Financial Statements Unique Vacations (U.K.) Limited

For the year ended 31 July 2017

Company No. 02355921

Company information

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Company information

DIRECTORS AND OFFICERS

Directors:

Karl Thompson
Simon Foster
Deana Stefano
Tammy Gonzalez

Registered office:

34-36 Ives Street, London, SW3 2ND

Company registration number:

02355921

PROFESSIONAL ADVISERS

Auditor:

Grant Thornton UK LLP
Chartered Accountants
Victoria House
199 Avebury Boulevard
MILTON KEYNES
MK9 1AU

Solicitors:

BLM
Plantation Place
30 Fenchurch Street
London
EC3M 3BL

Directors' report

The directors present their report together with audited Financial statements for the year ended.

Directors

The directors who served during the year were:

Tammy Gonzalez
Karl Thompson
Simon Foster
Deana Stefano

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' report 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgments 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 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. They 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Financial risk management

The Company has exposure to one main area of risk - liquidity risk.

Liquidity risk

The objective of the Company in managing liquidity risk is to ensure that it can meet its financial obligations as and when they fall due. The Company expects to meet its financial obligations through operating cash flows.

Directors' report

Disclosure of information to the auditor

Each of the persons who are directors at the time when the Directors' report is approved has confirmed that:

- so far as that directors is aware, there is no relevant audit information of which the company's auditor is unaware; and
- that director has taken all steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's audit is aware of that information.

Auditors

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemption provided by section 415A of the Companies Act 2006.

This report was approved by the board on 10th January 2018 and signed on its behalf by:

Kary Thompson

K R Thompson
Director

Report of the independent auditor to the members of Unique Vacations (U.K.) Limited

Opinion

We have audited the financial statements of Unique Vacations (U.K.) Limited (the 'company') for the year ended 31 July 2017 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the Cashflow Statement and notes to the financial statements, including a summary of significant accounting policies. 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).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 July 2017 and of its 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company 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.

Who we are reporting to

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 an auditor's report 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.

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 company'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 included in the financial statements set out on pages 1 to 2, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, 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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

Report of the independent auditor to the members of Unique Vacations (U.K.) Limited

Opinions 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 1, 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 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.

Auditor's 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 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 Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Grant Thornton UK LLP

Fiona Baldwin
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Milton Keynes

Date: 15 January 2018

Statement of Comprehensive Income
For the Year Ended 31 July 2017

	Note	2017 £	2016 £
Turnover	4	**9,142,678**	8,302,926
Gross profit		**9,142,678**	**8,302,926**
Administrative expenses		**(8,687,948)**	(7,899,446)
Operating profit		**454,730**	**403,480**
Net interest		-	(536)
Profit on ordinary activities before taxation	5	**454,730**	**402,944**
Tax on profit on ordinary activities	9	**(109,041)**	(90,690)
Profit for the financial year after taxation		**345,689**	**312,254**
Other comprehensive income in the year		-	-
Total comprehensive income in the year		**345,689**	**312,254**

All amounts relate to continuing operations

Balance sheet
As at 31 July 2017

	Note		2017		2016
		£	£	£	£
Fixed assets					
Intangible assets	9		**5,265**		-
Tangible assets	10		**86,129**		81,442
Current assets					
Debtors	11	**550,230**		1,267,635	
Cash at bank and in hand		**225,163**		589,359	
			775,393		1,856,994
Creditors: amounts falling due within one year	12	**797,779**		2,218,359	
			797,779		2,218,359
Net current assets/liabilities			**22,386**		(361,365)
Total assets less current liabilities			**69,008**		279,923
Provisions for liabilities	13		**6,317**		3,075
Net assets			**62,691**		282,998
Capital and reserves					
Called up share capital	14		**100**		100
Profit and loss account	15		**62,591**		283,098
Shareholders' funds			**62,691**		282,998

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

The financial statements were approved by the Board of Directors and authorised for issue on 10th January 2018.
They were signed on its behalf by:

Kan Thompson.

