

**Isango! Limited**  
**Annual Report and financial statements**  
**for the year ended 30 September 2020**  
**Company number 05674977**

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The Directors present their Report and the audited financial statements of Isango! Limited ("the Company") for the year ended 30 September 2020.

**Principal activities**

The Company's principal activity during the year continued to be that of a provider of tours and activities for tourists at their holiday location within the Hotelbeds group of companies (the "Group").

**Results and dividends**

The Company's loss before taxation for the year ended 30 September 2020 was £1,196k (2019: £2,711k loss). No dividends were paid during the year (2019: £nil) and the Directors are unable to recommend the payment of a final dividend.

**Funding, liquidity and going concern**

At 30 September 2020, the Company had net liabilities of £8,192k (2019: £6,996k).

Due to the continued operating losses and given the difficult trading conditions being experienced as a result of Covid-19 pandemic, the Directors have decided to cease the trading activities of Isango! Ltd within twelve months from the date of this Directors' Report. Consequently, the Directors have determined that the going concern basis of preparation is no longer appropriate.

Details of subsequent events are included in Note 17 of these financial statements.

**Directors**

The Directors of the Company who were in office during the year and up to the date of signing the financial statements were:

Darren James Anniss  
Jose Javier Arevalo Valero  
Simon Jon Nicholson  
Richard Stuart Wheatley

Resigned 15 November 2019  
Resigned 2 November 2020  
Appointed 15 November 2019

**Independent auditors**

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be re-appointed and PricewaterhouseCoopers LLP will therefore continue in office.

**Directors' insurance**

Throughout the financial year and until the date of approval of these financial statements, the Group maintained Directors' and Officers' liability insurance policies on behalf of the Directors of the Company. The policies met the Companies Act 2006 definition of qualifying third party indemnity provision.

**Statement as to disclosure of information to auditors**

The Directors confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

**Statement of Directors' responsibilities**

The Directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", 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 the financial statements, the Directors are required to:

**Statement of directors' responsibilities (Continued)**

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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.

The Directors 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.

**Principal risks and uncertainties**

Several principal risk crystallised simultaneously as a result of the Covid-19 pandemic, as it has had a detrimental impact on both source and destination markets through the imposition of various travel restrictions and has therefore affected clients and suppliers. The Company continues to monitor the key risks highlighted below with particular focus on the risks which has been heightened as a result of Covid-19 pandemic such as destination disruption and consumer demand.

- **Destination disruption risk.** The provision of the Company's travel services is exposed to the inherent risk of domestic and/or international incidents affecting some of the countries/destinations within its operations. The inability to respond effectively to large scale events will lead the significant operational disruption leading to reduced profits/larger losses caused by holiday cancellations and a general decline in consumer demand.
- **Consumer Demand.** Spending on travel and tourism is discretionary and price sensitive. Different countries are at different stages in the economic cycle. In cases of recession or slowdown of general economic activity, consumers cut back on travel spend and wait longer to book their trips. Changes in consumer demand may impact the company's short-term growth rates and margin expectations. The Company has customers in over 50 source markets worldwide which enables it to mitigate this risk to large extent.
- **Consumer preference and desires.** New market participants operating new business models emerge and consumer tastes and preferences change. Consumers book their holidays via mobile devices and closer to the time of travel. There is a risk that if the Company does not respond adequately to business model disruptions or the Company's products and services fail to meet changing customer demands and preferences, that revenue, market share and profitability could suffer as a result.
- **Compliance.** The Company operates on a global scale with customers and suppliers in many jurisdictions, each with their own specific legal, tax and labour regulations. The Company has established a system of internal control and compliance that includes policies and procedures, training, an anonymous reporting line and ongoing monitoring activities, all supporting the Company in ensuring compliance with legal and regulatory requirements.
- **Brexit.** The end of the UK's transition period on 31<sup>st</sup> Dec 2020 due to its exit from the EU continues to create uncertainty, albeit much less with a trade deal having been agreed. The effect of the new trading relationship between the UK and EU on consumer demand patterns and interest and foreign exchange rates could impact the reported performance and results of the Company. The Company continues to monitor developments in EU and UK regulation that could impact its business.

