

**Cornwall Hideaways Limited
(formerly Harbour Holidays (Rock) Limited)**

Report and Financial Statements

Year ended

31 December 2018



Company Number 03514233

CORNWALL HIDEAWAYS LIMITED

Annual report and financial statements for the year ended 31 December 2018

Contents

Page:

2	Report of the directors
3	Directors' responsibilities
4	Independent auditor's report
6	Statement of comprehensive income
7	Statement of financial position
8	Statement of changes in equity
9	Accounting policies
11	Notes forming part of the financial statements

Directors

GD Baber
JC Boyce
RG Boyce

Registered office

HPB House, Old Station Road, Newmarket, Suffolk, CB8 8EH

Company number

03514233

Auditor

RSM UK Audit LLP, Abbotsgate House, Hollow Road, Bury St Edmunds, Suffolk, IP32 7FA

CORNWALL HIDEAWAYS LIMITED

Report of the directors for the year ended 31 December 2018

The directors present their report together with the financial statements for the year ended 31 December 2018.

Change of name

The company changed its name from Harbour Holidays (Rock) Limited to Cornwall Hideaways Limited on 28 December 2018.

Principal activities

The company's principal activity during the year was that of the provision of luxury short term self-catering holidays, mainly to individuals.

Directors

The directors of the company during the year were:

GD Baber	- appointed 30 November 2018
JC Boyce	- appointed 30 November 2018
RG Boyce	- appointed 30 November 2018
EJ Kearney	- resigned 30 November 2018
M Spence	- resigned 30 November 2018
A Wild	- resigned 30 November 2018

Directors' indemnity insurance

Qualifying third party indemnity provision is in place for the benefit of all directors of the company.

Statement of disclosure to auditor

So far as each director is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

RSM UK Audit LLP were appointed auditors to the company during the year and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be reappointed will be put at a General Meeting.

This report has been prepared in accordance with the provisions applicable to companies entitled to small companies exemption.

On behalf of the Board


JC Boyce
Director

27 September 2019

CORNWALL HIDEAWAYS LIMITED

Directors' responsibilities statement

The directors are responsible for preparing 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

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

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and accounting estimates that are reasonable and prudent;
- c. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

CORNWALL HIDEAWAYS LIMITED

Independent auditor's report to the member of Cornwall Hideaways Limited

Opinion

We have audited the financial statements of Cornwall Hideaways Limited (the 'company') for the year ended 31 December 2018 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity and 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 company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 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.

Other matter - Prior period financial statements not audited

The corresponding figures are unaudited.

Conclusions relating to going concern

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

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

Other information

The other information comprises the information included in the annual report, 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

CORNWALL HIDEAWAYS LIMITED

Independent auditor's report to the member of Cornwall Hideaways Limited

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the directors' report.

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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 the member in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's member, for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

CLAIRE SUTHERLAND (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Abbotsgate House
Hollow Road
Bury St Edmunds
Suffolk
IP32 7FA

30 September 2019

CORNWALL HIDEAWAYS LIMITED**Statement of comprehensive income for the year ended 31 December 2018**

	Note	2018 £	2017 £
Turnover		351,820	375,296
Cost of sales		(144,680)	(158,383)
Gross profit		207,140	216,913
Administrative expenses		(139,689)	(101,936)
Profit on ordinary activities before taxation	3	67,451	114,977
Taxation on profit on ordinary activities	4	(2,173)	1,377
Profit on ordinary activities after taxation and total comprehensive income for the financial period		65,278	116,354

The notes on pages 9 to 14 form part of these financial statements.

CORNWALL HIDEAWAYS LIMITED

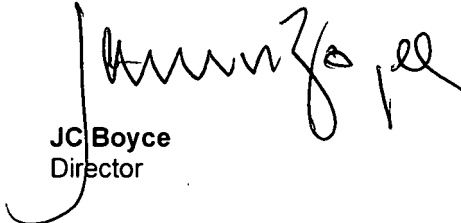
Statement of financial position at 31 December 2018

Company No 03514233

	Note	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	5		8,762		1,089
Current assets					
Debtors	6	22,832		321,869	
Cash at bank and in hand		39,551		25,621	
		<u>62,383</u>		<u>347,490</u>	
Creditors: amounts falling due within one year	7	<u>(51,658)</u>		<u>(43,843)</u>	
Net current assets			10,725		303,647
Provisions for liabilities					
Deferred taxation	8		(1,186)		-
Net assets			<u>18,301</u>		<u>304,736</u>
Capital and reserves					
Called up share capital	9		100		100
Profit and loss account			18,201		304,636
Total equity			<u>18,301</u>		<u>304,736</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and section 1A of the FRS 102.

