
CARIBTOURS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

CARIBTOURS LIMITED

COMPANY INFORMATION

Directors	Mr P Cleary Mr M Bonham-Carter (appointed 10 October 2022) Mrs J Bonham-Carter (appointed 10 October 2022)
Registered number	01402297
Registered office	126-128 New Kings Road London SW6 4LZ
Independent auditors	White Hart Associates (London) Limited Chartered Accountants and Statutory Auditors 2nd Floor, Nucleus House 2 Lower Mortlake Road Richmond TW9 2JA

CARIBTOURS LIMITED

CONTENTS

	Page
Strategic Report	1 - 3
Directors' Report	4 - 6
Independent Auditors' Report	7 - 10
Income Statement	11
Statement of Comprehensive Income	12
Statement of Financial Position	13
Statement of Changes in Equity	14
Statement of Cash Flows	15
Analysis of Net Debt	16
Notes to the Financial Statements	17 - 37

CARIBTOURS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2023

Introduction

The Directors present their strategic report for the year ended 30 September 2023.

Business review

The Company is required by the Companies Act to set out in this report, a fair review of the business of the Company during the financial year ended 30 September 2023, and its position at the end of the year along with a description of the principal risks and uncertainties facing the Company. This review is prepared solely to provide additional information to shareholders to assess the Company's strategies and the potential for those strategies to succeed, and the business review should not be relied upon by any other party or for any other purpose.

The Company's policy has been to continue to diversify its product by offering luxury tailor made holidays to an increasingly new range of destinations whilst maintaining its core product of luxury Caribbean holidays. The increased focus on our European and Indian Ocean programmes was further supplemented by the acquisition in 2022 of Just Grenada, a direct-sell specialist operator, which has helped to expand the range of destinations offered by the Company even further.

The Company continued its policy of hybrid home/office working for all employees and this continues to deliver a reduction in fixed costs through reduced property overheads.

The excellent customer service we afforded our clients during the pandemic generated considerable goodwill which, combined with significant pent-up demand for travel coming out of the pandemic, has allowed the Company to continue to recognise significant profits and strong results.

The directors consider the results to be satisfactory given the continuing challenges presented by the economic uncertainty driven by the political landscape and the cost of living crisis.

The key performance indicators used by the directors to monitor the progress of the Company are set out below:-

	2023 £	2022 £
Turnover	20,277,912	21,927,916
Gross Profit	2,930,444	2,780,402
Gross Profit as a percentage of Turnover	14.45%	12.68%
Profit/(Loss) on ordinary activities before Taxation	720,458	951,900
Profit/(Loss) on ordinary activities as a percentage of Turnover	3.55%	4.34%

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2023

Principal risks and uncertainties

The following risk factors may affect the Company's operating results and its financial position. The risk factors described below are those which the directors believe are potentially significant but should not be regarded as a complete and comprehensive statement of all potential risk and uncertainties facing the Company.

The demand for holidays is affected by local economic conditions. During 2023, the war in Ukraine and subsequent cost of living crisis has affected the cost of holiday arrangements and resulted in consumers having less discretionary spending available for holidays, however this has been compensated by the high level of pent up demand following the easing of travel restrictions after the COVID-19 pandemic.

The Company is exposed to various regulators, including the Civil Aviation Authority ("CAA"), which issues an Air Travel Organisers Licence ("ATOL"), which is required in order for the Company to operate and was renewed in March 2023. This licence is renewed in March each year and is subject to assessments of fitness and financial criteria, the framework of which is available on the CAA's website (www.caa.co.uk).

The Company finances its operations through retained profits. The Company's exposure to interest rate fluctuations on its cash deposits are managed by using short term, fixed and floating deposits.

The Company operates in a highly competitive market featuring innovation in the travel products and the methods by which they are marketed, as well as price pressures. The Company seeks to constantly invest in its brand to increase travel agent and public awareness as well as offer a wide selection of products from a wide range of suppliers at competitive prices to maintain its market position. The Company also monitors competitor activity closely.