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**Principal risks and uncertainties (Continued)**

- **Health and Safety.** The Company's customers may experience accidents when on a holiday that includes accommodation or activity products sold by the Company. The Company is actively managing customer health and safety risks by evaluating hotel, transfer and activities suppliers through graded self-assessment questionnaires and by ensuring appropriate insurance policies are in place.
- **Cyber Security.** The Company's responsibility is to protect the confidentiality, integrity and availability of customer, supplier and employee data processed as part of its operations. The Company business is highly dependent on online transactions, increasing exposure and susceptibility to cyber-attacks. The Company's objective is to ensure appropriate levels of security controls are in place, avoiding negative impacts on key stakeholders, associated reputational damage and potential for financial implications.
- **Foreign currency risk.** The Company operates internationally and is exposed to foreign currency risk on transactions denominated in a currency other than GBP as well as translation of the balance sheet and income statements of foreign operations into GBP. In managing currency risks the Company aims to reduce the impact of short-term fluctuations on the Company's cash inflows and outflows in a foreign currency. The Company uses forward exchange contracts to hedge its foreign currency risk.

During the year, the Directors managed the risks and uncertainties of the Company in co-ordination with its fellow companies in the Group, in conjunction with the management of these risks by the Directors of the *ultimate parent undertaking*.

**Political & charitable contributions**

During the year the Company has not made any political or charitable contributions.

This report has been prepared in accordance with the special provisions relating to small companies within section 15 of Companies Act 2006 and the Company is therefore exempt from the requirement to prepare a Strategic Report. The Company has also taken advantage of the small company exemptions in preparing this Report of the Directors.

On behalf of the Board



S Nicholson  
Director

Company Number 05674977

Dated: 6 August 2021

**Isango! Limited**  
**Independent auditors' report to the members of Isango! Limited**

**Report on the audit of the financial statements**

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**Opinion**

In our opinion, Isango! Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and financial statements (the "Annual Report"), which comprise: the balance sheet as at 30 September 2020; the statement of comprehensive income and the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

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**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Independence*

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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**Emphasis of matter-financial statements prepared on a basis other than going concern**

In forming our opinion on the financial statements, which is not modified, we draw attention to note 2 to the financial statements which describes the directors' reasons why the financial statements have been prepared on a basis other than going concern.

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**Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

*Directors' Report*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 30 September 2020 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

## **Isango! Limited**

### **Independent auditors' report to the members of Isango! Limited (continued)**

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#### **Responsibilities for the financial statements and the audit**

##### *Responsibilities of the directors for the financial statements*

As explained more fully in the Statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

##### *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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

##### *Use of this report*

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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#### **Other required reporting**

##### **Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

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##### **Entitlement to exemptions**

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Gregory Briggs (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Watford  
6 August, 2021

Responsible for the financial statements of Isomop Limited

A signed statement by the directors of Isomop Limited

As explained more fully in the Statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal controls as they 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, as applicable, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for the truth and accuracy 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 FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

Our opinion is:

This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## Other required reporting

Companies Act 2006 exemption reporting

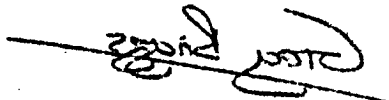
Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

Exemption from reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption in preparing the Directors' Report, and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Gregory Briggs (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Widened  
6 August 2021

**Isango! Limited**  
**Statement of comprehensive income**  
**For the year ended 30 September 2020**

|   |             | <b>Year ended<br/>30 September<br/>2020</b> | <b>Year ended<br/>30 September<br/>2019</b> |
|---|-------------|---|---|
|   | <b>Note</b> | <b>£'000</b>                                | <b>£'000</b>                                |
| Net revenue   | 6           | 701   | 2,489                                       |
| Administrative expenses                                     |             | <u>(1,897)</u>                              | <u>(5,200)</u>                              |
| Loss before taxation  | 7           | (1,196)                                     | (2,711)                                     |
| Tax on loss   | 9           | <u>-</u>                                    | <u>-</u>                                    |
| Loss for the financial year                                 |             | (1,196)                                     | (2,711)                                     |
| Other comprehensive income                                  |             | <u>-</u>                                    | <u>-</u>                                    |
| Loss for the financial year and total comprehensive expense |             | <u><u>(1,196)</u></u>                       | <u><u>(2,711)</u></u>                       |

The notes on pages 9 to 18 form part of these financial statements.

