

IONIAN ISLAND HOLIDAYS LIMITED
FINANCIAL STATEMENTS
INFORMATION FOR FILING WITH THE REGISTRAR
FOR THE YEAR ENDED 31 OCTOBER 2019

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

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STATEMENT OF FINANCIAL POSITION
AS AT 31 OCTOBER 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	6	45,775	49,082
Investments	7	2,000	2,000
		<u>47,775</u>	<u>51,082</u>
Current assets			
Debtors: amounts falling due within one year	8	1,131,782	495,060
Cash at bank and in hand	9	2,813,949	3,381,535
		<u>3,945,731</u>	<u>3,876,595</u>
Creditors: amounts falling due within one year	10	(2,272,963)	(2,573,580)
Net current assets		<u>1,672,768</u>	<u>1,303,015</u>
Total assets less current liabilities		<u>1,720,543</u>	<u>1,354,097</u>
Provisions for liabilities			
Deferred tax	12	(6,889)	(3,806)
		<u>(6,889)</u>	<u>(3,806)</u>
Net assets		<u><u>1,713,654</u></u>	<u><u>1,350,291</u></u>

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 OCTOBER 2019

	2019 £	2018 £
Capital and reserves		
Called up share capital	66,667	66,667
Capital redemption reserve	33,333	33,333
Profit and loss account	1,613,654	1,250,291
	<u>1,713,654</u>	<u>1,350,291</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

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

A Matsoukis
Director

Date: 27 February 2020

The notes on pages 5 to 13 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 OCTOBER 2019**

	Called up share capital £	Capital redemption reserve £	Profit and loss account £	Total equity £
At 1 November 2018	66,667	33,333	1,250,291	1,350,291
Comprehensive income for the year				
Profit for the year	-	-	468,363	468,363
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	468,363	468,363
Dividends: Equity capital	-	-	(105,000)	(105,000)
Total transactions with owners	-	-	(105,000)	(105,000)
At 31 October 2019	<u>66,667</u>	<u>33,333</u>	<u>1,613,654</u>	<u>1,713,654</u>

The notes on pages 5 to 13 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 OCTOBER 2018**

	Called up share capital £	Capital redemption reserve £	Profit and loss account £	Total equity £
At 1 November 2017	66,667	33,333	2,868,829	2,968,829
Comprehensive income for the year				
Loss for the year	-	-	(1,558,538)	(1,558,538)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	(1,558,538)	(1,558,538)
Dividends: Equity capital	-	-	(60,000)	(60,000)
Total transactions with owners	-	-	(60,000)	(60,000)
At 31 October 2018	<u>66,667</u>	<u>33,333</u>	<u>1,250,291</u>	<u>1,350,291</u>

The notes on pages 5 to 13 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019**

General Information

Ionian Island Holidays Limited is a private company limited by shares incorporated in England and Wales, United Kingdom.

The address of the registered office is: Olympia House, Armitage Road, London, NW11 8RQ.

The principal activity of the company continued to be that of a tour operator.

1. Accounting policies

1.1 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 Section 1A of 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 2).

The following principal accounting policies have been applied:

1.2 Exemption from preparing consolidated financial statements

The Company is a parent Company that is also a subsidiary included in the consolidated financial statements of its immediate parent undertaking established under the law of an EEA state and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

1.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019**

1. Accounting policies (continued)

1.4 Revenue

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Revenue and expenses relating to tours are taken to the profit and loss account on date of departure.

1.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income 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.

1.6 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

1.7 Finance costs

Finance costs are charged to the Statement of comprehensive income 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.

1.8 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 the Statement of comprehensive income 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019**

1. Accounting policies (continued)

1.9 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of comprehensive income, 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 Statement of financial position 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.

1.10 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

1.11 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 accruals and deferred income.

Payments made to suppliers in respect of these tours are included in prepayments.

1.12 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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019**

1. Accounting policies (continued)

1.12 Tangible fixed assets (continued)

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:

Fixtures and fittings	-
	33% straight line

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 the Statement of comprehensive income.

1.13 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

1.14 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.

1.15 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.

1.16 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.

1.17 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 the Statement of comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019**

1. Accounting policies (continued)

1.18 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

1.19 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

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

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based historical experience and other factors that are recognised to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of revision and future periods where the revision affects both current and future periods.

