

**REGISTERED NUMBER: 03286143 (England and Wales)**

**Group Strategic Report, Report of the Directors and  
Consolidated Financial Statements for the Year Ended 31 December 2018  
for  
Beech View Holdings Limited**



**Contents of the Consolidated Financial Statements  
for the Year Ended 31 December 2018**

	<b>Page</b>
<b>Company Information</b>	<b>1</b>
<b>Group Strategic Report</b>	<b>2</b>
<b>Report of the Directors</b>	<b>4</b>
<b>Report of the Independent Auditors</b>	<b>6</b>
<b>Consolidated Income Statement</b>	<b>8</b>
<b>Consolidated Other Comprehensive Income</b>	<b>10</b>
<b>Consolidated Statement of Financial Position</b>	<b>11</b>
<b>Company Statement of Financial Position</b>	<b>12</b>
<b>Consolidated Statement of Changes in Equity</b>	<b>13</b>
<b>Company Statement of Changes in Equity</b>	<b>14</b>
<b>Consolidated Statement of Cash Flows</b>	<b>15</b>
<b>Notes to the Consolidated Statement of Cash Flows</b>	<b>16</b>
<b>Notes to the Consolidated Financial Statements</b>	<b>17</b>

**Beech View Holdings Limited**

**Company Information  
for the Year Ended 31 December 2018**

**DIRECTORS:**

P M Slowe  
G Thomson  
M Pinggera

**SECRETARY:**

G Thomson

**REGISTERED OFFICE:**

Telecom House  
125-135 Preston Road  
Brighton  
BN1 6AF

**REGISTERED NUMBER:**

03286143 (England and Wales)

**AUDITORS:**

Grunberg & Co Limited  
Chartered Accountants & Statutory Auditors  
5 Technology Park  
Colindeep Lane  
Colindale  
London  
NW9 6BX

**Group Strategic Report  
for the Year Ended 31 December 2018**

The directors present their strategic report of the company and the group for the year ended 31 December 2018.

**REVIEW OF BUSINESS**

The principal activities of the Group continue to be to facilitate overseas projects for applicants from the United Kingdom, and the rest of the world.

The results for the year are set out on page 8.

The main key performance indicators (KPI's) of the Group are turnover, gross profit margin and profit on ordinary activities before taxation.

Group Turnover has decreased over the previous year from £19,165,259 to £16,568,752, a percentage decrease of 13.5%. There has been an improvement in the Group gross profit margin from 38.6% in 2017 to 41.8% in 2018. The Group made a loss before taxation of £609,792. This loss was fully attributed to planned restructuring costs with trading being flat.

The Group embarked on a major restructuring of the business in 2018 with the aim of significantly streamlining the organisational structure, reducing back office functions, and centralising and better defining the role of sales. A review of our destination offices took place and as a result destinations were reduced from 31 to 25 and the number of projects offered halved. This allowed improved focus on the delivering even better-quality experiences and higher levels of customer service. This has been reflected in improve customer feedback.

The restructuring initiative cost £600k in 2018 with a remaining £600k allocated for 2019. All funds came from previous years retained earnings. The total cost of restructuring is £500,000 under budget. The investment has resulted in a reduction in overhead and in-country fixed costs making the Group nimbler and more able to react to challenges and opportunities.

The Group launched the first of its new mobile-first websites in late 2018 with the rest being rolled out in 2019. The rollout was deliberately slowed down due to migration and traffic concerns.

Bookings and therefore revenue continued to decline in 2018 but the Management team is focused on keeping costs in line with revenue and returning the Group back to growth.

The Group maintains a healthy balance sheet with net assets of £3,766,786 (2017 - £4,482,503).

**PRINCIPAL RISKS AND UNCERTAINTIES**

The process of risk acceptance and risk management is addressed through a framework of policies, procedures, internal controls and detailed knowledge of the market.

The principal risks of the Group are increased competition in our established markets especially from low-cost disruptors, a stigma against some volunteering abroad practices - often caused by low-cost, lower quality entrants - and an emerging flight shaming movement. We are focused on promoting our approach to responsible and ethical volunteering, including carbon our off-setting scheme, as well as better differentiating ourselves from low-cost providers.

The uncertainty around Brexit is a concern and measures are in place to mitigate any frictions or financial cost to our customers in making payments by keeping a legal entity and banking functions within the SEPA zone.