All amounts relate to discontinued operations.



**Isango! Limited**  
**Balance sheet**  
**As at 30 September 2020**

|                                       |             | <b>30 September<br/>2020<br/>£'000</b> | <b>As Restated<br/>30 September<br/>2019<br/>£'000</b> |
|---------------------------------------|-------------|--|--|
|                                       | <b>Note</b> |  |  |
| <b>Current assets</b>                 |             |  |  |
| Investments in subsidiaries           | 10          | 308                                    | 308  |
| Trade and other receivables           | 11          | 148                                    | 454  |
| Cash and cash equivalents             |             | 19                                     | 259  |
| <b>Total assets</b>                   |             | <b>475</b>                             | <b>1,021</b>   |
| <b>Current liabilities</b>            |             |  |  |
| Trade and other payables              | 12          | (3,413)                                | (5,166)  |
| Interest bearing loans and borrowings | 13          | (5,254)                                | (2,851)  |
| <b>Total liabilities</b>              |             | <b>(8,667)</b>                         | <b>(8,017)</b>   |
| <b>Net liabilities</b>                |             | <b>(8,192)</b>                         | <b>(6,996)</b>   |
| <b>Equity</b>                         |             |  |  |
| Called up share capital               | 14          | 3,096                                  | 3,096  |
| Share premium account                 | 15          | 3,000                                  | 3,000  |
| Capital redemption reserve            | 15          | 501                                    | 501  |
| Accumulated losses                    | 15          | (14,789)                               | (13,593)   |
| <b>Total Equity</b>                   |             | <b>(8,192)</b>                         | <b>(6,996)</b>   |

The notes on pages 9 to 18 form part of these financial statements.

The financial statements on pages 6 to 18 were approved and authorised for issue by the Board of Directors on 6 August and signed on its behalf by:



S Nicholson  
**Director**

**Isango! Limited**  
**Statement of changes in equity**  
**For the year ended 30 September 2020**

|  | <b>Called up<br/>share capital<br/>£'000</b> | <b>Other<br/>reserves<br/>£'000</b> | <b>Accumulated<br/>losses<br/>£'000</b> | <b>Total Equity<br/>£'000</b> |
|--|--|-------------------------------------|---|-------------------------------|
| At 1 October 2018  | 3,096  | 3,501                               | (10,882)                                | (4,285)                       |
| Loss for the financial year and total<br>comprehensive expense | -  | -                                   | (2,711)                                 | (2,711)                       |
| At 30 September 2019   | 3,096  | 3,501                               | (13,593)                                | (6,996)                       |
| Loss for the financial year and total<br>comprehensive expense | -  | -                                   | (1,196)                                 | (1,196)                       |
| <b>At 30 September 2020</b>                                    | <b>3,096</b>                                 | <b>3,501</b>                        | <b>(14,789)</b>                         | <b>(8,192)</b>                |

The notes on pages 9 to 18 form part of these financial statements.

**1. General information**

The Company is a private company limited by shares, incorporated in the United Kingdom and registered in England. The address of its registered office is Tallis House, 2 Tallis Street, London, United Kingdom, EC4Y 0AB. The Company's registered number is 05674977.

The principal activity of the Company continues to be that of a provider of tours and activities for tourists at their holiday location.

**2. Basis of preparation**

The Company is exempt by virtue of Section 400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These separate financial statements have been prepared under the historical cost convention, on a going concern basis and in accordance with the Companies Act 2006 and Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

FRS 101 sets out a reduced disclosure framework for a 'qualifying entity' as defined by Financial Reporting Standard 100 'Application of financial reporting requirements' ("FRS 100") which addresses the financial requirements and disclosure exemptions in the individual financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of EU-adopted International Financial Reporting Standard ("IFRS").

