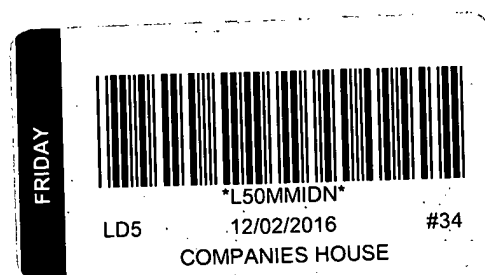


REGISTRAR

Registered number: 04352657

IONIAN ISLAND HOLIDAYS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2015



IONIAN ISLAND HOLIDAYS LIMITED

COMPANY INFORMATION

DIRECTORS

A Matsoukis
D Patrikios

REGISTERED NUMBER

04352657

REGISTERED OFFICE

Olympia House
Armitage Road
London
NW11 8RQ

INDEPENDENT AUDITORS

Elman Wall Limited
Chartered Accountants & Statutory Auditor
8th Floor
Becket House
36 Old Jewry
London
EC2R 8DD

IONIAN ISLAND HOLIDAYS LIMITED

CONTENTS

	Page
Strategic report	1
Directors' report	2 - 3
Independent auditors' report	4 - 5
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8 - 16

IONIAN ISLAND HOLIDAYS LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 OCTOBER 2015**

INTRODUCTION

The principal activity of the company continues to be that of a licenced tour operator specialising exclusively to Greece. The company has been voted for the last four consecutive years in the prestigious British Travel Awards, as the "Best Specialist Tour Operator to Hellenic Europe."

BUSINESS REVIEW

For the full business review please refer to the parent company accounts, IIH Holdings Limited (8861887).

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

D Patrikios
Director



Date: 4-FEB - 2016.

IONIAN ISLAND HOLIDAYS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 OCTOBER 2015

The Directors present their report and the financial statements for the year ended 31 October 2015.

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 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 these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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.

DIRECTORS

The Directors who served during the year were:

A Matsoukis
D Patrikios

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 that Director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that 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.

IONIAN ISLAND HOLIDAYS LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 OCTOBER 2015**

AUDITORS

Under section 487(2) of the Companies Act 2006, Elman Wall Limited will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

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



D Patrikios
Director

Date: 4-FEB-2016

IONIAN ISLAND HOLIDAYS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF IONIAN ISLAND HOLIDAYS LIMITED

We have audited the financial statements of Ionian Island Holidays Limited for the year ended 31 October 2015, set out on pages 6 to 16. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic report and the Directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 October 2015 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.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion 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.

IONIAN ISLAND HOLIDAYS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF IONIAN ISLAND HOLIDAYS LIMITED

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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, 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.

Elman Wall Limited

Yasin Khandwalla (Senior statutory auditor)

for and on behalf of
Elman Wall Limited

Chartered Accountants
Statutory Auditor

8th Floor
Becket House
36 Old Jewry
London

EC2R 8DD

Date: 4/2/16

IONIAN ISLAND HOLIDAYS LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 OCTOBER 2015**

	Note	2015 £	2014 £
TURNOVER	1,2	11,694,063	12,470,244
Cost of sales		(10,959,812)	(11,693,390)
GROSS PROFIT		734,251	776,854
Administrative expenses		(945,864)	(1,209,514)
Other operating income	3	926,880	851,952
OPERATING PROFIT	4	715,267	419,292
Interest receivable and similar income	7	6,515	8,637
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		721,782	427,929
Tax on profit on ordinary activities	8	(131,742)	(7,926)
PROFIT FOR THE FINANCIAL YEAR	15	590,040	420,003

All amounts relate to continuing operations.

There were no recognised gains and losses for 2015 or 2014 other than those included in the Profit and loss account.

The notes on pages 8 to 16 form part of these financial statements.

IONIAN ISLAND HOLIDAYS LIMITED
REGISTERED NUMBER: 04352657

BALANCE SHEET
AS AT 31 OCTOBER 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	9		41,705		26,381
Investments	10		135,245		135,245
			<u>176,950</u>		<u>161,626</u>
CURRENT ASSETS					
Debtors	11	2,102,245		1,953,491	
Cash at bank and in hand		1,931,175		1,403,540	
		<u>4,033,420</u>		<u>3,357,031</u>	
CREDITORS: amounts falling due within one year	12	(2,269,379)		(2,021,280)	
NET CURRENT ASSETS			<u>1,764,041</u>		<u>1,335,751</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,940,991</u>		<u>1,497,377</u>
PROVISIONS FOR LIABILITIES					
Deferred tax	13		(6,019)		(2,445)
NET ASSETS			<u><u>1,934,972</u></u>		<u><u>1,494,932</u></u>
CAPITAL AND RESERVES					
Called up share capital	14		66,667		66,667
Capital redemption reserve	15		33,333		33,333
Profit and loss account	15		1,834,972		1,394,932
SHAREHOLDERS' FUNDS	16		<u><u>1,934,972</u></u>		<u><u>1,494,932</u></u>