**FUTURE DEVELOPMENTS**

2019 has been a year of transition bedding in our new organisational structure. Management are now fully focused on our next sales cycle and are committed to increasing revenue through increasing bookings. Particular attention is being paid to further improving our sales function, lead generation, engagement of our websites, and our ambassador programme. A notable development in the next 12 months will be a repositioning of the Group away from a purely volunteering organisation to a meaningful travel company, diversifying our product range while still staying anchored to our core mission and values.

Management will continue to find efficiencies and keep costs in line with revenues. This will be considerably helped by the introduction of a new finance software in 2019.

**Beech View Holdings Limited (Registered number: 03286143)**

**Group Strategic Report  
for the Year Ended 31 December 2018**

**FINANCIAL RISK MANAGEMENT**

The group has exposures to two main areas of risk - foreign exchange currency exposure and liquidity risk.

**Foreign exchange transactional currency exposure**

The group is exposed to currency exchange rate risk due to a significant proportion of its receivables and operating expenses being denominated in non-Sterling currencies. The exposure of each currency is managed using a natural hedge, holding cash in various currencies that are used by the group when needed.

**Liquidity risk**

The objective of the group in managing liquidity risk is to ensure that it can meet its financial obligations as and when they fall due. The group expects to meet its financial obligations through operating cash flows. In the event that the operating cash flows would not cover all the financial obligations the group has credit facilities available.

**ON BEHALF OF THE BOARD:**

A handwritten signature in black ink, appearing to read 'P M Slowe', is positioned above the printed name.

P M Slowe - Director

16 October 2019

**Report of the Directors  
for the Year Ended 31 December 2018**

The directors present their report with the financial statements of the company and the group for the year ended 31 December 2018.

**DIVIDENDS**

Interim dividends per share on the Preference £1 shares were paid as follows:

1.50	- 31 March 2018
1.50	- 30 June 2018
1.50	- 30 September 2018
1.50	- 31 December 2018
<hr/>	
6.00	
<hr/>	

The directors recommend that no final dividend be paid on these shares.

No interim dividend was paid on the Ordinary £1 shares. The directors recommend that no final dividend be paid on these shares.

The total distribution of dividends for the year ended 31 December 2018 will be £61,332.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2018 to the date of this report.

P M Slowe  
G Thomson

Other changes in directors holding office are as follows:

R M Slowe - resigned 15 August 2018  
M Pinggera - appointed 1 June 2018

**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 or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

**Beech View Holdings Limited (Registered number: 03286143)**

**Report of the Directors  
for the Year Ended 31 December 2018**

**AUDITORS**

The auditors, Grunberg & Co Limited, 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 'P M Slowe', written in a cursive style.

P M Slowe - Director

16 October 2019

## **Report of the Independent Auditors to the Members of Beech View Holdings Limited**

### **Opinion**

We have audited the financial statements of Beech View Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2018 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Statement of Financial Position, Company Statement of Financial Position, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Statement of Cash Flows and Notes to the Consolidated Statement of Cash Flows, 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 group's and of the parent company affairs as at 31 December 2018 and of the group's loss 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, 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.

### **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 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 Beech View Holdings 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.

### **Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

### **Use of our report**

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.

Gedalia Waldman BA ACA (Senior Statutory Auditor)  
for and on behalf of Grunberg & Co Limited  
Chartered Accountants & Statutory Auditors  
5 Technology Park  
Colindeep Lane  
Colindale  
London  
NW9 6BX

16 October 2019

**Consolidated Income Statement  
for the Year Ended 31 December 2018**

	Notes	2018 Continuing £	2018 Discontinued £	2018 Total £
<b>TURNOVER</b>	3	16,568,752	-	16,568,752
Cost of sales		(9,644,344)	-	(9,644,344)
<b>GROSS PROFIT</b>		6,924,408	-	6,924,408
Administrative expenses		(7,661,188)	-	(7,661,188)
		(736,780)	-	(736,780)
Other operating income		64,250	-	64,250
<b>OPERATING LOSS</b>	5	(672,530)	-	(672,530)
Interest receivable and similar income		63,230	-	63,230
Amounts written off investments		-	-	-
Interest payable and similar expenses	6	(492)	-	(492)
<b>LOSS BEFORE TAXATION</b>		(609,792)	-	(609,792)
Tax on loss	7	26,912	-	26,912
<b>LOSS FOR THE FINANCIAL YEAR</b>		(582,880)	-	(582,880)
Loss attributable to: Owners of the parent				(582,880)

