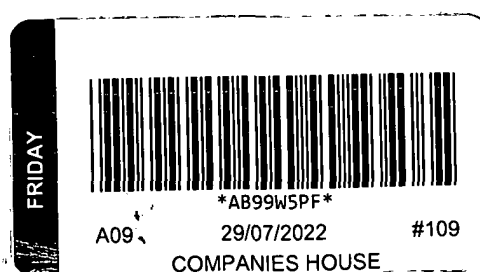


Registered number: 03228538

THE APPOINTMENT GROUP LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021



THE APPOINTMENT GROUP LIMITED

COMPANY INFORMATION

Directors	N J Boyd J Gianquitto M Salter J L Penny
Registered number	03228538
Registered office	The Linen House 253 Kilburn Lane London W10 4BQ
Independent auditor	Nexia Smith and Williamson Chartered Accountants & Statutory Auditor 45 Gresham Street London EC2V 7BG

THE APPOINTMENT GROUP LIMITED

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THE APPOINTMENT GROUP LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Introduction

The directors present their Group Strategic Report for The Appointment Group Limited for the year ended 31 December 2021.

Principal Activities

TAG is one of the world's leading travel and event management companies providing services to the entertainment & media, corporate and events markets in the UK, the USA, the Far East and Australasia. The business operates the following core divisions;

1. *Touring*: TAG is a global leader in providing travel management services for music tours from worldwide established major music artists and bands through to new acts on their first tour.
2. *Corporate*: TAG brings the high touch service of its entertainment & media division to its corporate customers across a range of sectors including hedge funds, private equity, management consulting, banking, finance and entertainment as well as senior C-suite personnel.
3. *Events*: TAG provides event organisation including conferences, product launches, incentive travel, celebrations and activity days for both corporate and private customers.
4. *Private Travel*: TAG's Private Travel division provides a luxury travel and concierge service creating bespoke escapes for high net-worth individuals, celebrities and VIPs.
5. *Production*: TAG has a dedicated Production division that specialises in managing travel and logistics for major film and television companies along with independent studios.

THE APPOINTMENT GROUP LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Business review

The pro-forma performance of the Company and its subsidiaries ("Group") for the year ended 31 December 2021 was as follows:

	The Appointment Group Limited	
	2021 £'000	2020 £'000
Gross sales value	92,189	48,848
Net turnover	11,654	6,655
Net turnover to gross sales	13%	13%
Operating (loss)	(3,110)	(9,368)
Add - Depreciation & Amortisation	2,105	2,051
Add - Intangible impairment	-	42
EBITDA	(1,005)	(7,275)
Add - Exceptional items	-	650
Pro-forma EBITDAE*	(1,005)	(6,625)

*Earning before interest, tax, depreciation, amortisation, impairment and exceptional items.

The Directors reference EBITDAE as a key indicator of performance of the Group's core trading activities. This excludes exceptional items and in turn reflects the underlying trading performance of the Group.

The COVID-19 pandemic continued to affect day to day operations of the Group. However the Group saw an improvement in trading over the second half of the year as the COVID-19 restrictions started to ease across the globe.

As a result, the EBITDAE loss has reduced from £6,625k for the year ended 31 December 2020 to £1,005k for the year ended 31 December 2021.

Employee engagement

The Group's turnover for the year to 31 December 2021 was £11,654k (2020 - £6,655k) and the loss after taxation was £2,956k (2020 - £7,908k). The directors do not recommend a dividend for the year (2020 - £Nil).

Key performance indicators

The Group and its subsidiaries monitor a number of key performance indicators in respect of the sales, profit and cash performance of the Company. This is primarily achieved through the comprehensive weekly and monthly monitoring of sales volumes and value and regular analysis and forecasting of cash receipts and payments.

THE APPOINTMENT GROUP LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Principal risks and uncertainties

The principal risks and uncertainties arising from both internal and external factors that could impact the Group's performance and the related mitigating activities to manage that risk are considered below. The Group has risk management processes to identify, monitor and evaluate such issues as they emerge, enabling the Board to take appropriate action where possible.

Economic and market risk

The economic environment has an impact on the performance of the Group. Uncertainty surrounding the state of the global economy is front and centre. Staff shortages, rising prices, rising interest rates and the conflict in Ukraine could impact the level of demand for the Group's services.

Further, the Group is exposed to market risks associated with the operations of competitor travel management companies and key suppliers.

Currency risk

The Group operates in countries across the globe and fluctuations in foreign exchange rates can impact performance. The Group adopts natural and contracted hedges to mitigate this risk.

Credit risk

The Group's main credit risk relates to the recoverability of amounts owed by trade debtors. The directors set credit limits and terms for all trade debtors based on third party reference and payment history of new and existing trade debtors. These are reviewed on a day-to-day basis.

Liquidity risk

The availability of sufficient working capital and banking facilities is key to ensuring the Group can meet its obligations and to support investment plans to drive long term growth. The directors regularly review both short and long-term cash flow as well as performance forecasts to effectively manage liquidity.

Regulatory risk

The Group is subject to regulatory requirements relevant to the travel industry. Failure to adhere to these requirements can have a significant impact on the Group's trading ability as well as resulting in fines. The directors, with support of relevant third-party advisers regularly review the regulatory environment and requirements of the Group, ensuring internal processes are sufficient and appropriate to allow adherence to these requirements.

THE APPOINTMENT GROUP LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Principal risks and uncertainties (continued)

Risk and uncertainties - COVID-19

COVID-19 continued to have an impact on all parts of the global travel industry throughout the year. However, in the second half of the year the Group saw an increase in revenues and a return to profitability. The global vaccine effort and the rapid spread of the less severe Omicron variant across the world has ultimately benefited the company as many countries have removed all COVID-19 restrictions.

During the year the Group took advantage of the various government support schemes in the territories in which it operates, including the UK Government's Coronavirus Job Retention Scheme.

The steps taken in 2020 to support the financial position of the Group have provided a foundation for the Group's recovery and this includes £10m of additional loan commitments from our existing loan note holders, £5m at an interest rate of 10% per annum, in line with the terms of the existing loan notes, this was drawn down on 16 November 2020 and £5m in the form of a commitment letter to the Company and to the Bank, which has not been drawn down at the date of signing these accounts.