Critical judgements

The directors are of the view that there are no further critical judgements (apart from those involving estimates) in applying their accounting policies that have had a significant effect on amounts recognised in the financial statements.

Key sources of estimation uncertainty

The directors are of the view that there are no estimates or assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

3. Employees

The average monthly number of employees, including directors, during the year was 15 (2018 - 14).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019**

4. Exceptional expenses

	2019	2018
	£	£
Intercompany loan write off- Ionian Island (Flights) Limited	-	(448,667)
Intercompany loan write off - Ionian Properties Limited	-	3,029,239
Additional costs due to Thomas Cook collapse	130,647	-
	<u>130,647</u>	<u>2,580,572</u>

During the year Thomas Cook Airlines, a supplier of flights went into liquidation and the company therefore had to re-book flights for its customers as well as cancel holidays where no alternative flights were available. A total balance of £130,647 was written off.

5. Parent company profit for the year

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements. The profit after tax of the parent Company for the year was £468,363NIL (2018 - loss £1,558,538).

6. Tangible fixed assets

	Fixtures and fittings £
Cost or valuation	
At 1 November 2018	181,409
Additions	37,000
At 31 October 2019	<u>218,409</u>
Depreciation	
At 1 November 2018	132,327
Charge for the year on owned assets	40,307
At 31 October 2019	<u>172,634</u>
Net book value	
At 31 October 2019	<u>45,775</u>
At 31 October 2018	<u>49,082</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019

7. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 November 2018	2,000
At 31 October 2019	<u>2,000</u>

8. Debtors

	2019 £	2018 £
Trade debtors	184,051	38,964
Amounts owed by group undertakings	355,268	-
Other debtors	102,298	84,886
Prepayments and accrued income	490,165	371,210
	<u>1,131,782</u>	<u>495,060</u>

Prepayments and accrued income include advance payments to suppliers for future travel amounting to £462,400 (2018: £358,031).

9. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	<u>2,813,949</u>	<u>3,381,535</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019**

10. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	1,713,055	1,447,310
Amounts owed to group undertakings	125,114	192,062
Corporation tax	97,188	391,401
Other taxation and social security	-	49,460
Other creditors	626	70,141
Accruals and deferred income	336,980	423,206
	<u>2,272,963</u>	<u>2,573,580</u>

Accruals and deferred income include advanced receipts from customers for future travel amounting to £285,471 (2018: £312,588).

11. Financial instruments

	2019 £	2018 £
Financial assets		
Financial assets measured at fair value through profit or loss	2,813,949	3,381,535
Financial assets that are debt instruments measured at amortised cost	641,617	123,851
	<u>3,455,566</u>	<u>3,505,386</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(1,890,304)</u>	<u>(1,820,132)</u>

Financial assets measured at fair value through profit or loss comprise cash at bank and in hand.

Financial assets measured at amortised cost comprise trade debtors, amounts owed to group undertakings and other debtors.

Financial liabilities measured at amortised cost comprise trade creditors, amounts owed to group undertakings, other creditors and accruals.

12. Deferred taxation

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2019

12. Deferred taxation (continued)

	2019 £
At beginning of year	(3,806)
Charged to profit or loss	(3,083)
At end of year	<u>(6,889)</u>

The provision for deferred taxation is made up as follows:

	2019 £	2018 £
Fixed asset timing differences	(6,889)	(3,806)
	<u>(6,889)</u>	<u>(3,806)</u>

13. Controlling party

The Company is a wholly owned subsidiary of IIH Holdings Limited, a company registered in England and Wales. IIH Holdings Limited registered address is Olympia House, Armitage Road, London, NW11 8RQ.

The Company's results are included in the consolidated financial statements of IIH Holdings Limited. Copies of the group financial statements for IIH Holdings Limited can be obtained at Companies House, Crown Way, Cardiff, CF14 3UZ.

The ultimate controlling parties are A Matsoukis and D Patrikios.

14. Auditors' information

The auditors' report on the financial statements for the year ended 31 October 2019 was unqualified.

The audit report was signed on 27 February 2020 by Yasin Khandwalla (Senior statutory auditor) on behalf of Elman Wall Limited.

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.