

REGISTERED NUMBER: 02039621 (England and Wales)

GROUP STRATEGIC REPORT,
REPORT OF THE DIRECTORS AND
AUDITED
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 7 NOVEMBER 2017
FOR
VILLA PLUS LIMITED

WEDNESDAY



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CONTENTS OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 7 NOVEMBER 2017

	Page
Company Information	1
Group Strategic Report	2
Report of the Directors	4
Report of the Independent Auditors	6
Consolidated Income Statement	8
Consolidated Other Comprehensive Income	9
Consolidated Statement of Financial Position	10
Company Statement of Financial Position	11
Consolidated Statement of Changes in Equity	12
Company Statement of Changes in Equity	13
Consolidated Statement of Cash Flows	14
Notes to the Consolidated Statement of Cash Flows	15
Notes to the Consolidated Financial Statements	16

VILLA PLUS LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 7 NOVEMBER 2017

DIRECTORS: N D Cooper
R A Mavani

SECRETARY: N D Cooper

REGISTERED OFFICE: Drover House
16 Adelaide Street
St Albans
Hertfordshire
AL3 5BH

REGISTERED NUMBER: 02039621 (England and Wales)

SENIOR STATUTORY AUDITOR: Richard Pearson

AUDITORS: Pearson & Co
Chartered Accountants
and Statutory Auditors
The Mansion
BRE
Bucknalls Lane
Watford
Hertfordshire
WD25 9XX

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 7 NOVEMBER 2017

The directors present their strategic report of the company and the group for the year ended 7 November 2017.

REVIEW OF BUSINESS

The group is required by the Companies Act to set out in this report a fair review of the business of the group during the financial year ended 7 November 2017 and of its position at that date and a description of the principal risks and uncertainties facing the company.

This review is solely prepared to provide additional information to shareholders to assess the company's strategies and the potential for these strategies to succeed and the business review should not be relied upon by any other party or for any other purpose.

Villa Plus Limited ("the group") operates as a licensed tour operator specialising in villa holidays from offices in the south east of England.

The results for the group show a pre-tax profit of £3,034,225 (2016 - £4,646,103) for the year and sales of £81,817,686 (2016 - £70,580,610). At the year end net assets were £16,909,831 (2016 - £14,556,916). The group finances its operations through retained profits.

WHERE WE OPERATE AND OUR KEY DESTINATIONS

We only operate in the UK market and our key destinations are Portugal, Mainland Spain, The Canary Islands, The Balearic Islands, The Greek Islands, Cyprus and Italy.

WHY WE DO IT: MARKET OVERVIEW

Economic growth in the UK has slowed slightly during 2017, but has remained resilient at 1.8% with the unemployment rate falling further to 4.7%.

While the uncertain economic climate has had an effect on consumers' travel spending habits, and online penetration of travel sales is levelling off, demand for leisure travel remains strong. In 2017, the summer overseas package market was up by 8%, with our key market of Spain growing by 11%.

Consumer power continues to grow in the travel and tourism market. Technology allows the customer to easily compare and contrast different suppliers and to take the reviews of fellow travellers into account. At the same time, the growth of technology-based entrants to the market has given the consumer an ever-wider range of choices.

Our business model aims to capitalise on these changing market trends and to cater for the differing needs of our customers. We focus on providing an outstanding customer experience coupled with a seamless end-to-end service.

HOW WE DO IT

We only source the most desirable villas with private pools with the goal of achieving the best geographical locations and prices for our customers.

Our key areas of focus are our online sales operation, giving us control over distribution; developing a flexible technology platform to support growth; leveraging our scale in the villa market; utilising our considerable knowledge and expertise of the sector; and lastly, constant innovation in every aspect of the business.

HOW WE MEASURE IT

We consider the financial key performance indicators to be profit before tax and turnover.

Our key long-term targets are improving customer satisfaction, continued growth and increasing profitability.

Given the straightforward nature of the business, the company's directors are of the opinion that detailed KPIs are not necessary for an understanding of the development, performance or position of the business.

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 7 NOVEMBER 2017

PRINCIPAL RISKS AND UNCERTAINTIES

The key business risks are foreign exchange volatility and consumer demand in our market.