Group strategy and outlook

The outlook for the next 12 months and beyond is extremely positive. With most travel restrictions globally now having been eased this has resulted in a material uplift in demand for the Group's services.

At the date of signing these accounts revenues in all our regions are now ahead of the comparable period in 2019 and the Group has had record trading months in the first half of 2022, with continued month on month sales growth since the start of the year. The long-term outlook for music touring is very strong. Consumers have a very healthy appetite to attend events, music artists are returning to touring in large numbers and venues globally are increasing availability for entertainment events. The Group has a strong pipeline of music touring for the remainder of 2022 and into 2023 across all regions. In addition, corporate travel is returning faster than anticipated and our Production travel business is growing rapidly, particularly in the Asia Pacific region. We expect Group revenues in 2022 to be ahead of revenues seen in 2019.

THE APPOINTMENT GROUP LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

S172 reporting disclosure

As required by Section 172 of the UK's Companies Act, a director of a company must act in the way he considers, in good faith, would most likely promote the success of the company for the benefit of its shareholders. In doing this, the director must have regard, amongst other matters, to the:

- likely consequences of any decisions in the long term;
- interest of the company's employees;
- need to foster the company's business relationships with suppliers, customers and others;
- impact of the company's operations on the community and environment;
- company's reputation for high standards of business conduct; and
- need to act fairly between members of the company.

Decision making

The board undertakes monthly meetings in which the performance against budget and strategic plans of the business are reviewed in detail.

The annual budget and strategic plan for the next financial year is produced prior to the end of the current financial year.

Interests of the Group's employees

An annual employee engagement survey is undertaken in order to capture the views of employees on key areas impacting their development and wellbeing. The results of these surveys are reviewed at a board level and at an operational management level to ensure that appropriate actions are taken to address these key areas. Directors attend an annual conference held in each region to communicate performance and strategy to employees.

Fostering business relationships

The Directors actively manage our customers, suppliers and other key stakeholders. The Board is appraised of all key developments with our various stakeholders.

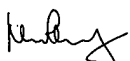
Impact on community and environment

The business undertakes regular charity fundraising events across all regions.

Reputation

The Group has invested heavily in its values programme and all employees are encouraged to operate within the values framework. All employees are required to undertake a half-yearly and annual performance reviews and this process requires employees to directly address how their performance and behaviours have been in line with the company's values, whilst ensuring that standards are maintained through assessment of performance and corrective action where deemed necessary.

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



J L Penny
Director

Date: 14/07/2022

THE APPOINTMENT GROUP LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

The directors present their report and the financial statements for the year ended 31 December 2021.

Principal activity

The principal activity of the Company during the year under review was that of the holding company for the subsidiaries of The Appointment Group Limited.

The principal activity of the Group during the year under review was that of a group of travel management agents.

Directors

The directors who served during the year were:

S Barrass (resigned 29 March 2022)
N J Boyd
J Gianquitto
M Salter
J L Penny

THE APPOINTMENT GROUP LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Energy and carbon reporting

The SECR disclosure presents the Group's carbon footprint within the United Kingdom for Scope 1, 2 and 3 emissions based on SECR Legislation, an appropriate intensity metric and the total energy use of electricity, gas and transport fuel for the year ended 31 December 2021 and for the year ended 31 December 2020.

Due to the nature of the business undertaken, the Group has no emissions or energy requirements other than those for own use. All energy and carbon reporting figures are based on the consumption of the Group as a whole and it is not possible to accurately apportion consumption to individual companies within the Group.

Details of energy use are based on actual meter readings at the Group's office premises at The Linen House, 253 Kilburn Lane, London and 31 Booth Street, Manchester.

The CO₂ figures were calculated using the UK government "Greenhouse gas reporting: conversion factors 2021" calculator.

Electricity CO₂ emissions are calculated at 0.21233 Kg/kWh and business travel where the group is responsible for purchasing the fuel at 0.26549 Kg/KWh.

Group emissions and energy use data for the following years ending 31 December

	2021	2020
Energy consumption used to calculate emissions (kWh)	87,431	95,324
Emissions from combustion of gas tCO ₂ e (Scope 1)	0	0
Emissions from combustion of fuel for transport purposes tCO ₂ e (Scope 1)	0	0
Emissions from business travel in rental cars or employee-owned vehicles where company is responsible for purchasing the fuel tCO ₂ e (Scope 3)	0.8	0.3
Emissions from purchased electricity tCO ₂ e (Scope 2, location based)	18.6	22.2
Total gross tCO ₂ e based on above	19.4	22.6
Intensity ration (tCO ₂ e/£M Turnover)	1.7 tCO ₂ e oer £1m revenue	3.4 tCO ₂ e per £1m revenue

An appropriate measure of CO₂ output for the Group is to apportion it by total revenue. This can be taken as an approximate measure of the size of the business and can be used to measure growth between reporting periods. The CO₂ emissions per £1.0m total revenue is 1.7tCO₂e.

The group has metered usage available for its London and Manchester offices and is therefore able to control the Group's energy efficiency going forward.

As a result of the Coronavirus pandemic, energy usage (and emissions) are lower than would be the case under normal circumstances, due to office closures, reduced business travel (including commuting) and reduced workforce.

THE APPOINTMENT GROUP LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Matters covered in the strategic report

Where necessary, disclosures relating to principal risks and uncertainties, future developments and results and dividends have been made in the Strategic Report and have not been repeated here in accordance with Section 414C of the Companies Act 2006.

Disclosure of information to auditor

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 auditor is 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 auditor is aware of that information.

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

Post balance sheet events

There have been no significant events affecting the Group and Company since the year end.