K R Thompson
Director

Registration number
02355921

Statement of Changes in Equity

	Called up share capital	Retained earnings	Total
	£	£	£
At 1 August 2015	100	(595,352)	(595,252)
Profit for the year	-	312,254	312,254
Balance as at 31 July 2016	**100**	**(283,098)**	**(282,998)**

	Called up share capital	Retained earnings	Total
	£	£	£
At 1 August 2016	100	(283,098)	(282,998)
Profit for the year	-	345,689	345,689
Balance as at 31 July 2017	**100**	**62,591**	**62,691**

Cash Flow Statement

	2017	2016
	£	£
Cash flows from operating activities		
Profit for the financial year	**345,689**	312,254
Adjustments for:		
Depreciation of tangible assets	**26,333**	49,213
Amortisation of intangible assets	**3,147**	-
Decrease in trade and other debtors	**717,405**	984,655
(Increase)/decrease in creditors	**(1,094,176)**	803,926
Accrued (income)/expenses	**-**	(153,550)
Interest payable	**-**	536
Tax charge	**109,041**	90,690
Cash from operations	**107,437**	2,087,724
Income taxes paid	**(94,966)**	(106,279)
Interest paid	**-**	(536)
Net cash generated from operating activities	**12,473**	1,980,909
Cash flows from investing activities		
Purchases of tangible assets	**(39,430)**	(60,491)
Net cash from investing activities	**(39,430)**	(60,491)
Cash flows from financing activities		
Net repayments of from loans from group undertakings	**(337,239)**	(1,870,396)
Net cash used in financing activities	**(337,239)**	(1,870,396)
Net increase in cash and cash equivalents	**(364,196)**	50,022
Cash and cash equivalents at the beginning of year	**589,359**	539,337
Cash and cash equivalents at end of year	**225,163**	589,359

1. Company Information

Unique Vacations UK Limited is a limited company incorporated in the United Kingdom. The principal activity of the Company is that of Marketing and Advertising. Its registered office is 34-36 Ives Street, London, SW3 2ND.

2. Basis of preparation

The financial statements have been prepared under the historical costs convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102 applicable in the U.K. and the Republic of Ireland and the Companies Act 2006.

The functional and presentational currency is Sterling (£).

Going concern

After reviewing the Company's forecasts and projections, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

3. Principal accounting policies

Turnover

Turnover represents the amounts, excluding VAT and trade discounts, receivable by the Company for marketing support income.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

Tangible fixed assets and depreciation

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.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to the Profit and Loss Account during the period in which they are incurred.

Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a straight-line basis.

Leasehold improvements	10% on straight-line
Furniture, fixtures and fittings	25% on straight-line
Computer equipment	25% on straight-line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Principal accounting policies (continued)

Intangible assets
Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Amortisation is provided on the following basis:

Computer software	25% on straight-line

Operating leases: lessee
Rentals under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease terms.

Debtors
Short term debtors are measured at transaction price, less any impairment.

Creditors
Short term trade 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.

Defined contribution pension plan
The Company operates a defined contribution plan for its employees. The assets of the schemes are held separately from those of the company in independently administered funds. The pension cost charge represents contributions payable by the company to the funds.

Provisions for liabilities
Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

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

Current and deferred taxation
The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Principal accounting policies (continued)

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

4. Turnover and profit on ordinary activities before taxation

Turnover is attributable to the following classes of business:

	2017 £	2016 £
Rendering of services	**9,142,668**	8,302,926

The whole of the turnover is attributable to the principal activity of the company.

All turnover arose in the United Kingdom.

5. Profit on ordinary activities before taxation

The profit on ordinary activities before taxation is stated after charging:

	2017 £	2016 £
Depreciation of tangible assets	**26,333**	49,213
Amortisation of intangible assets	**3,147**	-
Other operating lease rentals	**257,000**	218,480
Defined contribution pension cost	**84,626**	60,013

6. Auditor's remuneration

	2017 £	2016 £
Fees payable to the Company's auditor	**4,165**	6,000

7. Employees

Staff costs during the year were as follows:

	2017	2016
	£	£
Wages and salaries	**2,292,648**	1,987,930
Social security costs	**270,025**	227,727
Pension contributions	**84,626**	60,208
	2,647,299	2,275,865

The average number of employees of the Company during the year was:

	2017	2016
	Number	Number
Marketing	8	9
Sales	10	9
Weddings	6	5
Market Development	4	5
Public Relations	4	4
Europe	4	3
Groups	3	3
Operations	3	3
Customer Services	2	2
Finance	2	2
Executive	1	1
Information Systems	2	1
	49	47

8. Taxation

Analysis of tax charge in the year:
Current tax (see note below)

	2017	2016
	£	£
UK corporation tax (credit)/charge on the profit for the year	**105,799**	98,745
Total current tax	**105,799**	98,745

Deferred tax

	2017	2016
	£	£
Origination and reversal of timing differences and total deferred taxation	**3,242**	(8,055)
Total deferred tax	**3,242**	(8,055)
Tax on profit on ordinary activities	**109,041**	90,690

