

WILD FRONTIERS ADVENTURE TRAVEL LTD

UNAUDITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2017

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WILD FRONTIERS ADVENTURE TRAVEL LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

The directors present their report and the financial statements for the year ended 31 December 2017.

Business review

Turnover increased by 27.5% to £8.3m in 2017, generating gross profits of £2.1m, sufficient to cover administrative expenses incurred in the year.

Fluctuations in the currency markets lead to a foreign exchange loss of £62k in the year and a fair value adjustment, required under FRS102 to recognise the movement on forward currency contracts held by the company at the year ended 31 December 2017, lead to a further loss of £233k. This is a year-end accounting adjustment and effectively reverses on day 1 of the following accounting period.

Taking these aspects into account, along with the exceptional expenses in the year, such as the purchase of US-based company "Journeys Within", operating profits were significantly higher than in the prior year.

Small companies note

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

This report was approved by the board and signed on its behalf.



N C Fisher
Secretary

Date: 10-09-18

WILD FRONTIERS ADVENTURE TRAVEL LTD
REGISTERED NUMBER: 04498708

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017

	Note	2017 £	2016 £
Fixed assets			
Intangible assets	4	40,131	-
Tangible assets	5	53,146	19,336
		<u>93,277</u>	<u>19,336</u>
Current assets			
Debtors: amounts falling due within one year	6	2,596,695	2,883,527
Cash at bank and in hand		2,097,309	1,787,906
		<u>4,694,004</u>	<u>4,671,433</u>
Creditors: amounts falling due within one year	7	(4,435,678)	(3,940,545)
Net current assets		<u>258,326</u>	<u>730,888</u>
Total assets less current liabilities		<u>351,603</u>	<u>750,224</u>
Provisions for liabilities			
Deferred tax	8	(8,038)	(2,253)
		<u>(8,038)</u>	<u>(2,253)</u>
Net assets		<u><u>343,565</u></u>	<u><u>747,971</u></u>

WILD FRONTIERS ADVENTURE TRAVEL LTD
REGISTERED NUMBER: 04498708

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2017

	2017 £	2016 £
Capital and reserves		
Called up share capital	2,230	2,230
Share premium account	364,320	364,320
Cash flow hedge reserve	(42,404)	64,032
Profit and loss account	19,419	317,389
	<u>343,565</u>	<u>747,971</u>

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

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

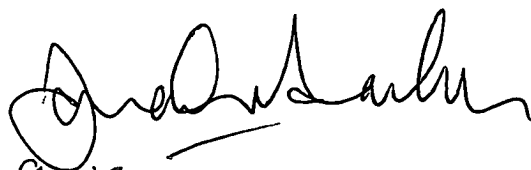
The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

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

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

J G Bealby
Director



Date: 10-9-18

The notes on pages 4 to 13 form part of these financial statements.

WILD FRONTIERS ADVENTURE TRAVEL LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

1. General information

Wild Frontiers Adventure Travel Limited is a private company limited by shares incorporated in England, United Kingdom. The address of the registered office is 3a Thorpebank Road, London, W12 0PG.

The nature of the Company's operations and principal activities are that of a tour operator.

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 preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 Revenue

Turnover comprises revenue recognised by the Company in respect of holidays sold and services rendered during the year, exclusive of Value Added Tax and trade discounts. Turnover is recognised on a departure date basis.

2.3 Advance receipts and payments

All revenue relating to tours with departure dates after the financial year end are treated as advance receipts as at the balance sheet date and are separately disclosed under other creditors. Payments made to suppliers in respect of future departures are treated as advance payments and are separately disclosed under prepayments.

WILD FRONTIERS ADVENTURE TRAVEL LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.4 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 the Statement of comprehensive income 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 the Statement of comprehensive income within 'other operating income'.

2.5 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

2.6 Finance costs

Finance costs are charged to the Statement of comprehensive income 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.

2.7 Borrowing costs

All borrowing costs are recognised in the Statement of comprehensive income in the year in which they are incurred.

WILD FRONTIERS ADVENTURE TRAVEL LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.8 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 the Statement of comprehensive income 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.

2.9 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 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.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position 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 reporting date.

WILD FRONTIERS ADVENTURE TRAVEL LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.10 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of comprehensive income over its useful economic life.

Other 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.

2.11 Tangible fixed assets

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

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

Depreciation is provided on the following basis:

Fixtures and fittings	- 20% Straight Line
Office equipment	- 20% Straight Line
Computer equipment	- 33% 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.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

2.12 Debtors

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

WILD FRONTIERS ADVENTURE TRAVEL LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

2. Accounting policies (continued)

2.13 Cash and cash equivalents

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

2.14 Creditors

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

2.15 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 Statement of financial position 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 Statement of financial position.

2.16 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 non-puttable ordinary shares.

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. Employees

The average monthly number of employees, including directors, during the year was 26 (2016 - 26).