Employee engagement

The Group engages with its employees in a variety of ways. This includes:

- Regular communication from management and directors
- Town Hall forums, including Q&A sessions
- A dedicated Intranet with company updates and news
- An employee social media group
- Periodic employee surveys

Employee disability

Applications for employment by disabled persons are always fully considered, bearing in mind the skills and qualifications of the applicant. Should any employee of the Group become disabled during their employment, the Group will make every effort to ensure that employee can be retrained. The Group will also make reasonable adjustments to the employee's working environment where possible, in order to keep the employee with the Group. It is the policy of the Group that the recruitment, training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Auditor

The auditor, Nexia Smith and Williamson, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

THE APPOINTMENT GROUP LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

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



J L Penny
Director

Date: 14/07/2022

THE APPOINTMENT GROUP LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2021

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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE APPOINTMENT GROUP LIMITED

Opinion

We have audited the financial statements of The Appointment Group Limited (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2021 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Parent Company Balance Sheets, the Consolidated and Parent Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows, the Consolidated Analysis of Net Debt and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 December 2021 and of the Group's loss 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 and 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.

THE APPOINTMENT GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE APPOINTMENT GROUP LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report and Financial Statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

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 their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters where 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 10, 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 or 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.

THE APPOINTMENT GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE APPOINTMENT GROUP LIMITED (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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:

We obtained an understanding of the group's legal and regulatory framework through enquiry of management of their understanding of the relevant laws and regulations, the group's policies and procedures regarding compliance and how they identify, evaluate and rectify any instances of non-compliance. We also drew on our existing understanding of the group's industry and regulation.

We understand the group complies with requirements of the framework through:

- Updating operating procedures, manuals and internal controls as legal and regulatory requirements change;
- The Directors' close involvement in the day-to-day running of the business, meaning that any litigation or claims would come to their attention directly; and
- The engagement of external experts to ensure ongoing tax compliance.

In the context of the audit, we have considered those laws and regulations which determine the form and content of the financial statements, which are central to the group's ability to conduct business and where failure to comply could result in material penalties. We have identified the following laws and regulations as being of significance in the context of the group:

- Mandatory rules and regulations issued and enforced by the Civil Aviation Authority ("CAA"), the Association of British Travel Agents Limited ("ABTA") and the International Air Transport Association ("IATA"), as non compliance with these rules and regulations may reasonably result in the group ceasing operations or to call into question its continuance as a going concern; and
- The Companies Act 2006 and FRS 102 in respect of the preparation and presentation of the financial statements.

We performed the following specific procedures to gain evidence about compliance with the significant laws and regulations above:

- Discussions with senior management including consideration of known or suspected non-compliance with CAA, ABTA and IATA regulations;
- Audit of the Civil Aviation Air Travel Organisers' Licensing ("ATOL") returns for the year ended 31 December 2020 submitted on 30 September 2021;
- Audit of the ABTA Financial Protection Annual Return for the year ended 31 December 2020 submitted on 6 August 2021; and
- We inspected correspondence with the CAA, ABTA and IATA within the year.

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur. The key areas identified as part of the discussion were with regard to the manipulation of the financial statements through manual journals, impairment adjustments and incorrect recognition of revenue. This was communicated to the other members of the engagement team who were not present at the discussion.

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 auditor's report.

THE APPOINTMENT GROUP LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE APPOINTMENT GROUP LIMITED
(CONTINUED)

Use of our report

This report is made solely to the Parent 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 Parent Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Nexia Smith & Williamson

Nexia Smith & Williamson (Jul 14, 2022 18:28 GMT+1)

Stephen Drew (Senior Statutory Auditor)

for and on behalf of

Nexia Smith and Williamson

Chartered Accountants

Statutory Auditor

45 Gresham Street

London

EC2V 7BG

Date: 14/07/2022

THE APPOINTMENT GROUP LIMITED

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 £000	2020 £000
Turnover	4	11,654	6,655
Gross profit		<u>11,654</u>	<u>6,655</u>
Administrative expenses		(15,504)	(18,342)
Other operating income	5	740	2,319
Operating loss	6	<u>(3,110)</u>	<u>(9,368)</u>
Interest receivable and similar income	9	-	174
Interest payable and similar expenses		(201)	(35)
Loss before taxation		<u>(3,311)</u>	<u>(9,229)</u>
Tax on loss	10	355	1,321
Loss for the financial year		<u><u>(2,956)</u></u>	<u><u>(7,908)</u></u>
Currency translation differences		210	(261)
Other comprehensive income/(loss) for the year		<u>210</u>	<u>(261)</u>
Total comprehensive loss for the year		<u><u>(2,746)</u></u>	<u><u>(8,169)</u></u>

The notes on pages 25 to 50 form part of these financial statements.

THE APPOINTMENT GROUP LIMITED
REGISTERED NUMBER:03228538

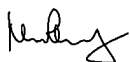
CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £000	2020 £000
Fixed assets			
Intangible assets	11	7,469	8,903
Tangible assets	12	808	903
		<u>8,277</u>	<u>9,806</u>
Current assets			
Debtors: amounts falling due after more than one year	14	134	140
Debtors: amounts falling due within one year	14	8,671	4,321
Cash at bank and in hand	15	3,421	4,974
		<u>12,226</u>	<u>9,435</u>
Creditors: amounts falling due within one year	16	(16,028)	(12,193)
Net current liabilities		<u>(3,802)</u>	<u>(2,758)</u>
Total assets less current liabilities		<u>4,475</u>	<u>7,048</u>
Creditors: amounts falling due after more than one year	17	(7,370)	(7,190)
Provisions for liabilities			
Other provisions	20	(2)	(9)
		<u>(2)</u>	<u>(9)</u>
Net liabilities		<u>(2,897)</u>	<u>(151)</u>
Capital and reserves			
Called up share capital	21	60	60
Share premium account	22	2,998	2,998
Capital redemption reserve	22	6	6
Other reserves	22	(985)	(985)
Share option reserve	22	52	52
Retained earnings	22	(5,028)	(2,282)
Total capital and reserves		<u>(2,897)</u>	<u>(151)</u>

THE APPOINTMENT GROUP LIMITED
REGISTERED NUMBER:03228538

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2021

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



J L Penny
Director

Date: 14/07/2022

The notes on pages 25 to 50 form part of these financial statements.