Use of derivatives

The group uses forward foreign currency contracts to reduce exposure to the variability of foreign exchange rates by fixing the rate of material payments in a foreign currency. Hedge accounting is used when certain criteria are met, as explained in the accounting policy note on page 17.

Exposure to price, credit, liquidity and cash flow risk

Price risk arises on financial instruments because of changes in, for example, commodity prices or foreign currency exchange rates. The group's derivatives are held as a hedge against future foreign currency payments, and so the price risk on derivatives is offset by the effect of exchange rates on future payments.

Credit risk is the risk that one party to a financial instrument will cause a financial loss for that other party by failing to discharge an obligation. The group has no trade debtors, but its prepayments include advance payments for flights. The associated credit risk is mitigated by maintaining an insurance policy against the failure of certain airlines, and by paying for the majority of flights using Visa debit cards, where costs can be recovered under the Visa chargeback rules.

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The group aims to mitigate liquidity risk by managing the timing of payments to villa owners, and the collection of payments from customers, in line with contractual terms. Also, profit is retained within the group each year to further mitigate liquidity risk.

Cash flow risk is the risk of exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability, such as payments to creditors. The group manages this risk, where significant, by use of foreign currency derivatives as explained above.

FUTURE OUTLOOK

The commercial environment is expected to remain extremely competitive in 2018. However we remain confident that we will meet our expectations for the coming year.

SUBSEQUENT EVENTS

There are no subsequent events since the date of the balance sheet.

ON BEHALF OF THE BOARD:



N D Cooper - Director

9 March 2018

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 7 NOVEMBER 2017

The directors present their report with the financial statements of the company and the group for the year ended 7 November 2017.

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of the provision of overseas villa holidays as a licensed tour operator.

DIVIDENDS

Interim dividends of £812,000 (2016 - £691,300) were paid during the year. The directors recommend no payment of a final dividend in order to conserve the liquid funds of the company.

DIRECTORS

The directors shown below have held office during the whole of the period from 8 November 2016 to the date of this report.

N D Cooper
R A Mavani

DISCLOSURE IN THE STRATEGIC REPORT

The group's principal risks and uncertainties, and its approach to managing these, are disclosed in the Group Strategic Report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

VILLA PLUS LIMITED (REGISTERED NUMBER: 02039621)

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 7 NOVEMBER 2017

AUDITORS

The auditors, Pearson & Co, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'N D Cooper', is written over the printed name.

N D Cooper - Director

9 March 2018

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
VILLA PLUS LIMITED

Opinion

We have audited the financial statements of Villa Plus Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 7 November 2017 on pages eight to twenty seven. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 7 November 2017 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion 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, 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 in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
VILLA PLUS LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Auditors 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 Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.



Richard Pearson (Senior Statutory Auditor)

for and on behalf of Pearson & Co

Chartered Accountants

and Statutory Auditors

The Mansion

BRE

Bucknalls Lane

Watford

Hertfordshire

WD25 9XX

9 March 2018

VILLA PLUS LIMITED (REGISTERED NUMBER: 02039621)

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 7 NOVEMBER 2017

	Notes	7.11.17 £	7.11.16 £
TURNOVER	3	81,817,686	70,580,610
Cost of sales		67,336,267	56,787,653
GROSS PROFIT		14,481,419	13,792,957
Administrative expenses		11,791,834	10,008,771
		2,689,585	3,784,186
Other operating income		176,587	174,553
OPERATING PROFIT	5	2,866,172	3,958,739
Interest receivable and similar income		47,164	29,364
		2,913,336	3,988,103
Gain/loss on revaluation of investment property		125,000	658,000
		3,038,336	4,646,103
Interest payable and similar expenses	6	4,111	-
PROFIT BEFORE TAXATION		3,034,225	4,646,103
Tax on profit	7	585,480	909,416
PROFIT FOR THE FINANCIAL YEAR		2,448,745	3,736,687
Profit attributable to: Owners of the parent		2,448,745	3,736,687

The notes form part of these financial statements

VILLA PLUS LIMITED (REGISTERED NUMBER: 02039621)

CONSOLIDATED OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 7 NOVEMBER 2017

