
GENTIANES SOLUTIONS LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 MAY 2023

GENTIANES SOLUTIONS LIMITED
REGISTERED NUMBER: 06916506

STATEMENT OF FINANCIAL POSITION
AS AT 31 MAY 2023

		2023	As restated
	Note	£	2022
			£
Fixed assets			
Tangible assets	5	22,649	12,375
		<u>22,649</u>	<u>12,375</u>
Current assets			
Debtors: amounts falling due within one year	6	943,032	364,293
Cash at bank and in hand	7	2,685,857	3,116,998
		<u>3,628,889</u>	<u>3,481,291</u>
Creditors: amounts falling due within one year	8	(3,259,279)	(2,684,015)
Net current assets		<u>369,610</u>	<u>797,276</u>
Total assets less current liabilities		<u>392,259</u>	<u>809,651</u>
Creditors: amounts falling due after more than one year	9	(24,109)	(34,020)
Net assets		<u><u>368,150</u></u>	<u><u>775,631</u></u>
Capital and reserves			
Called up share capital		638	569
Share premium account	12	6,656,862	5,667,230
Other reserves	12	686	17,691
Profit and loss account	12	(6,290,036)	(4,909,859)
		<u><u>368,150</u></u>	<u><u>775,631</u></u>

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MAY 2023

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

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

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 19 February 2024.

A R E Narracott
Director

The notes on pages 3 to 11 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2023

1. General information

Gentianes Solutions Limited is a private company limited by shares incorporated in England and Wales, United Kingdom. The registered office is shown on the company information page. The nature of the company's operations and principal activities are that of a specialist travel agency.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The following principal accounting policies have been applied:

2.2 Going concern

The COVID-19 pandemic had an unprecedented impact upon the global economy and in particular upon the travel industry, causing many consumers to cancel, amend their travel arrangements or not travel at all, leaving companies with greatly reduced cash flows. The travel industry is experiencing the benefit of a post COVID-19 bounce back in travel, however there is still some customer unease in relation to the current economic environment with increasing living costs and inflation. This has required the directors and management to continue to review the Company's financial position, as well as its budgets and forecasts, and plan mitigation actions in order to neutralise, and ultimately recover during the post pandemic period.

As a result of these reviews, forecasts and actions, and specifically with the continuing support of the shareholders/directors, the Company's directors and management have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, being at least the following 12 months from the signing of these financial statements.

As a result, the directors believe that it is still appropriate to apply the going concern basis for the foreseeable future.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2023

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

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

2.4 Revenue

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

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

2.5 Total Transaction Value ('TTV')

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

2.6 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2023

2. Accounting policies (continued)

2.7 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

2.8 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.9 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 Borrowing costs

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

2.11 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2.12 Taxation

Tax is recognised in profit or loss except that a charge 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 reporting date in the countries where the Company operates and generates income.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2023

2. Accounting policies (continued)

2.13 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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

Depreciation is provided on the following basis:

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

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.14 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.15 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.16 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2023

2. Accounting policies (continued)

2.17 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

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

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

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

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

In the application of the company's accounting policies, the directors are required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised in the period in which the estimates are revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

4. Employees

The average monthly number of employees, including directors, during the year was 28 (2022 - 16).

GENTIANES SOLUTIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2023**

5. Tangible fixed assets

	Office equipment £	Computer equipment £	Other fixed assets £	Total £
Cost or valuation				
At 1 June 2022	8,117	31,058	34,311	73,486
Additions	3,650	19,836	-	23,486
At 31 May 2023	<u>11,767</u>	<u>50,894</u>	<u>34,311</u>	<u>96,972</u>
Depreciation				
At 1 June 2022	7,287	19,513	34,311	61,111
Charge for the year on owned assets	4,410	8,802	-	13,212
At 31 May 2023	<u>11,697</u>	<u>28,315</u>	<u>34,311</u>	<u>74,323</u>
Net book value				
At 31 May 2023	<u>70</u>	<u>22,579</u>	<u>-</u>	<u>22,649</u>
At 31 May 2022	<u>830</u>	<u>11,545</u>	<u>-</u>	<u>12,375</u>

6. Debtors

	2023 £	<i>As restated</i> 2022 £
Other debtors	686,044	57,782
Prepayments and accrued income	256,988	287,280
Financial instruments	-	19,231
	<u>943,032</u>	<u>364,293</u>

Included in other debtors above is a cash-backed bond in the sum of £629,000 (2022 - £Nil), given in favour of the Association of Bonded Travel Organisers Trust ("ABTOT") in the ordinary course of business. See note 15 for further details.