THE APPOINTMENT GROUP LIMITED
REGISTERED NUMBER:03228538

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2021

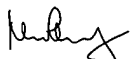
	Note	2021 £000	2020 £000
Fixed assets			
Investments	13	7,151	7,151
		<u>7,151</u>	<u>7,151</u>
Current assets			
Debtors: amounts falling due within one year	14	706	-
Cash at bank and in hand	15	48	3,648
		<u>754</u>	<u>3,648</u>
Creditors: amounts falling due within one year	16	(3,538)	(6,665)
Net current liabilities		<u>(2,784)</u>	<u>(3,017)</u>
Total assets less current liabilities		<u>4,367</u>	<u>4,134</u>
Creditors: amounts falling due after more than one year	17	(5,025)	(4,843)
Net liabilities		<u>(658)</u>	<u>(709)</u>
Capital and reserves			
Called up share capital	21	60	60
Share premium account	22	2,998	2,998
Capital redemption reserve	22	6	6
Other reserves	22	(1,160)	(1,160)
Share option reserve	22	52	52
Retained earnings brought forward	22	(2,665)	(3,967)
Profit for the year	22	51	1,302
Retained earnings carried forward	22	(2,614)	(2,665)
Total capital and reserves		<u>(658)</u>	<u>(709)</u>

THE APPOINTMENT GROUP LIMITED
REGISTERED NUMBER:03228538

COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2021

The Parent 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.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



J L Penny
Director

Date: 14/07/2022

The notes on pages 25 to 50 form part of these financial statements.

THE APPOINTMENT GROUP LIMITED

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

	Called up share capital £000	Share premium account £000	Capital redemption reserve £000	Other reserves £000	Share option reserve £000	Retained earnings £000	Total equity £000
At 1 January 2020	60	2,998	6	(985)	52	5,887	8,018
Comprehensive loss for the year							
Loss for the year	-	-	-	-	-	(7,908)	(7,908)
Currency translation differences	-	-	-	-	-	(261)	(261)
Total comprehensive loss for the year	-	-	-	-	-	(8,169)	(8,169)
At 1 January 2021	60	2,998	6	(985)	52	(2,282)	(151)
Comprehensive loss for the year							
Loss for the year	-	-	-	-	-	(2,956)	(2,956)
Currency translation differences	-	-	-	-	-	210	210
Total comprehensive loss for the year	-	-	-	-	-	(2,746)	(2,746)
At 31 December 2021	60	2,998	6	(985)	52	(5,028)	(2,897)

THE APPOINTMENT GROUP LIMITED

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

	Called up share capital £000	Share premium account £000	Capital redemption reserve £000	Other reserves £000	Share option reserve £000	Retained earnings £000	Total equity £000
At 1 January 2020	60	2,998	6	(1,160)	52	(3,967)	(2,011)
Comprehensive income for the year							
Profit for the year	-	-	-	-	-	1,302	1,302
Total comprehensive income for the year	-	-	-	-	-	1,302	1,302
At 1 January 2021	60	2,998	6	(1,160)	52	(2,665)	(709)
Comprehensive income for the year							
Profit for the year	-	-	-	-	-	51	51
Total comprehensive income for the year	-	-	-	-	-	51	51
At 31 December 2021	60	2,998	6	(1,160)	52	(2,614)	(658)

THE APPOINTMENT GROUP LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021**

	2021	2020
	£000	£000
Cash flows from operating activities		
Loss for the financial year	(2,956)	(7,908)
Adjustments for:		
Amortisation of intangible assets	1,783	1,769
Depreciation of tangible assets	322	282
Impairments of intangible assets	-	42
Interest paid	201	35
Interest received	-	(173)
Taxation charge	(355)	(1,321)
(Increase)/decrease in debtors	(3,740)	4,892
Increase in creditors	4,981	536
(Decrease)/increase in provisions	(7)	-
Corporation tax (paid)/received	(38)	122
Foreign exchange movement on working capital	192	(138)
Net cash generated from operating activities	383	(1,862)
Cash flows from investing activities		
Purchase of intangible fixed assets	(326)	(6,048)
Purchase of tangible fixed assets	(232)	(210)
Deferred consideration paid/(received)	-	(1,352)
Net cash from investing activities	(558)	(7,610)
Cash flows from financing activities		
New secured loans	-	5,000
Interest paid	(18)	-
Decrease in amounts owed by group companies	(1,360)	6,530
Net cash used in financing activities	(1,378)	11,530
Net (decrease)/increase in cash and cash equivalents	(1,553)	2,058

THE APPOINTMENT GROUP LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £000	2020 £000
Cash and cash equivalents at beginning of year	4,974	2,916
Cash and cash equivalents at the end of year	<u>3,421</u>	<u>4,974</u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	3,421	4,974
	<u>3,421</u>	<u>4,974</u>

THE APPOINTMENT GROUP LIMITED

**CONSOLIDATED ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 DECEMBER 2021**

	At 1 January 2021 £000	Cash flows £000	Non-cash changes £000	At 31 December 2021 £000
Cash at bank and in hand	4,974	(1,553)	-	3,421
Debt due after 1 year (note 17)	(4,843)	-	(182)	(5,025)
	<u>131</u>	<u>(1,553)</u>	<u>(182)</u>	<u>(1,604)</u>

THE APPOINTMENT GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. General information

The Appointment Group Limited is a private company, limited by shares, domiciled and incorporated in England and Wales (registered number: 03228538). The registered office address is The Linen House, 253 Kilburn Lane, London, W10 4BQ.

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 judgement 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.

Parent Company disclosure exemptions

In preparing the separate financial statements of the Parent Company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- the exemption from preparing a Statement of Cash Flows;
- the exemption from disclosing key management personnel compensation
- reduced disclosures for share based payments; and
- Disclosures in respect of the Parent Company's financial instruments have not been presented.

This information is included in the consolidated financial statements of Project Global Topco Limited, the ultimate Parent Company, as at 31 December 2021 and these financial statements may be obtained from The Linen House, 253 Kilburn Lane, London, W10 4BQ.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Parent Company and its wholly owned subsidiaries ("the Group") as if they form a single entity. Intercompany transactions, balances between group companies and any unrealised gains and losses arising on intra-group transactions are eliminated in preparing these financial statements.