The financial statements on pages 6 to 14 were approved by the Board and authorised for issue on *27 September 2019* and are signed on its behalf by:


JC Boyce
 Director

The notes on pages 9 to 14 form part of these financial statements.

CORNWALL HIDEAWAYS LIMITED**Statement of changes in equity for the year ended 31 December 2018**

	Share capital £	Profit and loss account £	Total £
Balance at 1 January 2017	100	188,282	188,382
Profit and total comprehensive income for the year	-	116,354	116,354
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2017	100	304,636	304,736
Profit and total comprehensive income for the year	-	65,278	65,278
Dividends	-	(351,713)	(351,713)
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2018	100	18,201	18,301
	<hr/>	<hr/>	<hr/>

CORNWALL HIDEAWAYS LIMITED

Accounting policies for the year ended 31 December 2018

General information

Cornwall Hideaways Limited ("the Company") is a private company limited by shares incorporated in England and Wales.

The registered office address of the Company is HPB House, Old Station Road, Newmarket, Suffolk, CB8 8EH.

Basis of accounting

These financial statements have been prepared in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ('FRS 102'), the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime, and under the historical cost convention. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

Going concern

The directors consider the going concern basis to be appropriate. In support of the going concern basis, the parent company, Quality Holidays Assured Limited, has undertaken to provide any financial support needed in order to ensure that the company continues trading for the 12 months after approval of the financial statements.

Functional and presentational currencies

The financial statements are presented in sterling which is also the functional currency of the company.

Turnover

Turnover represents rental commissions and associated receivables, excluding value added tax, recognised in the statement of comprehensive income at the point of booking.

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset to its estimated residual value over its expected useful life, as follows:-

Fixtures and equipment	-	5 years straight line
Plant and machinery	-	10 years straight line

Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current tax is based on taxable profit for the year. Taxable profit differs from the profit on ordinary activities because it excludes items of income or expense that are taxable or deductible in other periods. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is not discounted.

CORNWALL HIDEAWAYS LIMITED

Accounting policies for the year ended 31 December 2018 (Continued)

Taxation (continued)

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and the profit on ordinary activities that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Current and deferred tax is charged or credited in profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Leases

Operating lease annual rentals are charged to profit or loss on a straight line basis over the lease term.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The holiday year for Cornwall Hideaways Limited ends at the reporting date.

Employees are not entitled to carry forward any unused holiday entitlement at the reporting date, unless there are exceptional circumstances.

Retirement benefits

Pension contributions are charged to profit or loss in the year in which they become payable.

Financial instruments

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments. Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument, and are offset only when the Company currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debtors

Debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

Creditors

Creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

CORNWALL HIDEAWAYS LIMITED

Notes forming part of the financial statements for the year ended 31 December 2018

1 Restatement of corresponding amounts

Following a change in management during the year, a review of expense allocation was undertaken resulting in an adjustment between cost of sales and administrative expenses, which the directors believe presents a fairer view of the company's operating activities:

	Cost of sales £	Administrative expenses £
As previously stated	138,455	121,864
Reallocation	19,928	(19,928)
As restated	158,383	101,936

Furthermore, certain liabilities were found to have been netted off against non-related assets which have now been adjusted for:

	Debtors £	Creditors £
As previously stated	312,843	34,817
Reallocation	9,026	9,026
As restated	321,869	43,843

There is no effect on the reported profit in either the current or preceding year.

