

GENTIANES SOLUTIONS LTD

UNAUDITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 MAY 2021

STATEMENT OF FINANCIAL POSITION
AS AT 31 MAY 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	5	5,354	9,388
		<u>5,354</u>	<u>9,388</u>
Current assets			
Debtors: amounts falling due within one year	6	299,664	71,525
Cash at bank and in hand	7	1,835,729	540,289
		<u>2,135,393</u>	<u>611,814</u>
Current Liabilities			
Creditors: amounts falling due within one year	8	(1,586,087)	(1,034,006)
Net current assets/(liabilities)		<u>549,306</u>	<u>(422,192)</u>
Total assets less current liabilities		<u>554,660</u>	<u>(412,804)</u>
Non-current Liabilities			
Creditors: amounts falling due after more than one year	9	(50,000)	-
Net assets/(liabilities)		<u><u>504,660</u></u>	<u><u>(412,804)</u></u>

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MAY 2021

	Note	2021 £	2020 £
Capital and reserves			
Called up share capital	11	521	495
Share premium account	13	4,764,880	3,054,247
Other reserves	13	9,060	1,838
Profit And Loss Account	13	(4,269,801)	(3,469,384)
		<u>504,660</u>	<u>(412,804)</u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

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 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 R E Narracott
Director

Date: 28 February 2022

The notes on pages 3 to 10 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

1. General information

Gentianes Solutions Limited is a private company limited by shares incorporated in England and Wales, United Kingdom.

The registered address is shown on the company information page within these financial statements.

The nature of the company's operations and principal activities are that of a specialist travel agency.

2. Accounting policies

2.1 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 following principal accounting policies have been applied:

2.2 Going concern

In common with many travel companies, the company has experienced a reduction in bookings due to concern over the coronavirus. While the effect of the coronavirus cannot currently be predicted with any certainty, the directors have confirmed their financial support will be provided for the foreseeable future as and when required for the business. On this basis, the directors consider it appropriate to prepare the financial statements on a going concern basis.

2.3 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 profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

2. Accounting policies (continued)

2.4 Turnover

Turnover includes commissions received for the provision of travel related services. Commissions are recognised on the date of booking of the service provided.

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue 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.

2.5 Total transactional value

Total transactional value (TTV) represents the gross values of all sales transactions from clients before cancellations and is shown as a memorandum item at the top of the profit and loss account. TTV does not represent statutory turnover in accordance with Section 23 of FRS 102. The Company acts as an agent, and as such TTV represents the price at which services have been sold inclusive of any service fees, but excluding amounts paid to third-party tour operators and any associated sales taxes.

2.6 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss 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.

2.7 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure.

During the year the Company benefitted from taking advantage of government support, in the form of the Coronavirus Job Retention Scheme (CJRS) and Small business coronavirus grant (see note 13).

2.8 Finance costs

Finance costs are charged to profit or loss 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.

2.9 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021

2. Accounting policies (continued)

2.10 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 profit or loss 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.

2.11 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.

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:

Office equipment	-
	over 3 years
Computer equipment	-
	over 3 years
Other fixed assets	-
	over 3 to 4 years

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 profit or loss.

2.12 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.

2.13 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

2. Accounting policies (continued)

2.14 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.

2.15 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 ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

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

As a result of the coronavirus pandemic referred to in note 16, the directors have reduced revenue to reflect actual cancellations up until the end of the year. The directors have also formulated a provision for the estimated value of additional cancellations expected.

4. Employees

The average monthly number of employees, including directors, during the year was 16 (2020 - 13).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021

5. Tangible fixed assets

	Office equipment £	Computer equipment £	Website £	Total £
Cost				
At 1 June 2020	833	22,899	34,311	58,043
Additions	5,892	1,274	-	7,166
Disposals	(833)	(5,237)	-	(6,070)
At 31 May 2021	5,892	18,936	34,311	59,139
Depreciation				
At 1 June 2020	694	13,650	34,311	48,655
Charge for the year on owned assets	4,127	5,550	-	9,677
Disposals	(833)	(3,714)	-	(4,547)
At 31 May 2021	3,988	15,486	34,311	53,785
Net book value				
At 31 May 2021	1,904	3,450	-	5,354
At 31 May 2020	139	9,249	-	9,388

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021

6. Debtors

	2021 £	2020 £
Other debtors	25,821	63,154
Prepayments and accrued income	273,843	8,371
	<u>299,664</u>	<u>71,525</u>

7. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	1,835,729	540,289
	<u>1,835,729</u>	<u>540,289</u>

8. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	751,730	665,091
Other taxation and social security	17,266	49,219
Obligations under finance lease and hire purchase contracts	-	2,888
Other creditors	371,245	126,056
Accruals and deferred income	431,861	184,156
Financial instruments	13,985	6,596
	<u>1,586,087</u>	<u>1,034,006</u>

9. Creditors: Amounts falling due after more than one year

	2021 £	2020 £
Bank loans	50,000	-
	<u>50,000</u>	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

10. Loans

Analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due after more than 5 years		
Bank loans	50,000	-
	<u>50,000</u>	<u>-</u>
	<u>50,000</u>	<u>-</u>

11. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
52,123,424 (2020 - 49,492,367) Ordinary shares of £0.00001 each	<u>521</u>	<u>495</u>

During the year 2,631,057 Ordinary shares were allotted, with a nominal value of £0.00001 each. 2,624,875 of these were issued at £0.1718 per share, with the remaining 6,182 at £0.06 per share.

12. Government grants

	2021 £	2020 £
Coronavirus job retention scheme (CJRS)	222,604	45,870
Small business coronavirus grant	-	10,000
	<u>222,604</u>	<u>55,870</u>

13. Reserves**Share premium account**

Consideration received for shares issued above their nominal value of transaction costs.

Profit and loss account

Profit and loss reserves represent cumulative profit and loss of the company, net of distributions to owners.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2021**

14. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £12,634 (2020 - £11,567). Contributions totalling £5,772 (2020 - £6,291) were payable to the fund at the reporting date and are included in creditors.

15. Post balance sheet events

As a result of the coronavirus, future revenues and profit are likely to be affected by the restrictions on travel and consumer confidence to travel, though the directors cannot determine at present the extent to which the company is likely to be affected (See note 2.2).

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.