Taxation (continued)

Factors affecting the tax charge for the year

	2017 £	2016 £
Profit on ordinary activities before tax	**454,730**	402,944
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2016 – 20%)	**89,430**	80,589
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	**19,724**	15,966
Change in tax rates	**(113)**	(162)
Adjustments to tax charge in respect of prior periods	**-**	(5,703)
Current tax charge for the year	**109,041**	90,690

9. Intangible fixed assets

	Computer Software £	Total £
Cost		
At 1 August 2016	-	-
Reclassification	8,412	8,412
At 31 July 2017	8,412	8,412
Depreciation		
At 1 August 2016	-	-
Charge for the year	1,689	1,689
Reclassification	1,458	1,458
At 31 July 2017	3,147	3,147
Net book amount at 31 July 2017	5,265	5,265
Net book amount at 31 July 2016	-	-

10. Tangible fixed assets

	Leasehold Improvements £	Office& Computer Equipment £	FF&E £	Total £
Cost				
At 1 August 2016	44,700	110,373	21,289	176,362
Additions	5,478	18,139	15,813	39,430
Disposals	-	-	-	-
Reclassification	-	(17,097)	8,686	(8,411)
At 31 July 2017	50,178	111,415	45,788	207,381
Depreciation				
At 1 August 2016	9,922	65,198	19,800	94,920
Charge for the year	12,064	12,283	3,443	27,790
Disposals	-	-	-	-
Reclassification	-	(10,143)	8,686	(1,457)
At 31 July 2017	21,986	67,338	31,929	121,253
Net book amount at 31 July 2017	**28,193**	**44,077**	**13,859**	**86,129**
Net book amount at 31 July 2016	34,778	45,175	1,489	81,442

During the year, the Directors identified that assets with a cost of £17,097 and accumulated depreciation of £10,143 had been incorrectly included as Office & Computer Equipment rather than FF&E and Computer Software and have corrected this in the year. No prior year adjustment is considered necessary due to the size and nature of the amounts involved.

11. Debtors

	2017 £	2016 £
Prepayments and accrued income	**318,583**	775,042
Other debtors	**231,647**	492,593
	550,230	1,267,635

12. Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	**578,430**	1,048,794
Amounts owed to group undertakings	**18,834**	356,073
Accruals and deferred income	**116,636**	112,594
Corporation tax	**(38,382)**	56,581
Social security and other taxes	**16,462**	57,299
Other creditors	**-**	587,018
	691,980	2,218,359

The amounts shown as owed to group undertakings relates to an interest free loan from Unique Travel Corp. The directors of Unique Travel Corp. have confirmed their intention not to call in the debt of £ 25,407(2016: £356,073) as at 31 July 2017 for a period of at least 12 months from this date.

13. Deferred taxation

The provision for deferred taxation is made up as follows:

	2017	2016
	£	£
Accelerated capital allowances	**6,317**	3,075
	6,317	3,075

14. Share capital

	2017	2016
	£	£
Equity		
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	**100**	100

15. Reserves

Called-up share capital
This reserve represents the value of shares that have been issued.

Profit & loss account
This reserve includes all current and prior period retained profits and losses.

	2017
Profit & loss account at 1 August 2016	(283,098)
Profit for the year	345,689
Profit & loss account at 31 July 2017	**62,591**

16. Pensions

Defined Contribution Scheme

The Company operates a defined contribution pension scheme for the benefit of the employees and certain directors. The assets of the scheme are administered by trustees in a fund independent from those of the Company. The amount recognized in profit of loss as an expense in relation to the plan was £84,626 (2016: £60,208).

17. Leasing commitments

The Company's future minimum operating lease payments are as follows:

	2017 Land and Buildings £	2016 Land and buildings £
Within one year	**285,933**	257,000
Between one and five years	**48,620**	-
	334,553	257,000

18. Transactions with related parties

During the year, the Company entered into the following transactions with related parties:

Unique Travel Corporation (a fellow group company incorporated in Panama) – the Company paid net working capital funding during the year of £(330,666) (2016 - £1,407,397). As at 31 July 2017, the Company held liabilities of £25,407 (2016 - £356,073) against this funding.

19. Ultimate parent undertaking and controlling party

The Company's immediate parent undertaking is Unique Vacations Inc, a company incorporated in Panama. The company is a wholly-owned member of Unique Vacations Inc whose registered office address is Calle Aquilino de la Guardia, No.8, IGRA Building, PO Box 87-1371, Panama 7, Republic of Panama.