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

D Patrikios
 Director



Date: 4-Feb-2016

The notes on pages 8 to 16 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2015**

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.2 Turnover

Turnover represents amounts receivable from the sales of tours and other services supplied to customers net of VAT. Revenue and expenses relating to tours are taken to the profit and loss account on date of departure.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and fittings - 33% straight line

1.4 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

1.5 Operating leases

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

1.6 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are discounted.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2015**

1. ACCOUNTING POLICIES (continued)

1.7 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and loss account.

1.8 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

1.9 Advanced receipts and payments

All revenue relating to tours with departure dates after the year end are treated as advance receipts at the balance sheet date and are separately disclosed under other creditors. Payments made to suppliers in respect of these tours are included in prepayments.

1.10 Employer-Financed Retirement Benefit Scheme (EFERBS)

The company has established trusts for the benefit of employees and persons connected with them. Monies held in these trusts are held by independent trustees and managed at their discretion. The trustees are empowered to provide both retirement and other employee benefits.

Where the company retains future economic benefit from, and has de facto control of the assets and liabilities of the trust, they are accounted for as assets and liabilities of the company until the earlier of the date that an allocation of trust funds to employees in respect of past services is declared and the date that assets of the trust vest in identified individuals.

Where monies held in a trust are determined by the company on the basis of employees' past services to the business and the company can obtain no future economic benefit from those monies, such monies, whether in the trust or accrued for by the company are charged to the profit and loss account in the period to which they relate.

Where monies held in a trust are determined by the company on the basis of employees' past services to the business and are payable after completion of the employment, such monies are charged to the profit and loss account in the period during which services are rendered by employees.

2. TURNOVER

The total turnover of the company for the year has been derived from its principal activity.

All turnover arose within the United Kingdom.

IONIAN ISLAND HOLIDAYS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2015**

3. OTHER OPERATING INCOME

	2015 £	2014 £
Other operating income	926,880	851,952

Operating income comprises amounts charged to Ionian Island (Flights) Limited for management services provided during the year.

4. OPERATING PROFIT

The operating profit is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets:		
- owned by the company	19,482	19,881
Auditors' remuneration	10,064	10,573
Operating lease rentals:		
- other operating leases	36,000	18,600
Difference on foreign exchange	(7,269)	-

5. STAFF COSTS

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

	2015 £	2014 £
Wages and salaries	403,500	655,562
Other pension costs	8,712	5,556
	412,212	661,118

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

	2015 No.	2014 No.
Directors	2	2
Staff	10	10
	12	12

IONIAN ISLAND HOLIDAYS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2015**

6. DIRECTORS' REMUNERATION

	2015 £	2014 £
Remuneration	<u>94,062</u>	<u>92,860</u>
Company pension contributions to defined contribution pension schemes	<u>2,400</u>	<u>2,400</u>

During the year retirement benefits were accruing to 2 Directors (2014 - 2) in respect of defined contribution pension schemes.

7. INTEREST RECEIVABLE

	2015 £	2014 £
Other interest receivable	<u>6,515</u>	<u>8,637</u>

8. TAXATION

	2015 £	2014 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	126,719	7,933
Adjustments in respect of prior periods	1,449	(1,453)
Total current tax	<u>128,168</u>	<u>6,480</u>
Deferred tax (see note 13)		
Origination and reversal of timing differences	3,574	1,446
Tax on profit on ordinary activities	<u>131,742</u>	<u>7,926</u>

IONIAN ISLAND HOLIDAYS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2015**

8. TAXATION (continued)**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2014 - lower than) the standard rate of corporation tax in the UK of 20.41% (2014 - 20%). The differences are explained below:

	2015 £	2014 £
Profit on ordinary activities before tax	721,782	427,929
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.41% (2014 - 20%)	147,342	85,586
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	387	281
Capital allowances for year in excess of depreciation	(3,649)	(1,445)
Adjustments to tax charge in respect of prior periods	1,449	(1,453)
Group relief	(17,361)	(76,489)
Current tax charge for the year (see note above)	128,168	6,480