The Company faces transactional currency exposure primarily relating to the cost of acquiring accommodation which can be affected by the strength or otherwise of sterling. To mitigate this risk the Company operates a hedging policy which involves forward buying foreign currencies as future requirements accumulate. The Company constantly revises its pricing to reflect the hedging instruments in place at any given time. The Company has adopted an accounting policy of hedge accounting for these financial statements.

The Company has well established and close relationships with customers and suppliers and, where possible, risk is spread by not placing over-reliance on any one supplier in any particular area. The management team meets regularly with suppliers to maintain good working relationships.

The Company is heavily reliant on the uninterrupted operation of its IT systems. These systems are vulnerable to power loss, fire, computer viruses and other events. Loss of these systems would impair the ability of the Company to carry on its business effectively. The Company has made arrangements to mitigate this risk including having multiple leased lines into its main office, moving to hosted solutions for its key systems and having employees working across multiple locations.

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2023

Principal risks and uncertainties (continued)

The nature of the business exposes the Company to various commercial risks which may affect the trading performance of the Company. These include:

- acts of terrorism, particularly in key tourist destinations
- epidemics in key tourist destinations which threaten the health of tourists
- wars or other international uncertainty which affects air travel
- natural disasters in key tourist destinations
- weather conditions, both in the UK and key tourist destinations
- changes in customer behaviour and preferences
- increases in government taxes

These factors may affect the Company by causing potential customers to cancel or postpone travel plans, reducing the earnings potential of the Company. The Company seeks to minimise such risks by operating a flexible and limited-commitment business model with the ability to shift capacity among a variety of destinations where necessary, whilst ensuring fixed overheads are kept at an optimum level.

This report was approved by the board on 23 January 2024 and signed on its behalf.

.....
Mr P Cleary
Director

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

The directors present their report and the financial statements for the year ended 30 September 2023.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with 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 of the profit or loss of the Company for that period.

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

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and 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 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 and other information included in Directors' Reports may differ from legislation in other jurisdictions.

Principal activity

The principal activity of the Company in the year under review was that of a tour operator selling holidays to the Caribbean, Indian Ocean, Far East, Middle East and Europe.

Results and dividends

The profit for the year, after taxation, amounted to £562,514 (2022 - £894,005).

There have been no interim dividends paid during the year and the directors do not recommend a final dividend.

The total distribution of dividends for the year ended 30 September 2023 will be £Nil (2022 - £Nil).

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2023

Directors

The directors who served during the year were:

Mr P Cleary

Mr M Bonham-Carter (appointed 10 October 2022)

Mrs J Bonham-Carter (appointed 10 October 2022)

Future developments

The Company is embarking on a three-pronged growth strategy through investment in technologies, expanding distribution to new markets and increasing the range of destinations offered.

Matters covered in the Strategic Report

The directors have disclosed additional performance data for the Company in the strategic report, which is included within this set of financial statements. This includes a review of the performance of the business and the key performance indicators, as well as the main risks faced by the business.

Disclosure of information to auditors

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

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

Post balance sheet events

On 14 December 2023, the Company's ultimate shareholders entered into an agreement to revise the Group's ownership structure, resulting in ID Travel Holdings Limited, a company which is registered in the United States, becoming the ultimate holding company effective from 1 January 2024. The ultimate controlling party will continue to be Mr M Bonham-Carter, a director, by virtue of his majority holding in the issued share capital of the ultimate holding company.

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

During 2024, the Company will continue to operate as outlined in the principal activity note above.

Auditors

The auditors, White Hart Associates (London) Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

CARIBTOURS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

This report was approved by the board on 23 January 2024 and signed on its behalf.