	Notes	7.11.17 £	7.11.16 £
PROFIT FOR THE YEAR		2,448,745	3,736,687
OTHER COMPREHENSIVE INCOME			
Revaluation of freehold property		862,855	-
Deferred taxation		(146,685)	-
Income tax relating to components of other comprehensive income		-	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		716,170	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		3,164,915	3,736,687
Total comprehensive income attributable to: Owners of the parent		3,164,915	3,736,687

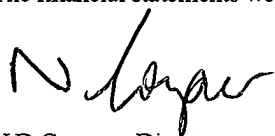
The notes form part of these financial statements

VILLA PLUS LIMITED (REGISTERED NUMBER: 02039621)

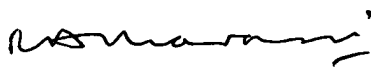
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
7 NOVEMBER 2017

	Notes	7.11.17 £	7.11.16 £
FIXED ASSETS			
Tangible assets	10	1,250,000	387,145
Investments	11	-	-
Investment property	12	3,750,000	3,625,000
		<u>5,000,000</u>	<u>4,012,145</u>
CURRENT ASSETS			
Debtors	13	7,515,735	4,080,393
Cash at bank and in hand		23,163,218	21,993,896
		<u>30,678,953</u>	<u>26,074,289</u>
CREDITORS			
Amounts falling due within one year	14	18,313,170	15,241,501
NET CURRENT ASSETS		<u>12,365,783</u>	<u>10,832,788</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>17,365,783</u>	<u>14,844,933</u>
PROVISIONS FOR LIABILITIES	16	455,952	288,017
NET ASSETS		<u><u>16,909,831</u></u>	<u><u>14,556,916</u></u>
CAPITAL AND RESERVES			
Called up share capital	17	40,000	40,000
Revaluation reserve	18	716,170	-
Non-distributable reserve	18	1,509,952	1,406,202
Retained earnings	18	14,643,709	13,110,714
SHAREHOLDERS' FUNDS		<u><u>16,909,831</u></u>	<u><u>14,556,916</u></u>

The financial statements were approved by the Board of Directors on 9 March 2018 and were signed on its behalf by:



N D Cooper - Director



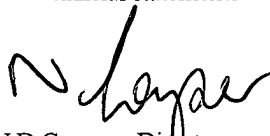
R A Mavani - Director

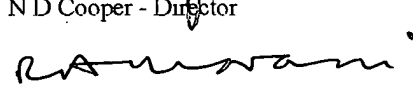
The notes form part of these financial statements

COMPANY STATEMENT OF FINANCIAL POSITION
7 NOVEMBER 2017

	Notes	7.11.17 £	7.11.16 £
FIXED ASSETS			
Tangible assets	10	1,250,000	387,145
Investments	11	2,000	2,000
Investment property	12	3,750,000	3,625,000
		<u>5,002,000</u>	<u>4,014,145</u>
CURRENT ASSETS			
Debtors	13	7,289,047	4,477,468
Cash at bank and in hand		22,878,926	21,675,699
		<u>30,167,973</u>	<u>26,153,167</u>
CREDITORS			
Amounts falling due within one year	14	17,804,190	15,322,379
NET CURRENT ASSETS		<u>12,363,783</u>	<u>10,830,788</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>17,365,783</u>	<u>14,844,933</u>
PROVISIONS FOR LIABILITIES	16	455,952	288,017
NET ASSETS		<u><u>16,909,831</u></u>	<u><u>14,556,916</u></u>
CAPITAL AND RESERVES			
Called up share capital	17	40,000	40,000
Revaluation reserve	18	716,170	-
Non-distributable reserve	18	1,509,952	1,406,202
Retained earnings	18	14,643,709	13,110,714
SHAREHOLDERS' FUNDS		<u><u>16,909,831</u></u>	<u><u>14,556,916</u></u>
Company's profit for the financial year		<u><u>2,448,745</u></u>	<u><u>3,736,687</u></u>

The financial statements were approved by the Board of Directors on 9 March 2018 and were signed on its behalf by:


N D Cooper - Director


R A Mavani - Director

R A Mavani - Director

VILLA PLUS LIMITED (REGISTERED NUMBER: 02039621)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 7 NOVEMBER 2017

	Called up share capital £	Retained earnings £	Revaluation reserve £	Non-distributable reserve £	Total equity £
Balance at 8 November 2015	40,000	10,611,467	-	860,062	11,511,529
Changes in equity					
Dividends	-	(691,300)	-	-	(691,300)
Total comprehensive income	-	3,190,547	-	546,140	3,736,687
Balance at 7 November 2016	40,000	13,110,714	-	1,406,202	14,556,916
Changes in equity					
Dividends	-	(812,000)	-	-	(812,000)
Total comprehensive income	-	2,344,995	-	103,750	2,448,745
Other comprehensive income	-	-	716,170	-	716,170
Balance at 7 November 2017	40,000	14,643,709	716,170	1,509,952	16,909,831

The notes form part of these financial statements

VILLA PLUS LIMITED (REGISTERED NUMBER: 02039621)

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 7 NOVEMBER 2017

	Called up share capital £	Retained earnings £	Revaluation reserve £	Non-distributable reserve £	Total equity £
Balance at 8 November 2015	40,000	10,611,467	-	860,062	11,511,529
Changes in equity					
Dividends	-	(691,300)	-	-	(691,300)
Total comprehensive income	-	3,190,547	-	546,140	3,736,687
Balance at 7 November 2016	40,000	13,110,714	-	1,406,202	14,556,916
Changes in equity					
Dividends	-	(812,000)	-	-	(812,000)
Total comprehensive income	-	2,344,995	-	103,750	2,448,745
Other comprehensive income	-	-	716,170	-	716,170
Balance at 7 November 2017	40,000	14,643,709	716,170	1,509,952	16,909,831

The notes form part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 7 NOVEMBER 2017

	Notes	7.11.17 £	7.11.16 £
Cash flows from operating activities			
Cash generated from operations	1	2,589,861	8,126,405
Interest paid		(4,111)	-
Tax paid		(651,592)	(797,556)
Net cash from operating activities		<u>1,934,158</u>	<u>7,328,849</u>
Cash flows from investing activities			
Interest received		<u>47,164</u>	<u>29,364</u>
Net cash from investing activities		<u>47,164</u>	<u>29,364</u>
Cash flows from financing activities			
Equity dividends paid		<u>(812,000)</u>	<u>(691,300)</u>
Net cash from financing activities		<u>(812,000)</u>	<u>(691,300)</u>
Increase in cash and cash equivalents		<u>1,169,322</u>	<u>6,666,913</u>
Cash and cash equivalents at beginning of year	2	<u>21,993,896</u>	<u>15,326,983</u>
Cash and cash equivalents at end of year	2	<u><u>23,163,218</u></u>	<u><u>21,993,896</u></u>

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 7 NOVEMBER 2017

1. **RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	7.11.17	7.11.16
	£	£
Profit before taxation	3,034,225	4,646,103
Gain on revaluation of fixed assets	(125,000)	(658,000)
Finance costs	4,111	-
Finance income	(47,164)	(29,364)
	2,866,172	3,958,739
(Increase)/decrease in trade and other debtors	(3,435,342)	175,946
Increase in trade and other creditors	3,159,031	3,991,720
Cash generated from operations	<u><u>2,589,861</u></u>	<u><u>8,126,405</u></u>

2. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 7 November 2017

	7.11.17	8.11.16
	£	£
Cash and cash equivalents	<u><u>23,163,218</u></u>	<u><u>21,993,896</u></u>

Year ended 7 November 2016

	7.11.16	8.11.15
	£	£
Cash and cash equivalents	<u><u>21,993,896</u></u>	<u><u>15,326,983</u></u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 7 NOVEMBER 2017

1. **COMPANY INFORMATION**

Villa Plus Limited ("the company") is a limited company domiciled and incorporated in England and Wales. The registered office is Drover House, 16 Adelaide Street, St Albans, Hertfordshire, AL3 5BH.

The group consists of Villa Plus Limited and its material subsidiaries.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

The financial statements are presented in sterling, which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest £.

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination.