The notes form part of these financial statements

**Consolidated Income Statement  
for the Year Ended 31 December 2018**

	Notes	2017 Continuing £	2017 Discontinued £	2017 Total £
<b>TURNOVER</b>	3	19,165,259	-	19,165,259
Cost of sales		(11,761,152)	-	(11,761,152)
<b>GROSS PROFIT</b>		7,404,107	-	7,404,107
Administrative expenses		(6,318,340)	(19,211)	(6,337,551)
		1,085,767	(19,211)	1,066,556
Other operating income		16,850	-	16,850
<b>OPERATING PROFIT/(LOSS)</b>	5	1,102,617	(19,211)	1,083,406
Interest receivable and similar income		17,381	-	17,381
Amounts written off investments		-	-	-
Interest payable and similar expenses	6	(2,088)	-	(2,088)
<b>PROFIT/(LOSS) BEFORE TAXATION</b>		1,117,910	(19,211)	1,098,699
Tax on profit/(loss)	7	(174,181)	(5,800)	(179,981)
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>		943,729	(25,011)	918,718
Profit/(loss) attributable to: Owners of the parent				918,718

The notes form part of these financial statements

**Beech View Holdings Limited (Registered number: 03286143)**

**Consolidated Other Comprehensive Income  
for the Year Ended 31 December 2018**

	Notes	2018 £	2017 £
<b>(LOSS)/PROFIT FOR THE YEAR</b>		(582,880)	918,718
<b>OTHER COMPREHENSIVE INCOME</b>			
F/ex difference on net investments		(71,505)	(66,435)
Income tax relating to other comprehensive income		-	-
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX</b>		<u>(71,505)</u>	<u>(66,435)</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u><u>(654,385)</u></u>	<u><u>852,283</u></u>
Total comprehensive income attributable to: Owners of the parent		<u><u>(654,385)</u></u>	<u><u>852,283</u></u>

The notes form part of these financial statements

**Beech View Holdings Limited (Registered number: 03286143)**

**Consolidated Statement of Financial Position  
31 December 2018**

	Notes	2018 £	2017 £
<b>FIXED ASSETS</b>			
Tangible assets	10	120,669	46,727
Investments	11	-	-
		<u>120,669</u>	<u>46,727</u>
<b>CURRENT ASSETS</b>			
Debtors	12	1,623,540	1,357,447
Cash at bank and in hand		5,133,889	6,462,523
		<u>6,757,429</u>	<u>7,819,970</u>
<b>CREDITORS</b>			
Amounts falling due within one year	13	(2,866,524)	(3,241,905)
<b>NET CURRENT ASSETS</b>		<u>3,890,905</u>	<u>4,578,065</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		4,011,574	4,624,792
<b>CREDITORS</b>			
Amounts falling due after more than one year	14	(5,396)	(56,601)
<b>PROVISIONS FOR LIABILITIES</b>	16	(239,392)	(85,688)
<b>NET ASSETS</b>		<u><u>3,766,786</u></u>	<u><u>4,482,503</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	17	36,002	36,002
Consolidation reserve	18	(167,456)	(95,951)
Retained earnings	18	3,898,240	4,542,452
<b>SHAREHOLDERS' FUNDS</b>		<u><u>3,766,786</u></u>	<u><u>4,482,503</u></u>

The financial statements were approved by the Board of Directors on 16 October 2019 and were signed on its behalf by:



P M Slowe - Director

The notes form part of these financial statements

**Beech View Holdings Limited (Registered number: 03286143)**

**Company Statement of Financial Position  
31 December 2018**

	Notes	2018 £	2017 £
<b>FIXED ASSETS</b>			
Tangible assets	10	103,231	26,018
Investments	11	129,531	129,531
		<u>232,762</u>	<u>155,549</u>
<b>CURRENT ASSETS</b>			
Debtors	12	3,881,616	4,195,408
Cash at bank		3,384,626	2,061,367
		<u>7,266,242</u>	<u>6,256,775</u>
<b>CREDITORS</b>			
Amounts falling due within one year	13	(4,370,352)	(2,844,362)
<b>NET CURRENT ASSETS</b>		<u>2,895,890</u>	<u>3,412,413</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>3,128,652</u>	<u>3,567,962</u>
<b>CREDITORS</b>			
Amounts falling due after more than one year	14	(5,396)	(7,195)
<b>NET ASSETS</b>		<u><u>3,123,256</u></u>	<u><u>3,560,767</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	17	36,002	36,002
Retained earnings	18	3,087,254	3,524,765
<b>SHAREHOLDERS' FUNDS</b>		<u><u>3,123,256</u></u>	<u><u>3,560,767</u></u>
Company's (loss)/profit for the financial year		<u><u>(376,179)</u></u>	<u><u>1,112,969</u></u>