THE APPOINTMENT GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.3 Going concern

The financial statements of the Group and the Company have been prepared on a going concern basis, which reflects the continuity of business activities and the realisation of assets and the settlement of liabilities in the normal course of business. The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report and the Directors' Report on pages 1 to 9.

As at 31 December 2021, the Group had net liabilities of £2,897k (2021 - £151k) and a total comprehensive loss for the financial year of £2,746k (2020 - £8,169k).

The Group owed £3,064k (2020 - £4,308k) to parent undertakings as at 31 December 2021, which is interest free, repayable on demand and unsecured. The Group has bank loans of £5m under the Coronavirus Business Interruption Loan Scheme ('CBILS'), which was drawn down on 16 November 2020 and repayable six years from issue date. As at 31 December 2021, the Group bank loan balance was £5,025k (2020 - £4,843k).

COVID-19 continued to have an impact on booking volumes across all divisions within the Group during the year ending 31 December 2021. However, towards the latter part of the year volumes started to increase due to the easing of COVID-19 travel restrictions across the globe. This trend has continued into 2022 with booking volumes now back in line with the levels seen before the onset of COVID-19.

The directors have prepared a trading forecast for the period of at least 12 months from the date of signing these financial statements. The expectation under the forecast is that volumes improve throughout the remainder of 2022 and into 2023. The Group is currently trading significantly ahead of this forecast as at the date of signing these accounts. In addition to the trading forecast the directors have performed sensitivity analysis. The Group has sufficient funding to continue its operations for a period of at least 12 months from the date of signing these financial statements, on the basis of continued support from its ultimate parent Project Global Topco Limited and other subsidiaries within the Project Global Topco Limited Group.

The directors believe the going concern basis remains appropriate as:

1. At the time of signing these accounts the Group is currently trading significantly ahead of its revenue and profit forecasts; and
2. The Group has received a letter of support from the Project Global Topco Limited Group, to provide continued support for a period of at least 12 months from the date of signing these financial statements.

2.4 Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group.

The cost of a business combination is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group in exchange for control and the costs directly attributable to the business combination. The consideration transferred includes the estimate of any asset or liability resulting from a contingent consideration arrangement where the transfer of further consideration is probable and can be measured reliably. Identifiable assets acquired and liabilities and contingent liabilities assumed in the business combination are measured initially at their fair values and the acquisition date. Contingent liabilities are only recognised where the fair value can be measured reliably.

THE APPOINTMENT GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.5 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.

2.6 Turnover

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:

- Commission turnover is recognised when the supplier is paid apart from hotel and flight commissions. Hotel commission is recognised on an accruals basis based on the check out date and flight commission is recognised on issue of the airline ticket; and
- Where the Group acts as agent rather than principal, turnover is recognised on the net basis as the amount of margin earned on the transaction.

THE APPOINTMENT GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.7 Leases

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.

2.8 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.9 Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in Other income over the period in which the related costs are recognised. A grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs is recognised in Other income in the period in which it becomes receivable. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

2.10 Interest income

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

2.11 Interest payable

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.

2.12 Borrowing costs

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

THE APPOINTMENT GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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.

The estimated useful lives range as follows:

Trademarks	-	6 years on a straight-line basis
Computer Software	-	3-5 years on a straight-line basis

THE APPOINTMENT GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

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, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold improvements	-	7 years on a straight-line basis
Motor vehicles	-	3 years on a straight-line basis
Fixtures and fittings	-	7 years on a straight-line basis
Computer equipment	-	4 years on a straight-line basis

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.

2.15 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each balance sheet 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 balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.16 Fixed asset investments

Investments in subsidiaries are measured at cost less accumulated impairment.

THE APPOINTMENT GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.17 Financial instruments

Financial assets and financial liabilities are recognised in the Balance Sheet when the Group becomes a party to the contractual provisions of the instrument.

Trade and other debtors and creditors are classified as basic financial instruments and measured at initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the Group will not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank, short-term bank deposits with an original maturity of three months or less and bank overdrafts which are an integral part of the Group's cash management.

Derivative financial instruments are classified as other financial instruments. They are measured at fair value on initial recognition and at the end of each reporting period, with changes in fair value recognised in profit or loss.

Financial liabilities and equity instruments issued by the Group are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

Interest bearing bank loans, overdrafts and other loans which meet the criteria to be classified as basic financial instruments are initially recorded at the present value of cash payable to the bank, which is ordinarily equal to the proceeds received net of direct issue costs. These liabilities are subsequently measured at amortised cost, using the effective interest rate method.

2.18 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

THE APPOINTMENT GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.19 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 Balance Sheet. The assets of the plan are held separately from the Group in independently administered funds.

2.20 Employee benefits

Short term employee benefits including holiday pay and annual bonuses are accrued as services are rendered. Contributions to defined contribution pension schemes are charged to the profit or loss as they become payable in accordance with the rules of the scheme. Differences between contributions payable in the year and those actually paid are shown as either accruals or prepayments in the Balance Sheet.

THE APPOINTMENT GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.21 Current and deferred taxation

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

The current tax charge is based on the taxable profit for the year. Taxable profit differs from net profit as reported in the profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences between taxable profits and total comprehensive income that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred tax assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for timing differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to the profit or loss, except when it relates to items charged or credited directly to other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

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

THE APPOINTMENT GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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

The following critical judgments made by management in applying the Parent Company's and Group's accounting policies have the most significant impact on the amounts recognised in the financial statements.

Critical accounting estimates and assumptions

The Company and Group makes estimates and assumptions concerning the future. The resulting accounting estimate will seldom equal the actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are considered by the directors to be the following:

Useful life of goodwill and other intangible assets

Intangibles arising on acquired businesses and are being amortised over a six year period (note 11). The Group continually monitors this policy and the performance of the assets acquired including ongoing trading performance and will amend the estimate of the useful life should it be required.