The consolidated financial statements incorporate those of Villa Plus Limited and of its material subsidiaries (i.e. entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 7 November 2017. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Villa Plus Aviation Limited has been included in the group financial statements using the purchase method of accounting. Accordingly, the group profit and loss account and statement of cash flows include the results and cash flows of Villa Plus Aviation Limited for the year ending 7 November 2017.

Significant judgements and estimates

Impairment of assets

At each reporting date, fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If an impairment is identified, the carrying value of any affected asset is reduced to the estimated recoverable amount, and an impairment loss is recognised immediately in profit and loss.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit and loss.

Revaluation of freehold and investment properties

The Group carries its freehold and investment properties at fair value. Changes in the fair value of freehold property are recognised in other comprehensive income, and changes in the fair value of investment property are recognised in profit and loss. The Group engaged independent valuation specialists to determine fair value at 7 November 2017. The key assumptions used to determine the fair value are further explained in note 9 for freehold property and note 11 for investment property.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 7 NOVEMBER 2017

2. **ACCOUNTING POLICIES - continued**

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Sales are recognised in the accounting year in which departure dates occur. All sales arose in the United Kingdom.

Tangible fixed assets

Freehold property is carried at fair value, determined by an independent valuer, based upon its open market value taking into account its size, location, facilities, layout, and condition. Changes in fair value are recognised in other comprehensive income.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- Nil
Fixtures and fittings	- 25% on cost and 20% on cost

No depreciation is provided on freehold buildings as it is the company's policy to maintain these to a high standard through a continual programme of refurbishment and maintenance. In accordance with this practice depreciation is not provided on freehold properties where, in the opinion of the directors, residual values (in terms of fair value) are such that any depreciation charge would be immaterial.

Investment property

Investment property is carried at fair value determined by an independent valuer, taking into account expected yields, inflation, the long term vacancy rate, and the long term growth in real rental rates. No depreciation is provided. Changes in fair value are recognised in profit or loss.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Transactions in foreign currencies are recorded at the average rate. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All translation differences are taken to the profit and loss account.

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 7 NOVEMBER 2017

2. **ACCOUNTING POLICIES - continued**

Promotion costs

Promotion costs are written off in the year in which they are incurred.

Financial instruments

The group 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 group's statement of financial position when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and 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 cash, trade receivables and other receivables due within one year are initially measured at transaction price including transaction costs and are subsequently measured at cost less impairment.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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 group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities which include trade and other payables within one year are initially recognised at transaction price including transaction costs and are subsequently measured at the undiscounted amount of the cash or other consideration expected to be paid.

Derivative instruments

Derivatives, including forward foreign exchange contracts, are not basic financial instruments. Derivative financial instruments are initially measured at fair value on the date on which a derivative contract is entered into, and are subsequently measured at fair value through profit or loss. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative. The fair value of the forward currency contracts is calculated by reference to quoted prices.

The group uses forward foreign currency derivatives to reduce exposure to foreign exchange rates, and applies fair value hedge accounting to these derivatives. The hedged items are measured at fair value on the date at which the derivative contracts are entered into, and are subsequently measured at fair value through profit and loss. Hedge accounting is discontinued when the hedging instruments expire.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

Equity instruments

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

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 7 NOVEMBER 2017

3. TURNOVER

All sales arose in one geographical market, the United Kingdom, and relate to the rendering of tour services.

4. EMPLOYEES AND DIRECTORS

	7.11.17	7.11.16
	£	£
Wages and salaries	1,703,252	1,532,107
Social security costs	185,262	161,630
Other pension costs	36,301	27,348
	<u>1,924,815</u>	<u>1,721,085</u>

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

	7.11.17	7.11.16
Customer operations	20	17
Administration	22	20
	<u>42</u>	<u>37</u>

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, where material, is recognised in the period in which the employee's services are received.