9. TANGIBLE FIXED ASSETS

	Fixtures and fittings £
Cost	
At 1 November 2014	75,571
Additions	34,806
At 31 October 2015	110,377
Depreciation	
At 1 November 2014	49,190
Charge for the year	19,482
At 31 October 2015	68,672
Net book value	
At 31 October 2015	41,705
At 31 October 2014	26,381

IONIAN ISLAND HOLIDAYS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2015**

10. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £	Listed investments £	Total £
Cost or valuation			
At 1 November 2014 and 31 October 2015	2,000	133,245	135,245
Net book value			
At 31 October 2015	2,000	133,245	135,245
At 31 October 2014	2,000	133,245	135,245

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding
Ionian Islands (Flights) Limited	Ordinary	100%

The aggregate of the share capital and reserves as at 31 October 2015 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(loss) £
Ionian Islands (Flights) Limited	509,392	-

Listed investments

The market value of the listed investments at 31 October 2015 was £120,903 (2014 - £120,903).

11. DEBTORS

	2015 £	2014 £
Trade debtors	53,702	2,403
Amounts owed by group undertakings	1,777,166	1,634,915
Other debtors	99,297	148,055
Prepayments and accrued income	172,080	168,118
	2,102,245	1,953,491

Other debtors include advanced payments to suppliers for future travel amounting to £96,508 (2014: £136,293)

IONIAN ISLAND HOLIDAYS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2015**

**12. CREDITORS:
Amounts falling due within one year**

	2015 £	2014 £
Trade creditors	954,614	870,130
Amounts owed to group undertakings	614,523	525,292
Corporation tax	126,719	6,480
Other taxation and social security	49,158	8,929
Other creditors	314,112	382,920
Accruals and deferred income	210,253	227,529
	<u>2,269,379</u>	<u>2,021,280</u>

Other creditors include advanced receipts from customers for future travel amounting to £187,863 (2014: £225,718).

13. DEFERRED TAXATION

	2015 £	2014 £
At beginning of year	2,445	999
Charge for year (P&L)	3,574	1,446
	<u>6,019</u>	<u>2,445</u>
At end of year		

The provision for deferred taxation is made up as follows:

	2015 £	2014 £
Accelerated capital allowances	<u>6,019</u>	<u>2,445</u>

14. SHARE CAPITAL

	2015 £	2014 £
Allotted, called up and fully paid		
66,667 Ordinary shares of £1 each	<u>66,667</u>	<u>66,667</u>

IONIAN ISLAND HOLIDAYS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2015**

15. RESERVES

	Capital redempt'n reserve £	Profit and loss account £
At 1 November 2014	33,333	1,394,932
Profit for the year		590,040
Dividends: Equity capital		(150,000)
At 31 October 2015	<u>33,333</u>	<u>1,834,972</u>

16. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2015 £	2014 £
Opening shareholders' funds	1,494,932	1,074,929
Profit for the financial year	590,040	420,003
Dividends (Note 17)	(150,000)	-
Closing shareholders' funds	<u>1,934,972</u>	<u>1,494,932</u>

17. DIVIDENDS

	2015 £	2014 £
Dividends paid on equity capital to IIH Holdings Limited	<u>150,000</u>	<u>-</u>

18. CONTINGENT LIABILITIES

The company has appointed assets to an Employer Financed Retirement Benefit Scheme. The company is liable for PAYE/NIC that may arise on awards made by the Trustees. The Directors are of the opinion that the Trustees will award most of the benefits in a way that will not result in a PAYE/NIC liability.

IONIAN ISLAND HOLIDAYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2015

19. OPERATING LEASE COMMITMENTS

At 31 October 2015 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2015	2014
	£	£
Expiry date:		
Within 1 year	-	18,600
After more than 5 years	36,000	-
	<u>36,000</u>	<u>-</u>

20. RELATED PARTY TRANSACTIONS

D Patrikios owns two properties which were used in the group trading operations. During the year, the company paid D Patrikios £41,007 (2014: £45,600), for the use of these properties.

During the year, the company purchased flights amounting to £5,827,549 (2014: £6,085,371) and charged a management fee of £926,882 (2014: £851,952) to Ionian Islands (Flights) Limited, a fully owned subsidiary of Ionian Island Holidays Limited. At the year end £464,523 (2014: £525,292) was owed to Ionian Island (Flights) Limited.

During the year the company leased premises from Ionian Island Properties Limited for an annual rental and service charges of £54,417, at the balance sheet date £nil was owed to the company.

21. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The immediate parent company is IIH Holdings Limited, a company registered in England and Wales, by virtue of it acquiring 100% of the share capital during the year.

The ultimate controlling parties are A Matsoukis and D Patrikios.