The financial statements were approved by the Board of Directors on 16 October 2019 and were signed on its behalf by:



P M Slowe - Director

The notes form part of these financial statements

**Consolidated Statement of Changes in Equity  
for the Year Ended 31 December 2018**

	Called up share capital £	Retained earnings £	Consolidation reserve £	Total equity £
<b>Balance at 1 January 2017</b>	36,002	4,484,246	(29,516)	4,490,732
<b>Changes in equity</b>				
Dividends	-	(860,512)	-	(860,512)
Total comprehensive income	-	918,718	(66,435)	852,283
<b>Balance at 31 December 2017</b>	<u>36,002</u>	<u>4,542,452</u>	<u>(95,951)</u>	<u>4,482,503</u>
<b>Changes in equity</b>				
Dividends	-	(61,332)	-	(61,332)
Total comprehensive income	-	(582,880)	(71,505)	(654,385)
<b>Balance at 31 December 2018</b>	<u>36,002</u>	<u>3,898,240</u>	<u>(167,456)</u>	<u>3,766,786</u>

**Beech View Holdings Limited (Registered number: 03286143)**

**Company Statement of Changes in Equity  
for the Year Ended 31 December 2018**

	Called up share capital £	Retained earnings £	Total equity £
<b>Balance at 1 January 2017</b>	36,002	3,272,308	3,308,310
<b>Changes in equity</b>			
Dividends	-	(860,512)	(860,512)
Total comprehensive income	-	1,112,969	1,112,969
<b>Balance at 31 December 2017</b>	<u>36,002</u>	<u>3,524,765</u>	<u>3,560,767</u>
<b>Changes in equity</b>			
Dividends	-	(61,332)	(61,332)
Total comprehensive income	-	(376,179)	(376,179)
<b>Balance at 31 December 2018</b>	<u>36,002</u>	<u>3,087,254</u>	<u>3,123,256</u>

The notes form part of these financial statements



**Consolidated Statement of Cash Flows  
for the Year Ended 31 December 2018**

	Notes	2018 £	2017 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(1,200,193)	1,329,584
Interest paid		(492)	(2,088)
Tax paid		(22,907)	(202,533)
Net cash from operating activities		<u>(1,223,592)</u>	<u>1,124,963</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(113,573)	(25,243)
Sale of tangible fixed assets		8,867	4,550
Interest received		63,230	17,381
Net cash from investing activities		<u>(41,476)</u>	<u>(3,312)</u>
<b>Cash flows from financing activities</b>			
Capital repayments in year		(1,799)	6,138
Amount withdrawn by directors		(435)	4,726
Equity dividends paid		(61,332)	(860,512)
Net cash from financing activities		<u>(63,566)</u>	<u>(849,648)</u>
<b>(Decrease)/increase in cash and cash equivalents</b>		<u>(1,328,634)</u>	<u>272,003</u>
<b>Cash and cash equivalents at beginning of year</b>	2	6,462,523	6,190,520
<b>Cash and cash equivalents at end of year</b>	2	<u><u>5,133,889</u></u>	<u><u>6,462,523</u></u>

**Notes to the Consolidated Statement of Cash Flows  
for the Year Ended 31 December 2018**

**1. RECONCILIATION OF (LOSS)/PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2018	2017
	£	£
(Loss)/profit before taxation	(609,792)	1,098,699
Depreciation charges	29,841	21,977
Loss on disposal of fixed assets	926	2,856
Consolidation adjustments	(71,505)	(66,434)
Movement in provisions	155,856	18,391
Finance costs	492	2,088
Finance income	(63,230)	(17,381)
	<u>(557,412)</u>	<u>1,060,196</u>
(Increase)/decrease in trade and other debtors	(220,487)	754,814
Decrease in trade and other creditors	<u>(422,294)</u>	<u>(485,426)</u>
<b>Cash generated from operations</b>	<u><u>(1,200,193)</u></u>	<u><u>1,329,584</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 31 December 2018**

	31.12.18	1.1.18
	£	£
Cash and cash equivalents	<u>5,133,889</u>	<u>6,462,523</u>

**Year ended 31 December 2017**

	31.12.17	1.1.17
	£	£
Cash and cash equivalents	<u>6,462,523</u>	<u>6,190,520</u>

**Notes to the Consolidated Financial Statements  
for the Year Ended 31 December 2018**

**1. STATUTORY INFORMATION**

Beech View Holdings Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

**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.

**Basis of consolidation**

The group financial statements consolidate the financial statements of Beech View Holdings Limited and all its subsidiary undertakings drawn up to 31 December 2018. The subsidiaries of the group have taken exemption under FRS102 and FRS102 section 1A from preparing individual cash flows.