	7.11.17	7.11.16
	£	£
Directors' remuneration	-	-
Directors' pension contributions to money purchase schemes	770	840
	<u>770</u>	<u>840</u>

The number of directors to whom retirement benefits were accruing was as follows:

	7.11.17	7.11.16
Money purchase schemes	1	1
	<u>1</u>	<u>1</u>

5. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	7.11.17	7.11.16
	£	£
Audit & accountancy	19,500	16,275
Non-audit services included above	5,000	4,500
Foreign exchange profit/(loss)	(3,757)	2,765,742
	<u>19,743</u>	<u>2,786,517</u>

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	7.11.17	7.11.16
	£	£
Interest on late paid tax	4,111	-
	<u>4,111</u>	<u>-</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 7 NOVEMBER 2017

7. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	7.11.17 £	7.11.16 £
Current tax:		
UK corporation tax	564,230	797,556
Deferred tax	<u>21,250</u>	<u>111,860</u>
Tax on profit	<u><u>585,480</u></u>	<u><u>909,416</u></u>

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	7.11.17 £	7.11.16 £
Profit before tax	<u>3,034,225</u>	<u>4,646,103</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19.394% (2016 - 20%)	588,458	929,221
Effects of:		
Income not taxable for tax purposes	(24,242)	(131,600)
Adjustments to tax charge in respect of previous periods	14	(65)
Deferred Tax	<u>21,250</u>	<u>111,860</u>
Total tax charge	<u><u>585,480</u></u>	<u><u>909,416</u></u>

Tax effects relating to effects of other comprehensive income

	Gross £	7.11.17 Tax £	Net £
Revaluation of freehold property	862,855	-	862,855
Deferred taxation	<u>(146,685)</u>	<u>-</u>	<u>(146,685)</u>
	<u><u>716,170</u></u>	<u><u>-</u></u>	<u><u>716,170</u></u>

Factors that may affect future tax charges

In the 2016 Budget, the government announced a reduction in Corporation Tax main rate for the year commencing 1 April 2020, setting the rate at 17%. This rate reduction has been reflected in the calculation of deferred tax at the balance sheet date.

8. INDIVIDUAL INCOME STATEMENT

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 7 NOVEMBER 2017

9. **DIVIDENDS**

	7.11.17 £	7.11.16 £
Ordinary shares of £1 each		
Interim	406,000	345,650
Ordinary A shares of £1 each		
Interim	406,000	345,650
	<u>812,000</u>	<u>691,300</u>

10. **TANGIBLE FIXED ASSETS**

Group

	Freehold property £	Fixtures and fittings £	Totals £
COST OR VALUATION			
At 8 November 2016	387,145	74,448	461,593
Revaluations	862,855	-	862,855
	<u>1,250,000</u>	<u>74,448</u>	<u>1,324,448</u>
At 7 November 2017			
	<u>1,250,000</u>	<u>74,448</u>	<u>1,324,448</u>
DEPRECIATION			
At 8 November 2016			
and 7 November 2017	-	74,448	74,448
	<u>-</u>	<u>74,448</u>	<u>74,448</u>
NET BOOK VALUE			
At 7 November 2017	1,250,000	-	1,250,000
	<u>1,250,000</u>	<u>-</u>	<u>1,250,000</u>
At 7 November 2016	387,145	-	387,145
	<u>387,145</u>	<u>-</u>	<u>387,145</u>

The freehold property was valued by an independent valuer with a recognised and relevant professional qualification and with recent experience in the location and category of the freehold property being valued, Brasier Freeth LLP, as at 7 November 2017. The critical assumptions made relating to the valuation include the expected yield and the rental value, taking into account the property's size, location, facilities, layout and condition.

Cost or valuation at 7 November 2017 is represented by:

	Freehold property £	Fixtures and fittings £	Totals £
Valuation in 2017	862,855	-	862,855
Cost	387,145	74,448	461,593
	<u>1,250,000</u>	<u>74,448</u>	<u>1,324,448</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 7 NOVEMBER 2017

10. **TANGIBLE FIXED ASSETS - continued**

Company

	Freehold property £	Fixtures and fittings £	Totals £
COST OR VALUATION			
At 8 November 2016	387,145	74,448	461,593
Revaluations	862,855	-	862,855
At 7 November 2017	1,250,000	74,448	1,324,448
DEPRECIATION			
At 8 November 2016			
and 7 November 2017	-	74,448	74,448
NET BOOK VALUE			
At 7 November 2017	1,250,000	-	1,250,000
At 7 November 2016	387,145	-	387,145

The freehold property was valued by an independent valuer with a recognised and relevant professional qualification and with recent experience in the location and category of the freehold property being valued, Brasier Freeth LLP, as at 7 November 2017. The critical assumptions made relating to the valuation include the expected yield and the rental value, taking into account the property's size, location, facilities, layout and condition.

