)*

### Trade and other creditors

Trade and other creditors are recognised at their fair value and subsequently recorded at amortised cost using the effective interest rate method.

### Critical judgements in applying the Company's accounting policies

In the process of applying the Company's accounting policies, described above, management believe that there are no critical judgements in preparing these financial statements.

### Key sources of estimation and uncertainty

Management believe that there are no key sources of estimation and uncertainty in preparing these financial statements.

## 3. Revenue

An analysis of the Company's revenue is as follows:

	Year ended 31 March 2021 £'000	Year ended 31 March 2020 £'000
Sales of UK scheduled flights	3,746	104,501

Revenue represents amounts derived from the provision of goods and services which fall within the Company's ordinary activities. Revenue is attributable to the Company's principal activity as a seller of stand-alone travel products to its sister companies.

## 4. Operating result

The Company has no employees other than the Directors (2020: nil employees – directors only).

### Directors' remuneration

The directors' remuneration is borne by a fellow Group subsidiary which makes no recharge to the Company. The Company's directors are also directors of fellow Group subsidiaries. It is not possible to make an accurate apportionment of his remuneration in respect of each of the fellow Group subsidiaries of which they are Directors.

# Gold Medal Transport Limited

## Notes to the financial statements for the year ended 31 March 2021 *(continued)*

### Auditors' remuneration

The auditors' remuneration (£7k) is borne by a fellow Group subsidiary which makes no recharge to the Company (2020: None).

### 5. Tax on profit or loss

There is no tax payable or receivable in respect of the year ended 31 March 2021 (31 March 2020: nil) given in both years the overall result was £nil.

### 6. Trade and other receivables

	31 March 2021 £'000	31 March 2020 £'000
VAT receivable	1,610	1,259
	<u>1,610</u>	<u>1,259</u>

### 7. Creditors: amounts falling due within one year

	31 March 2021 £'000	31 March 2020 £'000
Amounts owed to Group and fellow subsidiary undertakings	1,580	1,229
	<u>1,580</u>	<u>1,229</u>

Included under creditors are amounts owed to group undertakings which are unsecured, interest free and repayable on demand.

## Gold Medal Transport Limited

### Notes to the financial statements for the year ended 31 March 2021 *(continued)*

#### 8. Called up share capital

	31 March 2021 £'000	31 March 2020 £'000
<b>Allotted and fully paid:</b>		
30,000 (2020: 30,000) ordinary shares of £1 each	<u>30</u>	<u>30</u>

The Company has one class of ordinary shares, which carry no right to fixed income.

No dividend was paid during the year (2020: £nil).

#### 9. Ultimate controlling party

The Company is a wholly-owned subsidiary of dnata an intermediary company of the Investment Corporation of Dubai which is incorporated in The United Arab Emirates. The Investment Corporation of Dubai is the ultimate parent company and ultimate controlling party of the Company. The immediate parent undertaking is Gold Medal Travel Group Limited.

dnata is the parent undertaking of the largest and smallest group of undertakings to consolidate these financial statements. The consolidated financial statements of dnata are publicly available.