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Mr P Cleary
Director

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CARIBTOURS LIMITED

Opinion

We have audited the financial statements of Caribtours Limited (the 'Company') for the year ended 30 September 2023, which comprise the Income Statement, the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 September 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

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

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the 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 Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 exercise professional judgment and maintain professional skepticism throughout the audit;
- We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the deliberate override of internal control;
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control;
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made;
- We assess the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business;
- We review the scope of the Company's compliance with The Package and Linked Travel Arrangements Regulations 2018 ("PTRs") and sample test relevant documentation to assess this and the effectiveness of its control environment;
- We request and review the minutes of management meetings, and assess any matters identified not already provided for or disclosed that may materially impact the financial statements;
- We review the Company's relationships with related parties, identifying and disclosing transactions during the year and balances at year-end with such parties;
- We conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

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

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

Use of our report

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

Ms N A Spoor ACA FCCA (Senior Statutory Auditor)

for and on behalf of

White Hart Associates (London) Limited

Chartered Accountants and Statutory Auditors

2nd Floor, Nucleus House

2 Lower Mortlake Road

Richmond

TW9 2JA

23 January 2024

CARIBTOURS LIMITED

INCOME STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2023

	Note	2023 £	2022 £
Turnover	4	20,277,912	21,927,916
Cost of sales		(17,347,468)	(19,147,514)
Gross profit		2,930,444	2,780,402
Administrative expenses		(2,273,140)	(1,875,495)
Other operating income	5	58,970	46,796
Operating profit	6	716,274	951,703
Interest receivable and similar income	10	4,257	241
Interest payable and similar expenses	11	(73)	(44)
Profit before tax		720,458	951,900
Tax on profit	12	(157,944)	(57,895)
Profit for the financial year		562,514	894,005

The notes on pages 17 to 37 form part of these financial statements.

CARIBTOURS LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2023

	Note	2023 £	2022 £
Profit for the financial year		562,514	894,005
Other comprehensive income			
Currency translation differences		3,547	3,684
Fair value gain/(loss) on cash flow hedges		(683,400)	750,525
Movement in unrealised foreign exchange reserve		(11,115)	11,978
Other comprehensive income for the year		(690,968)	766,187
Total comprehensive income for the year		(128,454)	1,660,192

The notes on pages 17 to 37 form part of these financial statements.

CARIBTOURS LIMITED
REGISTERED NUMBER: 01402297

STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	13	67,829	90,439
Tangible assets	14	68,732	71,109
		<u>136,561</u>	<u>161,548</u>
Current assets			
Stocks	15	29,004	15,131
Debtors: amounts falling due within one year	16	2,469,917	3,177,612
Cash at bank and in hand	17	3,602,672	3,493,307
		<u>6,101,593</u>	<u>6,686,050</u>
Creditors: amounts falling due within one year	18	(4,994,250)	(5,500,890)
Net current assets		<u>1,107,343</u>	<u>1,185,160</u>
Total assets less current liabilities		<u>1,243,904</u>	<u>1,346,708</u>
Provisions for liabilities			
Deferred tax	19	(13,700)	-
Other provisions	20	(36,668)	(24,718)
		<u>(50,368)</u>	<u>(24,718)</u>
Net assets		<u><u>1,193,536</u></u>	<u><u>1,321,990</u></u>
Capital and reserves			
Called up share capital	21	50,000	50,000
Foreign exchange reserve	22	(534)	10,581
Other reserves	22	49,322	732,722
Profit and loss account	22	1,094,748	528,687
		<u><u>1,193,536</u></u>	<u><u>1,321,990</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 23 January 2024.

.....
Mr M Bonham-Carter
Director

The notes on pages 17 to 37 form part of these financial statements.

CARIBTOURS LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2023

	Called up share capital £	Foreign exchange reserve £	Cash flow hedging reserve £	Profit and loss account £	Total equity £
At 1 October 2021	50,000	(1,397)	(17,803)	(369,002)	(338,202)
Comprehensive income for the year					
Profit for the year	-	-	-	894,005	894,005
Currency translation differences	-	-	-	3,684	3,684
Fair value gain/(loss) on cash flow hedges	-	-	750,525	-	750,525
Movement in unrealised foreign exchange reserve	-	11,978	-	-	11,978
Total comprehensive income for the year	-	11,978	750,525	897,689	1,660,192
At 1 October 2022	50,000	10,581	732,722	528,687	1,321,990
Comprehensive income for the year					
Profit for the year	-	-	-	562,514	562,514
Currency translation differences	-	-	-	3,547	3,547
Fair value gain/(loss) on cash flow hedges	-	-	(683,400)	-	(683,400)
Movement in unrealised foreign exchange reserve	-	(11,115)	-	-	(11,115)
Total comprehensive income for the year	-	(11,115)	(683,400)	566,061	(128,454)
At 30 September 2023	50,000	(534)	49,322	1,094,748	1,193,536

The notes on pages 17 to 37 form part of these financial statements.