Cost or valuation at 7 November 2017 is represented by:

	Freehold property £	Fixtures and fittings £	Totals £
Valuation in 2017	862,855	-	862,855
Cost	387,145	74,448	461,593
	1,250,000	74,448	1,324,448

11. **FIXED ASSET INVESTMENTS**

Company

	Shares in group undertakings £
COST	
At 8 November 2016	
and 7 November 2017	2,000
NET BOOK VALUE	
At 7 November 2017	2,000
At 7 November 2016	2,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 7 NOVEMBER 2017

11. **FIXED ASSET INVESTMENTS - continued**

The group or the company's investments at the Statement of Financial Position date in the share capital of companies include the following:

Subsidiary

Villa Plus Aviation Limited

Registered office: Drover House, 16 Adelaide Street, St Albans AL3 5BH

Nature of business: Seat sales operator

	%		
Class of shares:	holding		
Ordinary	100.00		
		7.11.17	7.11.16
		£	£
Aggregate capital and reserves		2,000	2,000
Profit for the year		1,698,084	760,389
		<u> </u>	<u> </u>

12. **INVESTMENT PROPERTY**

Group

	Total £
FAIR VALUE	
At 8 November 2016	3,625,000
Revaluations	125,000
	<u> </u>
At 7 November 2017	3,750,000
NET BOOK VALUE	
At 7 November 2017	3,750,000
	<u> </u>
At 7 November 2016	3,625,000
	<u> </u>

Fair value at 7 November 2017 is represented by:

	£
Valuation in 2014	561,719
Valuation in 2015	474,500
Valuation in 2016	658,000
Valuation in 2017	125,000
Cost	1,930,781
	<u> </u>
	3,750,000
	<u> </u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 7 NOVEMBER 2017

12. **INVESTMENT PROPERTY - continued**

Company

	Total £
FAIR VALUE	
At 8 November 2016	3,625,000
Revaluations	125,000
At 7 November 2017	3,750,000
NET BOOK VALUE	
At 7 November 2017	3,750,000
At 7 November 2016	3,625,000

Fair value at 7 November 2017 is represented by:

	£
Valuation in 2014	561,719
Valuation in 2015	474,500
Valuation in 2016	658,000
Valuation in 2017	125,000
Cost	1,930,781
	3,750,000

The freehold investment properties were valued by an independent valuer with a recognised and relevant professional qualification and with recent experience in the location and category of the investment properties being valued, Brasier Freeth LLP, as at 7 November 2017. The critical assumptions made relating to the valuations reflect expected yields, inflation, the long term vacancy rate, and the long term growth in real rental rates.

13. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group		Company	
	7.11.17 £	7.11.16 £	7.11.17 £	7.11.16 £
Amounts owed by group undertakings	-	-	6,597,017	4,251,562
Other debtors	1,489,225	-	210,408	-
Corporation tax	-	-	16,847	-
VAT	148,775	43,569	128,770	23,569
Prepayments and accrued income	5,877,735	4,036,824	336,005	202,337
	7,515,735	4,080,393	7,289,047	4,477,468

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 7 NOVEMBER 2017

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	7.11.17	7.11.16	7.11.17	7.11.16
	£	£	£	£
Trade creditors	6,683,982	5,978,429	6,683,981	5,978,429
Corporation tax	334,229	421,591	-	502,469
Other taxes and social security	57,097	46,295	57,097	46,295
Other creditors	365,279	103,287	190,529	103,287
Accruals and deferred income	10,872,583	8,691,899	10,872,583	8,691,899
	<u>18,313,170</u>	<u>15,241,501</u>	<u>17,804,190</u>	<u>15,322,379</u>

15. FINANCIAL INSTRUMENTS

The group has the following financial instruments:

Financial assets at fair value through profit or loss:

- Forward foreign currency contracts are £61,100 (2016: Nil)
- Hedging gains on unrecognised commitments are £149,308 (2016: Nil)
- Other debtors are £1,278,817 (2016: Nil)

Financial liabilities at fair value through profit or loss:

- Forward foreign currency contracts are £149,308 (2016: £62,066)

Financial liabilities measured at amortised cost:

- Trade creditors are £6,683,981 (2016: £5,978,429)

Forward foreign currency contracts:

The group purchases forward foreign currency contracts to hedge currency exposure on recognised liabilities and firm future commitments. The fair values of the liabilities held at fair value through profit and loss at the balance sheet date are determined using quoted prices.