GENTIANES SOLUTIONS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2023**

7. Cash and cash equivalents

	2023	2022
	£	£
Cash at bank and in hand	2,685,857	3,116,998
	<u>2,685,857</u>	<u>3,116,998</u>

8. Creditors: Amounts falling due within one year

	2023	<i>As restated</i> 2022
	£	£
Bank loans	9,882	9,665
Trade creditors	1,862,300	1,782,230
Other taxation and social security	39,524	35,995
Other creditors	732,815	486,000
Accruals and deferred income	484,678	370,125
Financial instruments	130,080	-
	<u>3,259,279</u>	<u>2,684,015</u>

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

	2023	2022
	£	£
Bank loans	24,109	34,020
	<u>24,109</u>	<u>34,020</u>

GENTIANES SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2023

10. Loans

Analysis of the maturity of loans is given below:

	2023 £	2022 £
Bank loans - falling due within one year	9,882	9,665
Bank loans - falling due within 1-2 years	9,604	9,882
Bank loans - falling due within 2-5 years	14,505	24,138
	<u>33,991</u>	<u>43,685</u>

The above bank loan relates to a government-backed loan under the Bounce Back Loan Scheme ('BBLs'), which benefits from a capital repayment holiday of 12 months, after which the loan is due to be repaid through 60 monthly instalments ending in 2026. The applicable interest rate will be fixed at 2.50%. In addition, to the 12 month capital repayment holiday, the loan benefits from a Business Interruption Payment ('BIP') made by the UK Government on behalf of the Company to cover interest arising on the BBLs loan for the first 12 months.

11. Share capital

	2023 £	2022 £
Allotted, called up and fully paid		
61,243,494 (2022 - 54,296,142) Ordinary shares of £0.00001 each	612	543
2,605,524 (2022 - 2,605,524) Preference shares of £0.00001 each	26	26
	<u>638</u>	<u>569</u>

On 26 June 2022, 6,947,352 Ordinary shares of £0.00001 each were issued and paid for at a premium of £0.1919 per share. These shares were issued as part of a non-refundable advanced equity subscription carried out in 2021, during which funds were received which would be converted into shares on a long-stop date 15 months after the initial subscription. These funds received in advance had been included within share premium until they matured and the shares were issued.

Additionally, during the year, the Company received further investment of £989,702. These funds were raised at a premium of £0.2663 for 3,765,427 Ordinary shares of £0.00001 each, which were issued shortly after year-end on 2 June 2023. As a result, at the date of signing of the accounts, the entirety of the investment has been included within share premium until the shares are issued.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2023

12. Reserves

Share premium account

The share premium account represents consideration received for shares issued above their nominal value, net of transaction costs.

Profit and loss account

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

13. Prior year adjustment

As part of its year-end review, the Company has amended its policy on how it accrues for charitable donations. Every year, a portion of statutory revenues are donated to charities and rewilding projects. These donations are accrued for on a booking date basis, but paid after bookings depart, to take into effect cancellations and booking amendments. At year-end, the Company has decided to amend this policy to instead accrue for charitable donations on a date of departure basis, in line with the payments that it expects to make. This has led to a net reduction in losses of £6,786 for the year ended 31 May 2022 and therefore an increase of the same amount in opening reserves as at 1 June 2022.

14. ABTOT Membership and Bonding

The Company is a member of the Association of Bonded Travel Organisers Trust ("ABTOT") and sells non-flight packages to consumers. The Company provides ABTOT with a bond, in the normal course of business, of £1,258,000, for the protection of consumer deposits. This bond is provided by Accelerant Insurance Europe SA and is partly secured against a cash deposit provided by the Company in the sum of £629,000. The cash deposit is included in other debtors.

15. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £47,573 (2022: £14,254). Contributions totalling £12,849 (2022: £8,668) were payable to the fund at the reporting date and are included in creditors.

16. Controlling party

In the opinion of the directors, there is no single ultimate controlling part of the Company.

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