CARIBTOURS LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2023

	2023 £	2022 £
Cash flows from operating activities		
Profit for the financial year	562,514	894,005
Adjustments for:		
Amortisation of intangible assets	22,610	22,610
Depreciation of tangible assets	30,224	29,375
Interest received	(4,257)	(241)
Taxation charge	157,944	57,895
(Increase)/decrease in stocks	(13,873)	20,843
Decrease/(increase) in debtors	214,357	(962,156)
(Increase) in amounts owed by groups	(265,114)	(145,171)
(Decrease)/increase in creditors	(583,168)	578,731
Increase/(decrease) in provisions	11,950	(20,176)
Net cash generated from operating activities	133,187	475,715
Cash flows from investing activities		
Purchase of intangible fixed assets	-	(113,049)
Purchase of tangible fixed assets	(27,847)	(31,505)
Interest received	4,257	241
Net cash from investing activities	(23,590)	(144,313)
Net increase in cash and cash equivalents	109,597	331,402
Cash and cash equivalents at beginning of year	3,493,075	3,161,673
Cash and cash equivalents at the end of year	3,602,672	3,493,075
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	3,602,672	3,493,307
Bank overdrafts	-	(232)
	3,602,672	3,493,075

The notes on pages 17 to 37 form part of these financial statements.

CARIBTOURS LIMITED

ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 30 SEPTEMBER 2023

	At 1 October 2022 £	Cash flows £	Other non-cash changes £	At 30 September 2023 £
Cash at bank and in hand	3,493,307	109,365	-	3,602,672
Bank overdrafts	(232)	232	-	-
Derivative assets	732,722	-	(683,400)	49,322
	<u>4,225,797</u>	<u>109,597</u>	<u>(683,400)</u>	<u>3,651,994</u>

The notes on pages 17 to 37 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

1. General information

As disclosed in the Directors' Report, the principal activity of the Company in the year under review was that of a tour operator selling holidays to the Caribbean, Indian Ocean, Far East, Middle East and Europe.

The Company is a private company limited by shares and is incorporated in England. The address of the Company's principal place of business and registered office is 126-128 New Kings Road, London, SW6 4LZ.

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 management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The COVID-19 pandemic had an unprecedented impact upon the global economy and in particular upon the travel industry, causing many consumers to cancel, amend their travel arrangements or not travel at all. The travel industry is experiencing the benefit of a post COVID-19 bounce back in travel, however it is still experiencing the knock-on effect of the pandemic in relation to supplier resource and ability to service consumers. This, combined with consumer unease in relation to the current economic environment, with increasing energy costs and inflation, has meant that Company management and the directors have continued to review the Company's financial position, as well as forecasts and plan mitigation actions in order to neutralise a repeat of the financial impact seen during the COVID-19 pandemic period.

Additionally, they have also performed a sensitivity analysis on the Company's budgets and forecasts to assess the financial impact of any potential further slowdown in trading from the reforecast and its impact on the liquidity of the business. This sensitivity analysis shows that the Company has enough liquidity and cash to trade through a further slowdown and continue to meet liquidity requirements set by the Civil Aviation Authority.

Company management and the director therefore have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, being at least the following 12 months from the signing of these financial statements. As a result, the directors believe that it is still appropriate to apply the going concern basis for the foreseeable future.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2023

2. Accounting policies (continued)

2.3 Turnover

Turnover represents the aggregate amount of gross revenue receivable from inclusive tours, travel agency commissions receivables, cancellation income and other services supplied to customers in the ordinary course of business.