**Going concern**

At 30 September 2020, the Company had net liabilities of £8,192k (2019: £6,996k).

Due to the continued operating losses and given the difficult trading conditions being experienced as a result of Covid-19 pandemic, the Directors have decided to cease the trading activities of Isango! Ltd within twelve months from the date of this Directors' Report. Consequently, the Directors have determined that the going concern basis of preparation is no longer appropriate.

The financial statements have not been prepared on the going concern basis and assets have been written down to the lower of their carrying amounts and their net realisable values. Net realisable value is the estimated selling price the entity expects to obtain under the circumstances less the estimated costs necessary to make the sale. Non-current assets and non-current liabilities have been reclassified to current where they are expected to be realised or settled within the next twelve months from the reporting date.

**Functional and presentational currency**

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the "functional currency"). The financial statements are presented in the Company's functional currency of Sterling, rounded to the nearest thousand pounds.

**3. Summary of significant accounting policies**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all the financial years presented.

**New and amended standards adopted by the Company**

The following narrow scope amendments to existing standards have been endorsed by the EU and are not effective in the current year.

As at 1 October 2018, the Group and the Company has adopted IFRS 9 and IFRS 15. However, the adoption of these standards has no material impact on the company.

In all other respects, accounting policies have been applied consistently to all accounting periods presented.

### 3. Summary of significant accounting policies (continued)

#### **Impairment of non-financial assets**

Non-financial assets not subject to amortisation are tested annually for impairment. Non-financial assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If such an indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised in the statement of total comprehensive income whenever the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows.

#### **Trade and other receivables**

Trade and other receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less they are classified as current assets, if not, they are presented as non-current assets. Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost less impairment losses.

#### **Impairment of financial assets**

The Company's financial assets held at amortised cost are assessed at the end of each reporting period for impairment. Impairment losses are incurred only if there is objective evidence of the impairment as a result of one or more events after the initial recognition of the asset (a 'loss event') and that the loss event has an impact on the estimated future cash flows of the asset that can be reliably estimated.

#### **Cash and cash equivalents**

Cash comprises cash at bank. The Company does not invest in deposits held on call with banks or other short-term highly liquid investments.

#### **Trade and other payables**

Trade and other payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from third party suppliers or other Group companies. If payment is expected in one year or less they are classified as current liabilities, and if not, they are presented as non-current liabilities. Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost.

#### **Client monies received in advance**

Client monies at the balance sheet date relating to services commencing after the year end are included in trade and other payables.

#### **Foreign currency translation**

Foreign currency transactions are initially translated into the Company's functional currency using the actual rate at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the exchange rate prevailing on the balance sheet date. Foreign exchange gains and losses resulting from translation to year-end rates are recognised in the statement of total comprehensive income.

#### **Revenue**

The Company has one class of business acting as a provider of tours and activities for tourists at their holiday destination. Revenue originates solely from the rendering of services and represents the aggregate amount of revenue receivable for services supplied in the ordinary course of business. Revenue is measured at the fair value of the consideration received or receivable and is stated net of discounts and value added tax. The Company recognises revenue on the date of departure of the holiday and the related costs of accommodation, transfers and flights are charged to the statement of total comprehensive income on the same basis.

All revenue originates within the UK.

### **3. Summary of significant accounting policies (continued)**

#### **Marketing and other direct sales costs**

Marketing, advertising and other promotional costs, including those related to the production of brochures, are expensed as expenditure is incurred.

#### **Finance income and finance expense**

Finance income recognised in the statement of total comprehensive income mainly comprises interest receivable on Group undertakings trading balances and gains on foreign exchange on financial instruments. Finance expense recognised in the statement of total comprehensive income mainly comprises interest expense on Group undertakings trading balances.

#### **Current and deferred tax**

The tax expense for the year comprises current and deferred tax and is recognised in the statement of total comprehensive income. Current tax is the expected tax payable (or recoverable) for the current financial year using the average tax rate for the year. To the extent available, the amount is first recovered from, or surrendered to, other Group companies as group relief.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates that have been enacted or substantively enacted at the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be used.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same tax authority.