Impairment of trade receivables

The Company and the Group makes an estimate of the recoverable value of trade receivables (note 14). When assessing impairment, management considers factors including the current credit rating of the customer, the ageing profile of the receivable and historical experience.

Recoverability of intra-group loans

The Company has provided loans to a fellow subsidiary company which are repayable on demand (note 14). Loans are impaired to their recoverable value should the counterparty not have sufficient resources to repay the loan on demand after taking all possible steps including the sale of trade and assets.

Financial instruments classification

The classification of financial instruments as "basic" or "other" requires judgment as to whether all the applicable conditions for classification as basic are met. This includes consideration of the form of the instrument and its return.

Deferred and contingent consideration

Deferred and contingent consideration in relation to the acquisition has been included based on management's best estimate of the fair value of the consideration due. Details of this are set out in note 16 (Creditors: amounts falling due within one year) and note 17 (Creditors: amounts falling due after more than one year).

THE APPOINTMENT GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

4. Turnover

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

	2021	2020
	£000	£000
Gross sales value	92,189	49,848
Cost of sales	(80,535)	(43,193)
	<u>11,654</u>	<u>6,655</u>

Analysis of turnover by country of origination:

	31	31	31	31
	December	December	December	December
	2021	2021	2020	2020
	Gross	Net	Gross	Net
	£000	£000	£000	£000
UK	25,744	3,891	18,257	2,891
USA	43,669	5,227	22,115	2,678
APAC	22,776	2,536	9,476	1,086
	<u>92,189</u>	<u>11,654</u>	<u>49,848</u>	<u>6,655</u>

Revenue generated by The Appointment Group LLC is generated in the United States of America, revenue in The Appointment Group (Australia) Pty Limited is generated in Australia and revenue in The Appointment Group Pte Limited is generated in Singapore. All other revenue is generated in the United Kingdom.

THE APPOINTMENT GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

5. Other operating income

	2021	2020
	£000	£000
UK government grants receivable	599	1,762
Overseas Government grants receivable	141	557
	740	2,319

In 2021, UK government grants of £599k (2020 - £1,762k) were received under the Coronavirus Job Retention Scheme as part of a government initiative to provide immediate financial support as a result of the COVID-19 pandemic to reimburse the Group for 80% of the wages of certain employees who were placed on a temporary period of absence but were kept on the payroll. There are no future related costs in respect of these grants which were received solely as compensation for costs incurred in the year.

During the year, the Group also received £141k (2020 - £544k) from the Australian government and £Nil (2020 - £13k) from the Singapore government in response to COVID-19 pandemic. This grant income also related to local staff costs and there are no future related costs in respect of these grants which were received solely as compensation for costs incurred in the year.

6. Operating loss

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

	2021	2020
	£000	£000
Foreign exchange differences	45	(104)
Other operating lease rentals	678	1,079
Depreciation of tangible fixed assets	322	282
Amortisation of intangible assets, including goodwill	1,783	1,769
Exceptional items	-	650
Fees payable to the Group's auditor and its associates for the audit of the Company's annual financial statements	73	65
Defined contribution pension cost	344	420

The exceptional administrative expenses incurred in the year and prior year relate to restructuring costs.

THE APPOINTMENT GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

7. Employees

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

	Group 2021 £000	<i>Group 2020 £000</i>	Company 2021 £000	<i>Company 2020 £000</i>
Wages and salaries	8,074	9,325	-	-
Social security costs	642	723	-	-
Cost of defined contribution scheme	344	420	-	-
	9,060	10,468	-	-

The share options (credit)/charge for the year amounted to £Nil (2020 - £Nil).

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

	2021 No.	<i>2020 No.</i>
Office and management	191	267

The Parent Company does not have any employees and does not incur any staff costs.

8. Directors' remuneration

Directors' wages and salaries have been recharged to Project Global BidCo Limited during the year.

During the year retirement benefits were accruing to no directors (2020 - Nil) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £Nil (2020 - £Nil).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £Nil (2020 - £Nil).

THE APPOINTMENT GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

9. Interest receivable and similar income

	2021	2020
	£000	£000
Other interest receivable	-	174
	<u>-</u>	<u>174</u>
	<u>-</u>	<u>174</u>

The CBILS loan of £5,000k was drawn down on 16 November 2020 and is interest free for a period of 12 months, further details regarding the loan are disclosed within note 17. The loan has been discounted by 3.8% plus UK base rate of 0.10%, due to the interest free period of 12 months. This discount is unwound over the 6 years of the loan within interest payable.

10. Taxation

	2021	2020
	£000	£000
Corporation tax		
Current tax on loss for the year	(284)	(1,125)
Adjustments in respect of previous periods	-	(78)
Total current tax	<u>(284)</u>	<u>(1,203)</u>
Deferred tax		
Origination and reversal of timing differences	(29)	(87)
Adjustment in respect of previous periods	(11)	(33)
Effect of changes in tax rates	(31)	2
Total deferred tax	<u>(71)</u>	<u>(118)</u>
Taxation on loss on ordinary activities	<u>(355)</u>	<u>(1,321)</u>

THE APPOINTMENT GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

10. Taxation (continued)

Factors affecting tax charge/(credit) for the year

The tax assessed for the year is higher than (2020 - *higher than*) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021	2020
	£000	£000
Loss on ordinary activities before tax	(3,311)	(9,229)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	(629)	(1,753)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	379	175
Deferred tax not recognised	248	366
Adjustments to tax charge in respect of prior periods	(11)	(111)
Tax rate change	(31)	2
Income tax not deductible	(27)	-
Overseas tax	(284)	-
Total tax credit for the year	(355)	(1,321)

Factors that may affect future tax charges

Finance Act 2021 includes legislation to increase the main rate of corporation tax from 19% to 25% from 1 April 2023. The full anticipated effect of these changes is reflected in the above deferred tax balances.