Turnover derived from ordinary activities is recognised in the income statement on holiday departure date and is stated after trade discounts, net of VAT and after any other sales taxes.

Included within other operating income is commission received from resold tour packages.

2.4 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 land and buildings	- Straight line over the lifetime of the lease
Fixtures and fittings	- Straight line over 5 years
Computer equipment	- Straight line over 5 years

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.

2.5 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

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

2.6 Debtors

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

2. Accounting policies (continued)

2.7 Cash and cash equivalents

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

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

2.8 Financial instruments

The Company has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

The Company has elected to apply the recognition and measurement provisions of IFRS 9 Financial Instruments (as adopted by the UK Endorsement Board) with the disclosure requirements of Sections 11 and 12 and the other presentation requirements of FRS 102.

Financial instruments are recognised in the Company's Statement of Financial Position when the Company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

Other financial assets

Other financial assets, which includes investments in equity instruments which are not classified as subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the recognised transaction price. Such assets are subsequently measured at fair value with the changes in fair value being recognised in the profit or loss. Where other financial assets are not publicly traded, hence their fair value cannot be measured reliably, they are measured at cost less impairment.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2023

2. Accounting policies (continued)

2.8 Financial instruments (continued)

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

Financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after the deduction of all its liabilities.

Basic financial liabilities, which include trade and other payables, bank loans and other loans are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

Debt instruments are subsequently carried at their amortised cost using the effective interest rate method.

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if the payment is due within one year. If not, they represent non-current liabilities. Trade payables are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2023

2. Accounting policies (continued)

2.8 Financial instruments (continued)

Other financial instruments

Derivatives, including forward exchange contracts, futures contracts and interest rate swaps, are not classified as basic financial instruments. These are initially recognised at fair value on the date the derivative contract is entered into, with costs being charged to the profit or loss. They are subsequently measured at fair value with changes in the profit or loss. The Company applies hedge accounting for foreign exchange derivatives.

The Company designates certain derivatives as either:

- Hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge); - Hedges of a particular risk associated with a recognised asset or liability or a highly probable forecast transaction (cash flow hedge); or
- Hedges of a net investment in a foreign operation (net investment hedge).

The Company documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Company also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining hedged item is recognised after more than 12 months, and as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

Debt instruments that do not meet the conditions as set out in FRS 102 paragraph 11.9 are subsequently measured at fair value through the profit or loss. This recognition and measurement would also apply to financial instruments where the performance is evaluated on a fair value basis as with a documented risk management or investment strategy.

2.9 Creditors

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

2. Accounting policies (continued)

2.10 Hedge accounting

The Company uses foreign currency forward contracts to manage its exposure to cash flow risk on its future creditors payable in foreign currencies. These derivatives are measured at fair value at each reporting date.

To the extent the cash flow hedge is effective, movements in fair value are recognised in other comprehensive income and presented in a separate cash flow hedge reserve. Any ineffective portions of those movements are recognised in profit or loss for the year.

Gains and losses on the hedging instruments and the hedged items are recognised in profit or loss for the year. When a hedged item is an unrecognised firm commitment, the cumulative hedging gain or loss on the hedged item is recognised as an asset or liability with a corresponding gain or loss recognised in profit or loss.

2.11 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is Sterling.

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 Income Statement within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.12 Finance costs

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

2. Accounting policies (continued)

2.13 Operating leases: the Company as lessee

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

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

2.14 Pensions

Defined contribution pension plan

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

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

2.15 Interest income

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

2.16 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company 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 Company becomes aware of the obligation, and are measured at the best estimate at the reporting 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 Statement of Financial Position.

Increases in provisions are generally charged as an expense to profit or loss.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

2. Accounting policies (continued)

2.17 Current and deferred taxation

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

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

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

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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

2.18 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.

2.19 Borrowing costs

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

2. Accounting policies (continued)

2.20 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 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 Income Statement 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.

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

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

a) Critical judgments in applying the Company's accounting policies

The directors believe that there are no critical judgments involved in applying the Company's accounting policies that warrant disclosure.

b) Key accounting estimates and assumptions

The directors believe that there are no key accounting estimates and assumptions involved in applying the Company's accounting policies that warrant disclosure.