2 Employees

	2018 £	2017 £
Staff costs (including directors) consist of:		
Wages and salaries	61,729	52,936
Social security costs	4,870	4,710
Pension costs	1,974	-
	68,573	57,646

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

	2018 Number	2017 Number
Administration	6	3

3 Profit on ordinary activities before taxation

	2018 £	2017 £
Profit on ordinary activities before taxation is stated after charging:		
Depreciation		
- owned assets	1,568	132
Operating leases		
- land and buildings	33,340	20,040
- other	4,239	4,976

CORNWALL HIDEAWAYS LIMITED

Notes forming part of the financial statements for the year ended 31 December 2018 (Continued)

4 Taxation

	2018 £	2017 £
<i>Current tax:</i>		
UK corporation tax on profit for year	987	-
Adjustments in respect of previous periods	-	(1,377)
	<u>987</u>	<u>(1,377)</u>
<i>Deferred tax (note 8):</i>		
Origination and reversal of timing differences	1,186	-
	<u>1,186</u>	<u>-</u>
Taxation on profit on ordinary activities	<u>2,173</u>	<u>(1,377)</u>

The tax assessed for the year is different to that calculated at the applicable standard rate of corporation tax in the UK. The differences are explained below:

	2018 £	2017 £
Profit on ordinary activities before tax	<u>67,451</u>	<u>114,977</u>
Tax on profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 – 19.25%)	12,816	22,133
Effects of:		
Expenses not deductible for tax purposes	138	-
Group relief	(10,861)	(22,695)
Adjustment in respect of previous periods	-	(1,377)
Tax rate and other differences	80	562
	<u>2,173</u>	<u>(1,377)</u>

5 Tangible fixed assets

	Plant and machinery £	Fixtures and equipment £	Total £
<i>Cost</i>			
At 1 January 2018	873	22,072	22,945
Additions	-	9,241	9,241
At 31 December 2018	<u>873</u>	<u>31,313</u>	<u>32,186</u>
<i>Depreciation</i>			
At 1 January 2018	48	21,808	21,856
Charge for the year	87	1,481	1,568
At 31 December 2018	<u>135</u>	<u>23,289</u>	<u>23,424</u>
<i>Net book value</i>			
At 31 December 2018	<u>738</u>	<u>8,024</u>	<u>8,762</u>
At 31 December 2017	<u>825</u>	<u>264</u>	<u>1,089</u>

CORNWALL HIDEAWAYS LIMITED

Notes forming part of the financial statements for the year ended 31 December 2018 (Continued)

6 Debtors

	2018	2017
	£	£
Trade debtors	15,421	11,770
Amounts owed by group undertakings	-	306,008
Other debtors	1,000	-
Prepayments and accrued income	6,411	4,091
	<u>22,832</u>	<u>321,869</u>

7 Creditors: amounts falling due within one year

	2018	2017
	£	£
Trade creditors	15,100	22,180
Amounts owed to group undertakings	6,500	-
Corporation tax	987	-
Other taxation and social security	9,622	7,614
Other creditors	127	-
Accruals and deferred income	19,322	14,049
	<u>51,658</u>	<u>43,843</u>

8 Deferred taxation

	£
At 1 January 2018	-
Movement in the year	1,186
At 31 December 2018	<u>1,186</u>

9 Share capital

	Allotted, called up and fully paid
	2018
	£
Ordinary shares of £1 each	<u>100</u>

10 Commitments under operating leases

As at 31 December 2018, the total future minimum lease payments under non-cancellable operating leases for land and buildings were as set out below:

	2018	2017
	£	£
Amounts due		
- within one year	36,000	2,864
- in two to five years	<u>111,000</u>	<u>-</u>

CORNWALL HIDEAWAYS LIMITED

Notes forming part of the financial statements for the year ended 31 December 2018 (Continued)

11 Ultimate parent company

On 30 November 2018 the company was acquired by Quality Holidays Assured Limited, a company incorporated in the Isle of Man, which is the parent of the largest and smallest groups of which the company is a member.

The address of the parent's registered office is:

Bank Chambers
15-19, Athol Street
Douglas
Isle of Man
IM1 1LB

Until 30 November 2018 the immediate parent company was The UK Great Travel Company Limited and the ultimate parent company was The Great Travel Company Limited.