The parent company has taken advantage of section 408 of the Companies Act 2006 and has not included its own Profit and Loss Account in these financial statements.

The individual accounts of Beech View Holdings Limited have also adopted the following disclosure exemptions:

- the requirement to present a statement of cash flows and related notes
- financial instrument disclosures, including:
  - categories of financial instruments,
  - items of income, expenses, gains or losses relating to financial instruments, and
  - exposure to and management of financial risks.

**Business combinations and investments in subsidiaries**

Acquisitions of subsidiaries and businesses are accounted for using the purchase method. The cost of the business combination is measured at the aggregate of the fair values of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquire plus costs directly attributable to the business combination.

Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets and liabilities is recognised as goodwill. If the net fair value of the identifiable assets and liabilities exceeds the cost of the business combination the excess is recognised separately on the face of the consolidated statement of financial position immediately below goodwill.

The consolidated financial statements incorporate the financial statements of the company and entities controlled by the group. Control is achieved where the group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in total comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate using accounting policies consistent with those of the parent. All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Investments in subsidiaries are accounted for at cost less impairment in the individual financial statements.

**Significant judgements and estimates**

Preparation of the financial statements requires management to make significant judgements and estimates. Included in the individual company financial statements are investments in subsidiaries, on which an impairment judgement is made.

There are no other material items in the financial statements where these judgements and estimates have been made.

**Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2018**

**2. ACCOUNTING POLICIES - continued**

**Turnover**

Turnover represents net sales of services and supplies, excluding value added tax.

**Tangible fixed assets**

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

Office equipment	- 25% on reducing balance
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 33% on cost

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses.

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

If an impairment loss subsequently reverses, the carry amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the 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 or loss.

**Financial instruments**

The Group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors. loans to related parties and investments in non-puttable 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 profit or loss.

**Debtors**

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

**Cash and cash equivalents**

Cash and cash equivalents are represented by cash in hand, deposits held at call with financial institutions, and other short-term 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.

**Creditors**

Short term creditors are measured at transaction price.

**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.

**Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2018**

**2. ACCOUNTING POLICIES - continued**

**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 currency translation**

**Functional currency and presentation currency**

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position are presented in Sterling (£).

**Transactions and balances**

In preparing the financial statements of the individual entities, transactions in currencies other than the functional currency of the individual entities (foreign currencies) are recognised at the spot rate at the dates of the transactions, or at an average rate where this rate approximates the actual rate at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise. However, in the consolidated financial statements exchange differences arising on monetary items that form part of the net investment in a foreign operation are recognised in other comprehensive income and are not reclassified to profit or loss.

**Translation of group companies**

For the purpose of presenting consolidated financial statements, the assets and liabilities of the group's foreign operations are translated from their functional currency to Sterling (£) using the closing exchange rate. Income and expenses are translated using the average rate for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising on the translation of group companies are recognised in other comprehensive income and are not reclassified to profit or loss.

**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.

**Revenue recognition**

Revenue is recognised at the point a customer starts their project abroad, in line with the standard approach for the industry. All associated costs are recognised and included within cost of sales.

**Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2018**

**2. ACCOUNTING POLICIES - continued**

**Provisions for liabilities**

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that the group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a pre-tax discount rate. The unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

**3. TURNOVER**

The turnover and loss (2017 - profit) before taxation are attributable to the one principal activity of the group.

An analysis of turnover by class of business is given below:

	2018 £	2017 £
Provision of services	16,568,752	19,165,259
	<u>16,568,752</u>	<u>19,165,259</u>

An analysis of turnover by geographical market is given below:

	2018 £	2017 £
United Kingdom	2,881,443	3,234,419
North America	3,668,730	5,123,903
Europe	6,500,956	7,735,403
Rest of the World	3,517,623	3,071,534
	<u>16,568,752</u>	<u>19,165,259</u>

**4. EMPLOYEES AND DIRECTORS**

	2018 £	2017 £
Wages and salaries	2,610,816	1,672,089
Social security costs	43,448	42,199
Other pension costs	8,585	9,413
	<u>2,662,849</u>	<u>1,723,701</u>

**Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2018**

**4. EMPLOYEES AND DIRECTORS - continued**

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

	2018	2017
Directors	2	4
Recruitment offices	27	23
Sales and marketing	38	37
Administration	7	6
Operations	64	65
Destinations	5	12
	<u>143</u>	<u>147</u>

The average number of employees by undertakings that were proportionately consolidated during the year was 143 (2017 - 64).