CARIBTOURS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

4. Turnover

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

	2023 £	2022 £
Tour operator	<u>20,277,912</u>	<u>21,927,916</u>

Analysis of turnover by source market:

	2023 £	2022 £
United Kingdom	20,101,537	21,576,391
Ireland	176,375	351,525
	<u>20,277,912</u>	<u>21,927,916</u>

5. Other operating income

	2023 £	2022 £
Commissions receivable	58,970	46,796
	<u>58,970</u>	<u>46,796</u>

6. Operating profit

The operating profit is stated after charging:

	2023 £	2022 £
Exchange differences	44,851	(114,397)
Other operating lease rentals	<u>125,463</u>	<u>88,208</u>

CARIBTOURS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

7. Auditors' remuneration

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

	2023	2022
	£	£
Fees payable to the Company's auditors for the audit of the Company's financial statements	<u>14,465</u>	<u>15,000</u>

8. Employees

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

	2023	2022
	£	£
Wages and salaries	1,334,901	1,222,571
Social security costs	153,925	151,130
Cost of defined contribution scheme	94,543	44,093
	<u>1,583,369</u>	<u>1,417,794</u>

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

	2023	2022
	No.	No.
Administration	18	16
Sales	11	11
	<u>29</u>	<u>27</u>

CARIBTOURS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2023

9. Directors' remuneration

	2023 £	2022 £
Directors' emoluments	156,254	152,264
Company contributions to defined contribution pension schemes	63,651	17,130
	<u>219,905</u>	<u>169,394</u>

During the year retirement benefits were accruing to 1 director (2022 - 1 in respect of defined contribution pension schemes).

The highest paid director received remuneration of £156,254 (2022 - £152,264).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £63,651 (2022 - £17,130).

Included within directors' emoluments above are non-cash benefits relating to private medical care and company cars paid for by the Company on behalf of the director.

10. Interest receivable

	2023 £	2022 £
Other interest receivable	<u>4,257</u>	<u>241</u>

11. Interest payable and similar expenses

	2023 £	2022 £
Bank interest payable	<u>73</u>	<u>44</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

12. Taxation

	2023 £	2022 £
Corporation tax		
Current tax on profits for the year	90,386	-
Group taxation relief	(21,578)	-
Total current tax	68,808	-
Deferred tax		
Origination and reversal of timing differences	89,136	57,895
Taxation on profit on ordinary activities	157,944	57,895

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2022 - *lower than*) the standard rate of corporation tax in the UK of 22% (2022 - 19%). The differences are explained below:

	2023 £	2022 £
Profit on ordinary activities before tax	<u>720,458</u>	<u>951,900</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 22% (2022 - 19%)	158,501	180,861
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	10,592	5,911
Capital allowances for year in excess of depreciation	(418)	(2,909)
Utilisation of tax losses	(78,289)	(183,863)
Movement in deferred taxation	89,136	57,895
Group relief	(21,578)	-
Total tax charge for the year	157,944	57,895

Factors that may affect future tax charges

Changes to the UK corporation tax rates were substantively enacted as part of Finance Bill 2021 (on 11 March 2021). These include increases to the main rate of tax from 19% to 25% from 1 April 2023 for profits exceeding £50,000. Deferred taxes at the Statement of Financial Position date have been measured using the rates that will be applicable in the periods to which they relate. Due to the change occurring during the financial year, the effective tax rate applied for the year was an average of 22%.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2023

13. Intangible assets

	Goodwill £
Cost	
At 1 October 2022	113,049
At 30 September 2023	<u>113,049</u>
Amortisation	
At 1 October 2022	22,610
Charge for the year on owned assets	22,610
At 30 September 2023	<u>45,220</u>
Net book value	
At 30 September 2023	<u><u>67,829</u></u>
At 30 September 2022	<u><u>90,439</u></u>

Goodwill above relates to the acquisition of the Just Grenada brand and business on 1 April 2022 and is being amortised on a straight line basis over 5 years from the date of acquisition.