THE APPOINTMENT GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

11. Intangible assets

Group and Company

	Trademarks £000	Computer software £000	Goodwill £000	Total £000
Cost				
At 1 January 2021	3,573	3,379	12,060	19,012
Additions	-	326	-	326
Foreign exchange movement	-	(1)	59	58
At 31 December 2021	3,573	3,704	12,119	19,396
Amortisation				
At 1 January 2021	3,573	1,828	4,708	10,109
Charge for the year	-	620	1,163	1,783
Foreign exchange movement	-	-	35	35
At 31 December 2021	3,573	2,448	5,906	11,927
Net book value				
At 31 December 2021	-	1,256	6,213	7,469
At 31 December 2020	-	1,551	7,352	8,903

THE APPOINTMENT GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

12. Tangible fixed assets

Group

	Long-term leasehold improvements £000	Motor vehicles £000	Fixtures and fittings £000	Computer equipment £000	Total £000
Cost					
At 1 January 2021	680	1	729	1,433	2,843
Additions	22	-	9	201	232
Exchange adjustments	(5)	-	(1)	(2)	(8)
At 31 December 2021	697	1	737	1,632	3,067
Depreciation					
At 1 January 2021	418	1	410	1,111	1,940
Charge for the year	59	-	85	178	322
Exchange adjustments	(2)	-	-	(1)	(3)
At 31 December 2021	475	1	495	1,288	2,259
Net book value					
At 31 December 2021	222	-	242	344	808
At 31 December 2020	262	-	319	322	903

THE APPOINTMENT GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

13. Fixed asset investments

Company

	Investments in subsidiary companies £000
Cost	
At 1 January 2021	7,151
At 31 December 2021	<u>7,151</u>
Net book value	
At 31 December 2021	<u>7,151</u>
At 31 December 2020	<u>7,151</u>

THE APPOINTMENT GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

13. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding
The Appointment Group (UK) Limited	Ordinary	100%
Events By Appointment Limited*	Ordinary	100%
Leisure By Appointment Limited	Ordinary	100%
Music By Appointment Limited*	Ordinary	100%
The Appointment Group LLC	Ordinary	100%
The Appointment Group (Australia) Pty Limited	Ordinary	100%
ET Travel Limited	Ordinary	100%
The Ultimate Events Company Limited**	Ordinary	100%
Travel By Appointment Limited*	Ordinary	100%
The Appointment Group Pte Limited	Ordinary	100%

*Held indirectly through The Appointment Group (UK) Limited

**Held indirectly through Events By Appointment Limited

The registered office and country of incorporation of The Appointment Group (UK) Limited, Events By Appointment Limited, Leisure By Appointment Limited, Music By Appointment Limited, ET Travel Limited, The Ultimate Events Company Limited and Travel By Appointment Limited is The Linen House, 253 Kilburn Lane, London, W10 4BQ and England and Wales.

The registered office and country of incorporation of The Appointment Group LLC is 135 West 26th Street, Suite 11A & 11B New York NY10001 and United States of America.

The registered office and country of incorporation of The Appointment Group (Australia) Pty Limited is 191-193 Cleveland Street, Redfern, NSW 2016.

The registered office and country of incorporation of The Appointment Group Pte Limited is 333 North Bridge Road 08-00 KH Kea Building Singapore (188721) and Singapore.

THE APPOINTMENT GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

14. Debtors

	Group 2021 £000	<i>Group 2020 £000</i>	Company 2021 £000	<i>Company 2020 £000</i>
Due after more than one year				
Other debtors	<u>134</u>	<u>140</u>	<u>-</u>	<u>-</u>
	Group 2021 £000	<i>Group 2020 £000</i>	Company 2021 £000	<i>Company 2020 £000</i>
Due within one year				
Trade debtors	4,840	1,972	-	-
Amounts owed by parent undertakings	1,046	930	290	-
Other debtors	1,516	754	-	-
Prepayments and accrued income	722	605	-	-
Tax recoverable	416	-	416	-
Deferred taxation	131	60	-	-
	<u>8,671</u>	<u>4,321</u>	<u>706</u>	<u>-</u>

Amounts owed by parent undertakings are interest free, unsecured and repayable on demand.

Included in other debtors are amounts owed by the directors of £1k (2020 - 1k).

15. Cash and cash equivalents

	Group 2021 £000	<i>Group 2020 £000</i>	Company 2021 £000	<i>Company 2020 £000</i>
Cash at bank and in hand	<u>3,421</u>	<u>4,974</u>	<u>48</u>	<u>3,648</u>

THE APPOINTMENT GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

16. Creditors: Amounts falling due within one year

	Group 2021 £000	Group 2020 £000	Company 2021 £000	Company 2020 £000
Trade creditors	4,081	1,711	-	26
Amounts owed to group undertakings	3,064	4,308	3,463	6,639
Corporation tax	98	2	75	-
Other taxation and social security	2,087	860	-	-
Other creditors	2,319	2,259	-	-
Accruals and deferred income	4,379	3,053	-	-
	16,028	12,193	3,538	6,665

Amounts owed to group undertakings are interest free, unsecured and repayable on demand.

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

	Group 2021 £000	Group 2020 £000	Company 2021 £000	Company 2020 £000
Bank loans	5,025	-	5,025	-
Bank loans	-	4,843	-	4,843
Other creditors	1,211	1,250	-	-
Deferred consideration	1,134	1,097	-	-
	7,370	7,190	5,025	4,843

Deferred consideration of £1,134k (2020 - £1,097k) is payable on the acquisition of a US book of business.

On 16 November 2020, the Company entered into a loan agreement through the UK's Coronavirus Business Interruption Loan Scheme ('CBILS') of a principal amount of £5,000k. The loan is repayable 6 years from the drawn down of the loan on 16 November 2026.

This loan bears interest of the UK Base Rate plus a margin of 3.8%, and under the terms of the CBILS, the UK government pays the interest for the first 12 months of the loan before the Company takes on the payment of the interest for the remaining term of the loan, which will be paid in quarterly installments from 16 November 2021. The UK government also pays other fees associated with the granting and maintenance of the CBILS (except default interest or extra ordinary fees) for a period of 12 months from the date of the draw down.

The CBILS bank loan is included within non-current liabilities and is secured by a fixed and floating charge over the assets of the Company.