At 7 November 2017, the outstanding contracts all mature within 5 months (2016: 2 months) of the year end. The group is committed to buy €15,299,522 (2016: €4,000,000) and pay a fixed sterling amount.

The changes in fair value recognised in profit or loss were as follows:

- The profit/(loss) from the change in the fair value of hedging instruments was £(26,140) (2016: £1,333,366)
- The profit/(loss) from the change in the fair value of hedged items was £26,140 (2016: £(1,333,366))

16. PROVISIONS FOR LIABILITIES

	Group		Company	
	7.11.17	7.11.16	7.11.17	7.11.16
	£	£	£	£
Deferred tax				
Other timing differences	<u>455,952</u>	<u>288,017</u>	<u>455,952</u>	<u>288,017</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 7 NOVEMBER 2017

16. **PROVISIONS FOR LIABILITIES - continued**

Group

	Deferred tax £
Balance at 8 November 2016	288,017
Provided during year	167,935
Balance at 7 November 2017	455,952

Company

	Deferred tax £
Balance at 8 November 2016	288,017
Provided during year	167,935
Balance at 7 November 2017	455,952

The net reversal of deferred tax liabilities expected in the next accounting period is £Nil. However, it should be noted that further reversals or increases may arise as a result of revaluations of freehold property, fixed asset additions and disposals. As the future deferred tax balances, if any, will be dependent on future changes in fair values of assets and liabilities, it is not possible to estimate any further future reversals.

17. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	7.11.17 £	7.11.16 £
20,000	Ordinary	£1	20,000	20,000
20,000	Ordinary A	£1	20,000	20,000
			40,000	40,000

The company has two classes of ordinary shares, Ordinary and Ordinary A. Both classes have identical rights, with full rights in the Company with respect to voting, and dividend and capital distribution.

18. **RESERVES**

Group

	Retained earnings £	Revaluation reserve £	Non-distributable reserve £	Totals £
At 8 November 2016	13,110,714	-	1,406,202	14,516,916
Profit for the year	2,448,745			2,448,745
Dividends	(812,000)			(812,000)
Non-distributable reserve	(103,750)		103,750	-
Other comprehensive income	-	716,170	-	716,170
At 7 November 2017	14,643,709	716,170	1,509,952	16,869,831

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 7 NOVEMBER 2017

18. **RESERVES - continued**

Company

	Retained earnings £	Revaluation reserve £	Non-distributable reserve £	Totals £
At 8 November 2016	13,110,714	-	1,406,202	14,516,916
Profit for the year	2,448,745			2,448,745
Dividends	(812,000)			(812,000)
Non-distributable reserve	(103,750)	-	103,750	-
Other comprehensive income	-	716,170	-	716,170
At 7 November 2017	<u>14,643,709</u>	<u>716,170</u>	<u>1,509,952</u>	<u>16,869,831</u>

19. **CONTINGENT LIABILITIES**

At the balance sheet date there were no contingent liabilities or guarantees other than those arising in the ordinary course of the group and company's business and on these no material losses are anticipated.

20. **RELATED PARTY DISCLOSURES**

During the year the group entered into transactions, in the ordinary course of business, with other related parties. Purchase transactions entered into during the year amounted to £5,932,496 (2016 - £4,292,245) and amounts outstanding at 7 November 2017 were £42,115 (2016 - Nil). These related parties are entities controlled by the directors who have control over the group.

Key management personnel

The directors have authority and responsibility for planning, directing and controlling the activities of the group and are considered to be key management personnel. Total remuneration in respect of these individuals is £770 (2016 - £840).

21. **ULTIMATE CONTROLLING PARTY**

The company is under the control of the directors Mr N D Cooper and Mr R A Mavani who are the major shareholders in the company.