

Company Registration No. 06008480 (England and Wales)

**TRAVELSMITH HOLIDAYS LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2023**  
**PAGES FOR FILING WITH REGISTRAR**

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# TRAVELSMITH HOLIDAYS LIMITED

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# TRAVELSMITH HOLIDAYS LIMITED

## BALANCE SHEET

AS AT 31 OCTOBER 2023

		2023		2022	
	Notes	£	£	As restated £	£
<b>Fixed assets</b>					
Tangible assets	4		3,550,679		3,744,725
Investment properties	5		600,000		519,518
			<u>4,150,679</u>		<u>4,264,243</u>
<b>Current assets</b>					
Stocks		2,500		1,900	
Debtors	6	86,202		80,676	
Cash at bank and in hand		39,538		75,002	
		<u>128,240</u>		<u>157,578</u>	
<b>Creditors: amounts falling due within one year</b>	7	<u>(733,183)</u>		<u>(742,330)</u>	
<b>Net current liabilities</b>			<u>(604,943)</u>		<u>(584,752)</u>
<b>Total assets less current liabilities</b>			<u>3,545,736</u>		<u>3,679,491</u>
<b>Creditors: amounts falling due after more than one year</b>	8		(1,160,498)		(1,188,214)
<b>Provisions for liabilities</b>			<u>(89,700)</u>		<u>(48,628)</u>
<b>Net assets</b>			<u>2,295,538</u>		<u>2,442,649</u>
<b>Capital and reserves</b>					
Called up share capital			771,826		771,826
Share premium account			1,134,696		1,134,696
Revaluation reserve			-		155,376
Profit and loss reserves			389,016		380,751
<b>Total equity</b>			<u>2,295,538</u>		<u>2,442,649</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 October 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

## **TRAVELSMITH HOLIDAYS LIMITED**

### **BALANCE SHEET (CONTINUED)**

**AS AT 31 OCTOBER 2023**

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The financial statements were approved by the board of directors and authorised for issue on 20 March 2024 and are signed on its behalf by:

JD Smith  
**Director**

SA Kesson-Smith  
**Director**

**Company Registration No. 06008480**

# TRAVELSMITH HOLIDAYS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 OCTOBER 2023

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#### 1 Accounting policies

##### Company information

Travelsmith Holidays Limited is a private company limited by shares incorporated in England and Wales. The registered office is Porth Veor Manor Hotel, Porth Way, Porth, Cornwall, United Kingdom, TR7 3LW.

##### 1.1 Accounting convention

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

##### 1.2 Prior period error

During the year ended 31 October 2021 a revalued property was sold without releasing the associated amounts within revaluation reserve and deferred tax provision in error. Accordingly the opening balance sheet position as at 31 October 2022 has been adjusted, the effect of which is to reduce the revaluation reserve by £51,792, reduce the deferred tax provision by £10,608, and increase the profit and loss reserve by £62,400.

##### 1.3 Going concern

The nature of the company's business is such that there are seasonal variations in the timing of cash inflows. The company meets its day to day working capital requirements with the assistance of an overdraft facility which is repayable on demand, and through financial support from its group companies. The directors of Travelsmith Holidays Limited have been assured that the group financial assistance will be made available for at least the next twelve months from the date of approval of the financial statements, and will continue to provide support for the foreseeable future.

The financial statements do not include any adjustments that would result from a withdrawal of the overdraft facility by the company's bankers.

##### 1.4 Turnover

Revenue from holiday property letting is recognised when the letting period commences, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from the sale of properties are recognised where the building has been completed and the property has been legally transferred to the purchaser.

##### 1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings Freehold	Held at valuation and 1-2% on cost
Fixtures, fittings & equipment	30% on cost
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

# TRAVELSMITH HOLIDAYS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2023

### 1 Accounting policies

(Continued)

#### 1.6 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the profit and loss account.

#### 1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

#### 1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

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

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Classification of financial liabilities**

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

##### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

# TRAVELSMITH HOLIDAYS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2023

### 1 Accounting policies

(Continued)

#### 1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### 1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### *Current tax*

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### *Deferred tax*

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### 1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

### 2 Judgements 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 on historical experience and other factors that are considered 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 the revision and future periods where the revision affects both current and future periods.