WILD FRONTIERS ADVENTURE TRAVEL LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017

4. Intangible assets

	Development £	Goodwill £	Total £
Cost			
At 1 January 2017	35,000	81,250	116,250
Additions	-	60,197	60,197
At 31 December 2017	35,000	141,447	176,447
Amortisation			
At 1 January 2017	35,000	81,250	116,250
Charge for the year	-	20,066	20,066
At 31 December 2017	35,000	101,316	136,316
Net book value			
At 31 December 2017	-	40,131	40,131
At 31 December 2016	-	-	-

WILD FRONTIERS ADVENTURE TRAVEL LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

5. Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 January 2017	26,929	11,069	71,371	109,369
Additions	4,314	7,743	35,655	47,712
At 31 December 2017	31,243	18,812	107,026	157,081
Depreciation				
At 1 January 2017	15,476	7,689	66,868	90,033
Charge for the year on owned assets	4,978	2,142	6,782	13,902
At 31 December 2017	20,454	9,831	73,650	103,935
Net book value				
At 31 December 2017	10,789	8,981	33,376	53,146
At 31 December 2016	11,453	3,380	4,503	19,336

6. Debtors

	2017 £	2016 £
Trade debtors	1,737,385	2,393,790
Other debtors	232,652	134,299
Prepayments and accrued income	626,658	290,271
Financial instruments	-	65,167
	<u>2,596,695</u>	<u>2,883,527</u>

Prepayments and accrued income includes £449,667 (2016: £246,762) of amounts paid to suppliers in respect of future departures.

WILD FRONTIERS ADVENTURE TRAVEL LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

7. Creditors: Amounts falling due within one year

	2017 £	2016 £
Other loans	250,000	250,000
Trade creditors	27,610	71,092
Corporation tax	345	24,094
Other taxation and social security	33,910	21,411
Other creditors	239,006	66,214
Accruals and deferred income	3,610,261	3,507,734
Financial instruments	274,546	-
	<u>4,435,678</u>	<u>3,940,545</u>

Included within creditors falling due within one year is a loan of £250,000 received from J G Bealby's parents. J G Bealby is a director and shareholder of the Company. The loan is repayable on demand, with interest payable at a rate of 5%.

Accruals and deferred income includes £3,380,004 (2016: 3,442,873) of amounts received from customers in respect of future departures.

8. Deferred taxation

	2017 £	2016 £
At beginning of year	(2,253)	(4,827)
Charged to the profit or loss	(5,785)	2,574
At end of year	<u>(8,038)</u>	<u>(2,253)</u>

The provision for deferred taxation is made up as follows:

	2017 £	2016 £
Accelerated capital allowances	(8,038)	(2,253)
	<u>(8,038)</u>	<u>(2,253)</u>

WILD FRONTIERS ADVENTURE TRAVEL LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

9. 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 £47,325 (2016: £9,561). Contributions totalling £4,847 (2016: £2,564) were payable to the fund at the reporting date and are included in creditors.

10. Cash flow hedging

The group enters into forward foreign currency contracts to mitigate the exchange rate risk for certain foreign currency payables. At 31 December 2017, the outstanding contracts all mature within 12 months (2016: 10 months) of the year end. The company is committed to buy \$2.52m and INR 55m and pay a fixed sterling amount (2016: \$1.28m, €0.057m and INR 30.225m).

At 31 December 2017, the group had \$2.52m and INR 55m Forward Exchange Contracts that it designated as cash flow hedges of highly probable foreign currency payments to suppliers for firm commitments in future periods. These contracts are entered into to minimise the group's exposure to foreign exchange risk, between the prices agreed when a customer booking is made and when the supplier is paid.

The following table summarises the foreign currency cash flow hedging instruments in place as at 31 December 2017:

Foreign currency cash flow hedging instruments

	2017 Amount (Foreign Currency)	2017 Gain/(Loss) (GBP £)	2016 Amount (Foreign Currency)	2016 Gain/(Loss) (GBP £)
Total Dollars	2,520,000	(227,198)	1,283,200	47,393
Total Indian Rupees	55,000,000	(47,349)	30,225,000	17,242
Total Euros	-	-	57,000	532
Total	-	(274,547)	-	65,167

The following table, summarises the recognised net gains/(losses) on forward currency cash flow hedging instruments:

	2017 £	2016 £
Reflected in other comprehensive income		
Effective - (other comprehensive income)	(42,404)	64,032
	<u>(42,404)</u>	<u>64,032</u>

WILD FRONTIERS ADVENTURE TRAVEL LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

	2017 £	2016 £
Reflected in income statement for the year		
Ineffective - current year	232,143	1,135
Ineffective - prior year	1,135	1,668
	<u>233,278</u>	<u>2,803</u>

11. Related party transactions

included within creditors falling due within one year is a loan of £250,000 received from J G Bealby's parents. J G Bealby is a director and shareholder of the Company. The loan is repayable on demand, with interest payable at a rate of 5%.

At the balance sheet date, the directors owed £nil (2016: £1) to the Company.

12. Controlling party

The Company is controlled by J G Bealby, a director and majority shareholder of the company.