	2018 £	2017 £
Directors' remuneration	<u>325,182</u>	<u>355,286</u>

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

Money purchase schemes	<u>1</u>	<u>1</u>
------------------------	----------	----------

Information regarding the highest paid director is as follows:

	2018 £	2017 £
Emoluments etc	<u>200,000</u>	<u>218,250</u>

During the year, pension contributions of £2,310 (2017 - £1,071) were made into a defined contribution scheme on behalf of a director.

**5. OPERATING (LOSS)/PROFIT**

The operating loss (2017 - operating profit) is stated after charging/(crediting):

	2018 £	2017 £
Depreciation - owned assets	29,838	21,978
Loss on disposal of fixed assets	926	2,856
Auditors' remuneration	42,640	60,001
Foreign exchange differences	325,656	(75,634)
Operating lease payments	<u>26,750</u>	<u>26,750</u>

**6. INTEREST PAYABLE AND SIMILAR EXPENSES**

	2018 £	2017 £
Bank interest	<u>492</u>	<u>2,088</u>

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2018

7. TAXATION

**Analysis of the tax (credit)/charge**

The tax (credit)/charge on the loss for the year was as follows:

	2018 £	2017 £
Current tax:		
UK corporation tax	29,761	212,684
Underprovision in prior year	(54,541)	-
Foreign corporation tax	-	(38,503)
Total current tax	(24,780)	174,181
Deferred tax	(2,132)	5,800
Tax on (loss)/profit	(26,912)	179,981

UK corporation tax has been charged at 19% (2017 - 19.25%).

**Reconciliation of total tax (credit)/charge included in profit and loss**

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

	2018 £	2017 £
(Loss)/profit before tax	(609,792)	1,098,699
(Loss)/profit multiplied by the standard rate of corporation tax in the UK of 19% (2017 - 19.250%)	(115,860)	211,500
Effects of:		
Expenses not deductible for tax purposes	474	1,829
Capital allowances in excess of depreciation	(16,592)	(645)
Foreign subsidiaries tax effect	(5,073)	(38,503)
Deferred tax	(2,132)	5,800
Losses carried forward	112,271	-
Total tax (credit)/charge	(26,912)	179,981

**Tax effects relating to effects of other comprehensive income**

	2018	
	Gross £	Net £
F/ex difference on net investments	(71,505)	(71,505)
	2017	
	Gross £	Net £
F/ex difference on net investments	(66,435)	(66,435)



**Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2018**

**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. The net loss (2017 - profit) in the individual financial statements is £376,179 (2017: £1,112,969).

**9. DIVIDENDS**

	2018 £	2017 £
Ordinary shares of £1 each Interim	-	799,180
Preference shares of £1 each Interim	61,332	61,332
	<u>61,332</u>	<u>860,512</u>

**10. TANGIBLE FIXED ASSETS**

**Group**

	Office equipment £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>					
At 1 January 2018	66,863	48,088	50,000	76,249	241,200
Additions	6,633	-	-	106,940	113,573
Disposals	(17,907)	(4,852)	-	(51,572)	(74,331)
At 31 December 2018	<u>55,589</u>	<u>43,236</u>	<u>50,000</u>	<u>131,617</u>	<u>280,442</u>
<b>DEPRECIATION</b>					
At 1 January 2018	57,624	38,512	34,180	64,157	194,473
Charge for year	(9,561)	5,098	3,955	30,346	29,838
Eliminated on disposal	(11,383)	(4,604)	-	(48,551)	(64,538)
At 31 December 2018	<u>36,680</u>	<u>39,006</u>	<u>38,135</u>	<u>45,952</u>	<u>159,773</u>
<b>NET BOOK VALUE</b>					
At 31 December 2018	<u>18,909</u>	<u>4,230</u>	<u>11,865</u>	<u>85,665</u>	<u>120,669</u>
At 31 December 2017	<u>9,239</u>	<u>9,576</u>	<u>15,820</u>	<u>12,092</u>	<u>46,727</u>

During the year, no impairment provisions have been made against any class of tangible fixed assets.

**Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2018**

**10. TANGIBLE FIXED ASSETS - continued**

**Company**

	Office equipment £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>					
At 1 January 2018	40,874	18,888	50,000	18,602	128,364
Additions	5,200	-	-	94,972	100,172
Disposals	(9,000)	-	-	(3,019)	(12,019)
At 31 December 2018	37,074	18,888	50,000	110,555	216,517
<b>DEPRECIATION</b>					
At 1 January 2018	34,320	16,398	34,180	17,448	102,346
Charge for year	(10,370)	629	3,955	25,070	19,284
Eliminated on disposal	4,037	-	-	(12,381)	(8,344)
At 31 December 2018	27,987	17,027	38,135	30,137	113,286
<b>NET BOOK VALUE</b>					
At 31 December 2018	9,087	1,861	11,865	80,418	103,231
At 31 December 2017	6,554	2,490	15,820	1,154	26,018

During the year, no impairment provisions have been made against any class of tangible fixed assets.

**11. FIXED ASSET INVESTMENTS**

**Company**

	Shares in group undertakings £
<b>COST</b>	
At 1 January 2018 and 31 December 2018	129,531
<b>NET BOOK VALUE</b>	
At 31 December 2018	129,531
At 31 December 2017	129,531

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

**Subsidiaries**

**Projects Abroad (UK) Limited**

Registered office: United Kingdom

Nature of business: Arranging project facilities for applicants

Class of shares:	%
Ordinary shares	holding 100.00

**Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2018**

**11. FIXED ASSET INVESTMENTS - continued**

**Projects Abroad (Europe) Limited**

Registered office: United Kingdom

Nature of business: Arranging project facilities for applicants

	%
Class of shares:	holding
Ordinary shares	100.00

**Projects Abroad Travel Limited**

Registered office: United Kingdom

Nature of business: Facilitating overseas travel for UK customers

	%
Class of shares:	holding
Ordinary shares	100.00

**Projects Abroad Incorporated**

Registered office: United Kingdom

Nature of business: Arranging project facilities for applicants

	%
Class of shares:	holding
Ordinary shares	100.00

**Projects Abroad Limited**

Registered office: United Kingdom

Nature of business: Arranging project facilities for applicants

	%
Class of shares:	holding
Ordinary shares	100.00

**Sivakasi Projects Abroad Private Limited**

Registered office: India

Nature of business: Arranging project facilities for applicants

	%
Class of shares:	holding
Ordinary shares	100.00

Sivakasi Projects Abroad Private Limited ceased trading on 10th March 2016. The costs incurred in 2017 relate to closing-down costs.

**Beechview Holdings Mexico S.A. De C.V.**

Registered office: Mexico

Nature of business: Arranging project facilities for applicants

	%
Class of shares:	holding
Ordinary	100.00

**Projects Abroad (Shanghai) Business Consulting Co. Limited**

Registered office: China

Nature of business: Business consultancy

	%
Class of shares:	holding
Ordinary	100.00

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2018

11. FIXED ASSET INVESTMENTS - continued

**Projects Abroad Brasov SRL**

Registered office: Romania

Nature of business: Web hosting and website creation

	%
Class of shares:	holding
Ordinary	100.00

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Trade debtors	295,859	272,579	-	-
Amounts owed by group undertakings	-	-	3,877,170	4,187,744
Other debtors	383,839	406,454	-	-
Amounts owed from related parties	150,201	20,979	-	-
Tax	45,606	-	-	-
Value added tax	53,792	32,743	-	-
Prepayments and accrued income	694,243	624,692	4,446	7,664
	<u>1,623,540</u>	<u>1,357,447</u>	<u>3,881,616</u>	<u>4,195,408</u>

During the year, no impairment provisions have been made against any class of debtor.

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Hire purchase contracts (see note 15)	1,799	1,799	1,799	1,799
Trade creditors	426,290	400,342	-	-
Amounts owed to group undertakings	-	-	4,360,671	2,834,246
Corporation tax	-	2,081	-	-
Social security and other taxes	89,575	116,181	-	-
Other creditors	90,367	131,584	-	-
Directors' current accounts	7,882	8,317	7,882	8,317
Accruals and deferred income	2,250,611	2,581,601	-	-
	<u>2,866,524</u>	<u>3,241,905</u>	<u>4,370,352</u>	<u>2,844,362</u>

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Hire purchase contracts (see note 15)	5,396	7,195	5,396	7,195
Other creditors	-	49,406	-	-
	<u>5,396</u>	<u>56,601</u>	<u>5,396</u>	<u>7,195</u>