#### **Called up share capital**

Ordinary shares are classified as equity.

#### **Pension commitments**

The Company operated a defined contribution pension scheme until the last employee left the business in February 2020. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charged presents contributions payable by the Company to the fund and amounted to £6k (2019: £12k).

There were £Nil contributions payable to the fund at the balance sheet date.

#### 4. Reduced disclosures permitted by FRS 101

The Company meets the definition of a qualifying entity of HNVR Topco Limited, as defined by FRS 100, as the results of this Company are fully consolidated into the Group financial statements of HNVR Topco Limited. Details for obtaining the Group financial statements of HNVR Topco Limited can be found in Note 19. Where applicable and required by FRS 101, equivalent disclosures have been provided in the Group's consolidated financial statements in accordance with the Application Guidance to FRS 100. As such, the Company has taken advantage of the following disclosure exemptions as set out in paragraph 8 of FRS 101:

| IFRS  | Relevant paragraphs of IFRS  | Disclosure exemptions taken  |
|---|--|--|
| IFRS 7 'Financial instruments'  | All paragraphs   | All disclosure requirements.   |
| IFRS 13 'Fair value measurement'  | 91 to 99   | All disclosure requirements in respect of the valuation techniques and inputs used for the fair value measurement of assets and liabilities.   |
| IAS 1 'Presentation of financial statements'                            | 38   | Paragraph 79(a)(iv) of IAS 1; and Paragraph 118(e) of IAS 38 'Intangible assets'.  |
|   | 38 A to D  | Certain additional comparative information.  |
|   | 10(d) and 111  | A statement of cash flows and related information.   |
|   | 10(f) and 40 A to D  | A balance sheet as at the beginning of the preceding financial period when an entity applies an accounting policy retrospectively or when it reclassifies items in its financial statements. |
|   | 16   | A statement of compliance with all IFRS.   |
|   | 134 to 136   | Information on the Company's objectives, policies and processes for managing capital.  |
| IAS 7 'Statement of cash flows'   | All paragraphs   | IAS 7 disclosures in full.   |
| IAS 8 'Accounting policies, changes in accounting estimates and errors' | 30 and 31  | New standards and interpretations that have been issued but which are not yet effective.   |
| IAS 24 'Related party transactions'                                     | 17 and the requirements to disclose transactions between two group subsidiaries. | Detailed related party transaction information including key management compensation transactions with other wholly owned subsidiaries of the Group.   |

#### 5. Critical accounting estimates and judgements

The preparation of financial statements in conformity with FRS 101 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis.

The Directors do not consider there to be any critical accounting estimates or judgements that could materially alter the performance or position of the Company in the coming year.

**6. Net Revenue**

Analysis of revenue by geography:

|               | Year ended 30 Sept 2020 |                                     |            | Year ended 30 Sept 2019 |                                     |              |
|---------------|-------------------------|-------------------------------------|------------|-------------------------|-------------------------------------|--------------|
|               | £'000                   |                                     |            | £'000                   |                                     |              |
|               | TTV                     | Direct cost of<br>supplier services | Revenue    | TTV                     | Direct cost of<br>supplier services | Revenue      |
| Africa        | 23                      | (17)                                | 6          | 27                      | (21)                                | 6            |
| Asia          | 282                     | (213)                               | 69         | 1,118                   | (912)                               | 206          |
| Europe        | 2,012                   | (1,495)                             | 517        | 9,276                   | (7,397)                             | 1,879        |
| North America | 271                     | (196)                               | 75         | 1,735                   | (1,401)                             | 334          |
| Oceania       | 124                     | (93)                                | 31         | 316                     | (255)                               | 61           |
| South America | 9                       | (6)                                 | 3          | 11                      | (8)                                 | 3            |
| <b>Total</b>  | <b>2,721</b>            | <b>(2,020)</b>                      | <b>701</b> | <b>12,483</b>           | <b>(9,994)</b>                      | <b>2,489</b> |