CARIBTOURS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2023

14. Tangible fixed assets

	Plant and machinery £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 October 2022	408,459	13,071	421,530
Additions	23,502	4,345	27,847
At 30 September 2023	431,961	17,416	449,377
Depreciation			
At 1 October 2022	337,901	12,520	350,421
Charge for the year on owned assets	29,162	1,062	30,224
At 30 September 2023	367,063	13,582	380,645
Net book value			
At 30 September 2023	64,898	3,834	68,732
At 30 September 2022	70,558	551	71,109

Apart from the fixed assets disclosed above, the Company has not committed to any capital expenditure at 30 September 2023 (2022 - £Nil).

15. Stocks

	2023 £	2022 £
Finished goods and goods for resale	29,004	15,131
	29,004	15,131

The difference between the purchase price or production cost of stocks and their replacement cost is not material.

CARIBTOURS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2023

16. Debtors

	2023 £	2022 £
Trade debtors	216,455	157,415
Amounts owed by group undertakings	500,872	235,758
Other debtors	272,926	505,254
Prepayments and accrued income	1,430,342	1,471,027
Deferred taxation	-	75,436
Financial instruments	49,322	732,722
	<u>2,469,917</u>	<u>3,177,612</u>

17. Cash and cash equivalents

	2023 £	2022 £
Cash at bank and in hand	3,602,672	3,493,307
Less: bank overdrafts	-	(232)
	<u>3,602,672</u>	<u>3,493,075</u>

Included within cash at bank and in hand above is restricted cash of £17,237 (2022 - £35,038) provided as security for a guarantee in favour of the International Air Transport Association.

Also included within cash at bank and in hand above is restricted cash of £1,804,950 (2022 - £Nil) provided as security under a charge in favour of the Civil Aviation Authority ('CAA'). On 17 January 2024, after agreement was reached with the CAA, these restricted funds were released and included within unrestricted cash at bank and in hand. The Company has instead provided alternative security by means of an insurance bond.

CARIBTOURS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

18. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Bank overdrafts	-	232
Payments received on account	4,084,729	4,519,324
Trade creditors	325,506	286,130
Corporation tax	72,916	-
Other taxation and social security	40,363	36,979
Other creditors	12,477	-
Accruals and deferred income	458,259	658,225
	<u>4,994,250</u>	<u>5,500,890</u>

The Company had BSP outstanding cash sales of £241,394 at 30 September 2023 (2022 - £185,916), all of which were paid within October 2023.

19. Deferred taxation

	2023	2022
	£	£
At beginning of year	75,436	133,331
Charged to profit or loss	(89,136)	(57,895)
At end of year	<u>(13,700)</u>	<u>75,436</u>

The deferred taxation balance is made up as follows:

	2023	2022
	£	£
Accelerated capital allowances	(13,700)	(13,529)
Tax losses carried forward	-	88,965
	<u>(13,700)</u>	<u>75,436</u>

CARIBTOURS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2023

20. Provisions

	Doubtful debts £
At 1 October 2022	24,718
Charged to profit or loss	11,950
	<hr/>
At 30 September 2023	36,668
	<hr/>

The provision for doubtful debts relates to outstanding marketing income which is considered unlikely to be received.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2023

21. Share capital

	2023 £	2022 £
Allotted, called up and fully paid		
33,339 (2022 - 33,339) A Ordinary shares of £1.00 each	33,339	33,339
16,661 (2022 - 16,661) B Ordinary shares of £1.00 each	16,661	16,661
	<u>50,000</u>	<u>50,000</u>

The A and B Ordinary shares of £1 each carry full voting rights, full dividend rights and full rights to participation in any capital distribution on winding up.

22. Reserves

Foreign exchange reserve

The foreign exchange reserve represents differences arising upon the revaluation of the Company's Irish business stated in Euros. The income, expenditure, assets and liabilities of the business are revalued to match the presentation currency of the Company for reporting purposes, to show the entirety of the Company's results in Pounds Sterling (GBP). See accounting policy 2.11 for details of how the individual balances within the Irish business are translated.