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2018

15. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

**Group**

	Hire purchase contracts	
	2018	2017
	£	£
Net obligations repayable:		
Within one year	1,799	1,799
Between one and five years	5,396	7,195
	<u>7,195</u>	<u>8,994</u>

**Company**

	Hire purchase contracts	
	2018	2017
	£	£
Net obligations repayable:		
Within one year	1,799	1,799
Between one and five years	5,396	7,195
	<u>7,195</u>	<u>8,994</u>

**Group**

	Non-cancellable operating leases	
	2018	2017
	£	£
Within one year	30,973	26,750
Between one and five years	278,400	133,750
In more than five years	-	387,875
	<u>309,373</u>	<u>548,375</u>

16. PROVISIONS FOR LIABILITIES

	<b>Group</b>	
	2018	2017
	£	£
Deferred tax	-	2,132
Other provisions		
Other provisions	40,770	15,770
Holiday pay provision	43,217	67,786
Redundancy provision	155,405	-
	<u>239,392</u>	<u>83,556</u>
Aggregate amounts	<u>239,392</u>	<u>85,688</u>

**Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2018**

**16. PROVISIONS FOR LIABILITIES - continued**

Group	Deferred tax £	Other provisions £
Balance at 1 January 2018	2,132	83,596
Provided during year	(2,132)	-
Holiday pay provision	-	(25,907)
Other provisions	-	155,405
	<hr/>	<hr/>
Balance at 31 December 2018	-	213,094
	<hr/>	<hr/>

**Fiji Revenue Services Tax Case**

In October 2017 Projects Abroad Organization Ltd (PAOL) received an estimated assessment of tax from the Fiji Revenue Customs Services. According to independent legal advice, although PAOL is a separate legal entity, and the basis of the claim against PAOL is not likely to be enforceable, there is a possibility under Fiji tax law that the Group could be liable for taxes relating to the period from 1 January 2014 to 31 December 2017. The directors have made a provision of £15,770 following consultation with legal counsel and making due consideration as to the probable economic outflow.

**Holiday Pay Provision**

The Group's holiday policy is to allow staff to take the agreed number of holidays between 1 April and 31 March in any given year.

As at 31 December 2018 the value of unclaimed holidays (holidays due but not taken) was £41,919. This value was calculated using an average salary cost per day. These holidays were subsequently taken between 1 January 2019 and 31 March 2019, unless there were specific agreements to allow staff to carry forward unclaimed holiday beyond that date.

**Redundancy Pay Provision**

In October 2018, the group announced to employees that their European offices were going to be closed down and that staff were going to be made redundant as part of a consolidation of the group's resources. The employees affected received redundancy packages which were paid after the year end, totalling £155,405.

**17. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:		Nominal value:	2018	2017
Number:	Class:		£	£
25,780	Ordinary	£1	25,780	25,780
10,222	Preference	£1	10,222	10,222
			<hr/>	<hr/>
			36,002	36,002
			<hr/>	<hr/>

Each of the ordinary and preference shares have full voting and dividend rights.

On 23 September 2019, the Preference shares were fully redeemed at a redemption value of £137.57 per share in accordance with Article 16.2 (a)(ii) of the company.

**Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2018**

**18. RESERVES**

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

Consolidation reserve comprises current and prior period consolidation adjustments including translation differences arising from the translation of financial statements of the Group's foreign entities into Sterling (£).

Retained earnings includes all current and prior period retained profits and losses.

**19. RELATED PARTY DISCLOSURES**

Amounts due from related parties, where directors have material interest or execute significant control, are unsecured, interest free and repayable on demand.

During the period under review, rent of £26,750 (2017 - £26,751) was paid to an entity controlled by a sibling of a director. From this sum, £22,738 (2017 - £22,929) was recharged to fellow subsidiary undertakings.

Also during the period under review, consultancy fees of £23,125 (2017 - £30,154) were paid to another sibling of a director. From this sum, £23,125 (2017 - £25,730) was recharged to fellow subsidiary undertakings.

During the year, in addition to directors' remuneration, key management personnel received remuneration amounting to £263,856 (2017 - £206,431).

**20. ULTIMATE CONTROLLING PARTY**

The company is controlled by the director, Dr P M Slowe, by virtue of his majority shareholding.

**21. FINANCIAL ASSETS & LIABILITIES**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Financial assets measured at amortised cost	<u>5,813,587</u>	<u>7,141,556</u>
Financial liabilities measured at amortised cost	<u>785,807</u>	<u>674,028</u>

All financial assets and liabilities are held at amortised cost.