**7. Loss before taxation**

|  | Year ended<br>30 September<br>2020<br>£'000 | Year ended<br>30 September<br>2019<br>£'000 |
|--|---|---|
| Loss before taxation is stated after charging/(crediting): |   |   |
| Amortisation of intangible assets                          | -   | 221   |
| Depreciation on assets                                     | -   | 3   |
| Impairment of assets                                       | -   | 1,185                                       |
| Operating lease charges                                    | -   | 2   |
| Foreign exchange (gains)/losses                            | (31)  | 82  |

Auditors' remuneration was as follows:

|  | Year ended<br>30 September<br>2020<br>£'000 | Year ended<br>30 September<br>2019<br>£'000 |
|--|---|---|
| Fees for the audit of the Company's financial statements | 15  | 19  |

**8. Employees and Directors**

Employee costs for the Company during the year were:

|                       | <b>Year ended<br/>30 September<br/>2020<br/>£'000</b> | <b>Year ended<br/>30 September<br/>2019<br/>£'000</b> |
|-----------------------|---|---|
| Wages and salaries    | <b>101</b>  | <b>202</b>  |
| Social security costs | <b>13</b>   | <b>28</b>   |
| Other pension costs   | <b>6</b>  | <b>12</b>   |
|                       | <b><u>120</u></b>                                     | <b><u>242</u></b>                                     |

The monthly average number of persons (including Directors) employed by the Company during the year was:

|                            | <b>Year ended<br/>30 September<br/>2020<br/>Number</b> | <b>Year ended<br/>30 September<br/>2019<br/>Number</b> |
|----------------------------|--|--|
| Selling and administration | <b><u>2</u></b>  | <b><u>4</u></b>  |

All employees left the business in February 2020 as part of the reduction in activities of the Company as a consequence of the Covid-19 pandemic.

The Directors received no remuneration for their services as Directors of the Company (2019: £Nil)



## 9. Tax on loss

(i) No current tax is payable due to there being no taxable profits in the year (2019: £nil)

### (ii) Factors affecting the tax result in the year

The tax result included in the statement of comprehensive income for the year ended 30 September 2020 is different (2019: different) compared to the amount of tax calculated by applying the standard rate of corporation tax in the UK of 19% (2019: 19.0%). The differences are shown in the table below:

|   | Year ended<br>30 September<br>2020<br>£'000 | Year ended<br>30 September<br>2019<br>£'000 |
|---|---|---|
| <b>Loss before taxation</b>   | <b>(1,196)</b>                              | <b>(2,711)</b>                              |
| Loss before taxation multiplied by the standard rate of UK corporation tax of 19% (2019: 19%) | (227)                                       | (515)                                       |
| <b>Effects of:</b>  |   |   |
| - Group relief surrendered for nil consideration  | -   | 212   |
| - Timing differences not recognized   | 227   | 303   |
| <b>Total tax result in the statement of comprehensive income</b>                              | <b>-</b>                                    | <b>-</b>                                    |

### (iii) Factors affecting the future tax charge

The rate of taxation is expected to follow the standard rate of UK corporation tax in future periods.

In the Spring Budget 2020, the Government announced that from 1 April 2020 the corporation tax rate would remain at 19% (rather than reducing to 17%, as previously enacted) and is expected to remain at that rate for the following year starting 1 April 2021 as well.

A deferred tax asset of £2,092k (2019: £1,404k) arising on taxable losses, depreciation in excess of capital allowances and provision adjustment has not been recognised due to uncertainty on whether the asset will be recovered.

There are no other unrecognised deferred tax assets nor deferred tax liabilities not provided for at either 30 September 2020 or 30 September 2019.

10. Investments in subsidiaries

Investments  
in subsidiary  
undertakings  
£'000

Cost and net book value:

At 30 September 2019 and 30 September 2020

308

*List of investments in subsidiaries at 30 September 2020 and at 30 September 2019:*

| Name of undertaking       | Country of incorporation | Registered address   | Share class               | % held by directly by the Company | Principal Activity of Company |
|---------------------------|--------------------------|--|---------------------------|-----------------------------------|-------------------------------|
| Isango India Pvt. Limited | India                    | Unit-804, 8th Floor, Signature Towers, Tower-A, South City-1, Gurgaon, Haryana, 122001 | INR 10.00 Ordinary shares | 100                               | Outsourcing Services          |

The Directors believe that the book value of all existing investments is supported by the underlying net assets.