Other reserves

Other reserves relate to a cash flow hedging reserve to which, in accordance with the Company's accounting policies, the effective portion of changes in the fair value of foreign exchange forward contract derivatives are recognised.

Profit and loss account

The profit and loss account represents all current and prior period retained profits and losses, less any dividends paid to the Company's shareholders.

23. Contingent liabilities

At 30 September 2023, there were contingent liabilities outstanding in respect of counter indemnities given by the Company, in the normal course of business, to the Company's bond insurance obligors in respect of ABTA and IATA travel bonds amounting to £615,579 (2022 - £324,335).

24. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £94,543 (2022 - £44,093). Contributions totalling £12,477 (2022 - £Nil) were payable to the fund at the reporting date and are included in creditors.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2023

25. Commitments under operating leases

At 30 September 2023 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2023 £	2022 £
Not later than 1 year	119,728	119,420
Later than 1 year and not later than 5 years	124,671	70,435
	<u>244,399</u>	<u>189,855</u>

26. Transactions with directors

The following advances and credits to a director subsisted during the years ended 30 September 2023 and 30 September 2022:

	2023 £	2022 £
Mr P Cleary		
Balance at 1 October	10,663	6,654
Amounts advanced	1,509	4,009
Amounts repaid	-	-
Balance at 30 September	<u>12,172</u>	<u>10,663</u>

The above advance to Mr P Cleary at 30 September 2023 is unsecured, incurs 2.5% interest per annum and has no fixed repayment date.

27. Controlling party

The Company's immediate holding company is Winterfold Luxury Travel Limited, a company which is registered in England and Wales. Copies of the financial statements of Winterfold Luxury Travel Limited can be obtained from 126-128 New Kings Road, London, SW6 4LZ. The Company's ultimate holding company is ID Travel Group PTE Limited, a company which is registered in Singapore.

The ultimate controlling party is Mr M Bonham-Carter, a director, by virtue of his majority holding in the issued share capital in the ultimate holding company.

On 14 December 2023, the Company's ultimate shareholders entered into an agreement to revise the Group's ownership structure, resulting in ID Travel Holdings Limited, a company which is registered in the United States, becoming the ultimate holding company effective from 1 January 2024. The ultimate controlling party will continue to be Mr M Bonham-Carter, a director, by virtue of his majority holding in the issued share capital of the ultimate holding company.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

28. Cash flow hedges

At 30 September 2023, the Company had 14 foreign exchange forward contracts that it designated as cash flow hedges of highly probable foreign currency payments to suppliers for firm commitments in future periods. These contracts are entered into to minimise the Company's exposure to foreign exchange risk, between the prices agreed when a customer booking is made and when the supplier is paid.

The following table summarises the foreign currency cash flow hedging instruments in place as at 30 September 2023:

	2023 Volume	2023	2022	2022
	(Local	Fair Value	Volume	Fair Value
	Currency)	(GBP)	(Local	(GBP)
			Currency)	
Foreign currency cash flow hedging instruments				
US Dollars (USD)	6,650,000	5,442,344	7,800,000	6,998,026
Euros (EUR)	450,000	393,563	-	-
Total	7,100,000	5,835,907	7,800,000	6,998,026

The present value of the highly probable forecast foreign currency cash flows that were designated as the hedged items within the hedging relationship at 30 September 2023 totalled £5,786,613 (2022 - £6,261,898).

The following table summarises the expected timing and amounts of the forecast future cash flows, which will be recognised in the income statement in the same period in which the cash flows occur:

	Total
	£
Determination Period	
October - December 2023	1,234,344
January - March 2024	2,127,496
April - June 2024	1,077,244
July - September 2024	1,347,529
October - December 2024	-
Total	5,786,613

During the period, the Company recognised net losses of £683,400 (2022 - gains of £750,525) on forward currency cash flow hedging instruments, all of which were found to be effective and were recognised through other comprehensive income into the cash flow hedging reserve.

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