# TRAVELSMITH HOLIDAYS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2023

### 3 Taxation

	2023 £	2022 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	6,945	11,454
<b>Deferred tax</b>		
Origination and reversal of timing differences	15,029	-
<b>Total tax charge</b>	<b>21,974</b>	<b>11,454</b>

In addition to the amount charged to the profit and loss account, the following amounts relating to tax have been recognised directly in other comprehensive income:

	2023 £	2022 £
Deferred tax arising on:		
Revaluation of property	14,976	-

### 4 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
<b>Cost</b>			
At 1 November 2022	3,791,193	115,716	3,906,909
Additions	-	21,000	21,000
Revaluation	(200,000)	-	(200,000)
At 31 October 2023	<b>3,591,193</b>	<b>136,716</b>	<b>3,727,909</b>
<b>Depreciation and impairment</b>			
At 1 November 2022	62,531	99,653	162,184
Depreciation charged in the year	9,791	5,255	15,046
At 31 October 2023	<b>72,322</b>	<b>104,908</b>	<b>177,230</b>
<b>Carrying amount</b>			
At 31 October 2023	<b>3,518,871</b>	<b>31,808</b>	<b>3,550,679</b>
At 31 October 2022	<b>3,728,662</b>	<b>16,063</b>	<b>3,744,725</b>

Freehold land and buildings with a carrying amount of £3,518,871 (2022 - £3,728,662) have been pledged to secure borrowings of the company. The company is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.



# TRAVELSMITH HOLIDAYS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2023

### 4 Tangible fixed assets

(Continued)

Land and buildings include a hotel which was revalued in January 2024 on the basis of an independent valuation carried out by professional valuers and Chartered Surveyors not associated to the company. The valuation was made on an open market basis by reference to market evidence of transaction prices for similar properties.

### 5 Investment property

2023

£

#### Fair value

At 1 November 2022

519,518

Revaluations

80,482

At 31 October 2023

600,000

Investment properties comprise of the Pendeen Hotel. The fair value of the investment property has been arrived at on the basis of an independent valuation carried out by professional valuers and Chartered Surveyors not associated to the company in January 2024. The valuation was made on an open market basis by reference to market evidence of transaction prices for similar properties.

### 6 Debtors

2023

£

2022

£

#### Amounts falling due within one year:

Trade debtors

10,911

17,264

Other debtors

75,291

63,412

86,202

80,676

### 7 Creditors: amounts falling due within one year

2023

£

2022

£

Bank loans

80,344

81,806

Corporation tax

6,945

11,454

Other taxation and social security

-

13,737

Other creditors

645,894

635,333

733,183

742,330

### 8 Creditors: amounts falling due after more than one year

2023

£

2022

£

Bank loans

555,380

633,705

Other creditors

605,118

554,509

1,160,498

1,188,214

# TRAVELSMITH HOLIDAYS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2023

### 8 Creditors: amounts falling due after more than one year

(Continued)

The bank loans and overdraft is secured by a cross guarantee given by Travelsmith Holidays Limited, Travelsmith Cornwall Limited and Travelsmith Investments Limited on the assets of these companies, last reviewed and updated 11 October 2022.

### 9 Loans and overdrafts

	2023	2022
	£	£
Bank loans	635,724	715,511
Loans from group undertakings and related parties	605,118	554,509
	<u>1,240,842</u>	<u>1,270,020</u>
Payable within one year	80,344	81,806
Payable after one year	<u>1,160,498</u>	<u>1,188,214</u>

Information regarding bank loans and overdraft security is per note 8 of these financial statements.

### 10 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2023	Liabilities 2022
	£	£
<b>Balances:</b>		
Accelerated capital allowances	22,779	16,804
Revaluations	66,921	31,824
	<u>89,700</u>	<u>48,628</u>
<b>Movements in the year:</b>		2023
		£
Liability at 1 November 2022		48,628
Charge to profit or loss		15,029
Effect of change in tax rate - other comprehensive income		14,976
Other		11,067
Liability at 31 October 2023		<u>89,700</u>

The deferred tax liability set out above is expected to reverse within the foreseeable future and partially relates to accelerated capital allowances as disclosed above that are expected to mature within the same period.

## **TRAVELSMITH HOLIDAYS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

#### **FOR THE YEAR ENDED 31 OCTOBER 2023**

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##### **11 Non-distributable losses reserve**

The company has non-distributable losses of £32,888 relating to investment property revaluation of £26,712, net of deferred tax and property revaluation losses of £59,600, net of deferred tax.

##### **12 Financial commitments, guarantees and contingent liabilities**

At 31 October 2023 Barclays Bank Plc held cross guarantees from Travelsmith Holidays Limited in respect of Travelsmith Cornwall Limited and Travelsmith Investments Limited. This is in respect of security over group assets for the bank loans and overdrafts. At 31 October 2023 the total borrowings guaranteed were £nil (2022: £nil), in addition to amounts disclosed in creditors notes 7 and 8, and net of cash at bank and in hand, in this company's balance sheet.

##### **13 Related party transactions**

The company has taken advantage of exemptions available not to disclose transactions with wholly owned group companies.

As at 31 October 2023 the company owed £605,118 (2022: £554,509) to group companies.

##### **14 Parent company**

For this and the preceding year, the company is a wholly owned subsidiary of Travelsmith Investments Limited, incorporated in England and Wales. No one individual has control over the group for this or the preceding year.

The financial statements of all group companies are filed at Companies House.

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.