11. Trade and other receivables

|                                | 30 September<br>2020<br>£'000 | 30 September<br>2019<br>£'000 |
|--------------------------------|-------------------------------|-------------------------------|
| Trade receivables              | 131                           | 392                           |
| Other receivables              | -                             | 29                            |
| Prepayments and accrued income | 17                            | 33                            |
|                                | <u>148</u>                    | <u>454</u>                    |

Trade receivables are stated after provision for impairment of nil (2019: £430k)

12. Trade and other payables

|                                   | 30 September<br>2020<br>£'000 | 30 September<br>2019<br>£'000 |
|-----------------------------------|-------------------------------|-------------------------------|
| Trade payables                    | 661                           | 2,033                         |
| Other payables                    | 34                            | 328                           |
| Amounts due to Group undertakings | 2,689                         | 2,436                         |
| Accruals and deferred income      | 29                            | 369                           |
|                                   | <u>3,413</u>                  | <u>5,166</u>                  |

Amounts due to Group undertakings are unsecured, interest free and repayable on demand.

**13. Interest bearing loans and borrowings**

|                                   | 30 September<br>2020<br>£'000 | 30 September<br>2019<br>£'000 |
|-----------------------------------|-------------------------------|-------------------------------|
| Amounts due to Group undertakings | <u>5,254</u>                  | <u>2,851</u>                  |

Amounts due to Group undertakings are unsecured and repayable on 30 September 2021 with the specific amounts due and interest rates as follows:

| Counterparty  | Interest rate | 30 September<br>2020<br>£'000 | 30 September<br>2019<br>£'000 |
|---------------|---------------|-------------------------------|-------------------------------|
| Hotelbeds SLU | 2.00%         | 3,891                         | 1,488                         |
| Hotelbeds USA | 3.16%         | <u>1,363</u>                  | <u>1,363</u>                  |
|               |               | <u>5,254</u>                  | <u>2,851</u>                  |

**14. Called up share capital**

|  | 30 September<br>2020<br>£'000 | 30 September<br>2019<br>£'000 |
|--|-------------------------------|-------------------------------|
| Issued and fully paid                                  |                               |                               |
| 309,625 (2019: 309,625) ordinary shares of £10.00 each | <u>3,096</u>                  | <u>3,096</u>                  |

Each ordinary share carries one vote. The ordinary shares are unrestricted and carry the right to participate equally in any distributions such as dividends and as respects capital and are non-refundable.

**15. Other reserves**

The following describes the nature and purpose of each reserve within equity:

| Reserve                    | Description and purpose  |
|----------------------------|--|
| Share premium account      | Amount subscribed for share capital in excess of nominal value.  |
| Capital redemption reserve | Represents capital contributions in 2013 from Trina Group Limited, the Company's immediate parent company in respect of the discharge of amounts previously owed by the Company. |
| Retained deficit           | All other net gains and losses and transactions with owners (e.g. dividends) not recognised elsewhere.   |

**16. Ultimate parent company and controlling party**

At 30 September 2020, the company was directly wholly owned by HNVR Holdco Limited, a company registered in England and Wales, which in turn is directly wholly controlled by HBG Limited a company registered in Jersey.

The smallest & largest group in which the results of the company are consolidated is that headed by HNVR Holdco Limited and HNVR Topco Limited respectively, companies incorporated in England and Wales. Copies of the HNVR Holdco Limited and HNVR Topco Limited financial statements are available at Companies House and can be obtained from Tallis House, 2 Tallis Street, London, United Kingdom, EC4Y 0AB.

**17. Post balance sheet events**

Subsequent to the balance sheet date, on 8<sup>th</sup> April 2021 the sale of certain business and assets of the Company to City Expert Sevilla, SL was completed in exchange for debt relief of €0.4m. There is a transition period of 6 months whereby transactions continue to be recorded using Isango systems, and at the end of this transition period it is expected that the Isango entities will be put into liquidation processes when local regulations allow.