THE APPOINTMENT GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

18. Loans

An analysis of loans is below:

	Group 2021 £000	<i>Group 2020 £000</i>	Company 2021 £000	<i>Company 2020 £000</i>
Amounts falling due 2-5 years				
Bank loans	5,025	-	5,025	-
Amounts falling due after more than 5 years				
Bank loans	-	4,843	-	4,843
	<u>5,025</u>	<u>4,843</u>	<u>5,025</u>	<u>4,843</u>

19. Deferred taxation

Group

	2021 £000	<i>2020 £000</i>
At beginning of year	(60)	57
Credit in the year	(60)	(84)
Adjustment in respect of prior years	(11)	(33)
At end of year	<u>(131)</u>	<u>(60)</u>

The deferred tax asset is made up as follows:

	Group 2021 £000	<i>Group 2020 £000</i>
Accelerated capital allowances	27	59
Short term timing differences	(158)	(119)
	<u>(131)</u>	<u>(60)</u>

THE APPOINTMENT GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

20. Provisions

Group

	Credit note provision £000
At 1 January 2021	9
Charged to profit or loss	(7)
At 31 December 2021	2

A credit note provision has been recognised relating to non-flight revenue with a future travel date, post the year end.

21. Share capital

	2021 £000	2020 £000
Allotted, called up and fully paid		
80,000 Ordinary Shares - Class A shares of £0.63 each	50	50
10,000 Ordinary Shares - Class B shares of £0.63 each	6	6
6,500 Ordinary Shares - Class C shares of £0.63 each	4	4
2 Ordinary Shares - Class D shares of £0.63 each	-	-
	60	60

All ordinary shares rank equally and pari passu.

THE APPOINTMENT GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

22. Reserves

Share premium account

The share premium account is used to record the aggregate amount or value of premiums paid when the Company's shares are issued at an amount in excess of nominal value.

Capital redemption reserve

The capital redemption reserve arises on the purchase of the Company's own shares and is non-distributable.

Other reserves

Other reserves comprise amounts that arise on consolidation and are non-distributable.

In addition to amounts in relation to prior year Company share buybacks.

Share option reserve

This reserve relates to the fair value of the options granted which has been charged to the profit or loss over the vesting period of the options and related taxation recognised in equity.

Retained earnings

This reserve relates to the cumulative retained earnings less amounts distributed to shareholders.

23. Contingent liabilities

The Company acts as a guarantor and indemnifier for the purpose of providing credit support to each of the loan note holders. This is in respect of any liabilities of Project Global Bidco, a parent entity within the Group, to the loan note holders, in respect of the loan notes issued in the noted parent entity. At the year ended 31 December 2021, Project Global Bidco Limited, total loans note balance was £49,967k (2020 - £45,346k).

The bank has a specific equitable charge over all freehold and leasehold properties and/or the proceeds of sale thereof fixed and floating charges over undertaking and all property and assets present and future including goodwill book debts and benefits of any licences.

The Group entered into a fixed charge in April 2018 over its investment in The Appointment Group (Australia) Pty Limited.

The Group has an IATA bank guarantee of AUD\$661k (2020 - AUD\$661k) in relation to its subsidiary The Appointment Group (Australia) Pty Limited.

In January 2020 a number of key management employees of the Group were invited to participate in a long-term recognition incentive scheme. Payments under the scheme are dependent on a sale of at least 50% of the ordinary share capital in the ultimate parent of the Group, Project Global Topco Limited and such payments are based on the employee's salary at the point of sale. Management do not believe the probability of an imminent sales is sufficient to estimate and recognise a liability in the accounts for the year ending 31 December 2021.

THE APPOINTMENT GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

24. Pension commitments

The pension charge to the Group's defined contribution pension scheme in the year amounted to £344k (2020 - £420k). There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

25. Commitments under operating leases

At 31 December 2021 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2021 £000	Group 2020 £000
Not later than 1 year	928	730
Later than 1 year and not later than 5 years	3,193	2,678
Later than 5 years	523	1,155
	4,644	4,563

26. Related party transactions

The Group and Company have taken advantage of the exemption provided by paragraph 33.1A of FRS 102 not to disclose transactions with entities that are part of the Group by virtue of its status as a 100% owned subsidiary of a Parent Company whose financial statements are consolidated and made publicly available.

At 31 December 2021, balances owed to the Company by two (2020 - one) of the directors totalled £1k (2020 - £1k). During the year, the Company repaid £Nil (2020 - £Nil) in total. At 31 December 2021, balances owed by the Company to one (2020 - one) of the directors totalled £1k (2020 - £1k). The director loan accounts are interest free, repayable on demand and unsecured.

During the year the Group received £52k (2020 - £Nil) relating to recharge income from another company owned by the same ultimate controlling party as the Parent Company. The total owed to the Group at the year end with respect to these recharges is £3k (2020 - £Nil).

A Director of the ultimate controlling party booked private travel through the Group, £8k is included within gross turnover (note 4) and £8k is included within cost of sales (note 4). £Nil balance remained outstanding at the year ended 31 December 2021.

Key management are those persons having authority and responsibility for planning, controlling and directing the activities of the Group, or in relation to the Company. In the opinion of the board the Group and Company's key management are the directors of The Appointment Group Limited.

Key management personnel compensation has been recharged to Project Global BidCo Limited during the year.

THE APPOINTMENT GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

27. Controlling party

The Company's immediate parent undertaking is Project Global Bidco Limited.

The Company's ultimate parent undertaking is Project Global Topco Limited.

The smallest group of undertakings for which Group accounts for the year ended 31 December 2021 have been drawn up, is that headed by The Appointment Group Limited, these financial statements.

The largest group of undertakings for which Group accounts for the period ended 31 December 2021 have been drawn up, is that headed by Project Global Topco Limited. Copies of the Group accounts are available from The Linen House, 253 Kilburn Lane, London, England, W10 4BQ.

The Company's ultimate controlling party is Apiary Capital Partners I Gp Llp in its capacity as general partner of Apiary Capital I Lp, owning more than 50% but less than 75% of the shares in Project Global Topco Limited.