

WILD FRONTIERS ADVENTURE TRAVEL LIMITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2019

WILD FRONTIERS ADVENTURE TRAVEL LIMITED

COMPANY INFORMATION

Directors	J D W Brown J G Bealby N C Fisher M Leaderman J C Wimbleton
Company secretary	N C Fisher
Registered number	04498708
Registered office	Power Road Studios Unit G.09 114 Power Road London W4 5PY
Independent auditors	Elman Wall Limited Chartered Accountants 8th Floor Becket House 36 Old Jewry London EC2R 8DD

WILD FRONTIERS ADVENTURE TRAVEL LIMITED

CONTENTS

	Page
Statement of financial position	1 - 2
Notes to the financial statements	3 - 13

WILD FRONTIERS ADVENTURE TRAVEL LIMITED
REGISTERED NUMBER: 04498708

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Note	2019 £	2018 £
Fixed assets			
Intangible assets	5	24,437	29,428
Tangible assets	6	104,874	49,708
		<u>129,311</u>	<u>79,136</u>
Current assets			
Debtors: amounts falling due within one year	7	1,333,292	1,550,681
Bank and cash balances		3,080,313	2,611,210
		<u>4,413,605</u>	<u>4,161,891</u>
Creditors: amounts falling due within one year	9	(2,681,426)	(2,604,966)
Net current assets		<u>1,732,179</u>	<u>1,556,925</u>
Total assets less current liabilities		<u>1,861,490</u>	<u>1,636,061</u>
Provisions for liabilities			
Deferred tax	10	(12,246)	(9,435)
Net assets		<u><u>1,849,244</u></u>	<u><u>1,626,626</u></u>
Capital and reserves			
Called up share capital	11	2,756	2,676
Share premium account		1,381,394	1,363,874
Foreign exchange reserve		98,290	(40,763)
Profit and loss account		366,804	300,839
		<u><u>1,849,244</u></u>	<u><u>1,626,626</u></u>

WILD FRONTIERS ADVENTURE TRAVEL LIMITED
REGISTERED NUMBER: 04498708

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2019

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: 21 August 2020

The notes on pages 3 to 13 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

1. General information

Wild Frontiers Adventure Travel Limited is a private company limited by shares incorporated in England and Wales, United Kingdom.

The address of the registered office can be found on the Company Information, page 2 of these financial statements.

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 (see note 3).

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 received 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 accruals and deferred income.

Payments made to suppliers in respect of future departures are treated as advance payments and are separately disclosed under prepayments and accrued income.

In previous years deferred income has been recognised as the gross amount of total bookings departing after the year end, i.e. gross value. This has changed in the financial year ended 31st December 2018 to reflect the net effect.

2.4 Going concern

Following the year end, in common with many travel companies, the company has experienced a reduction in bookings due to concern over the coronavirus. While the effect of the coronavirus cannot currently be predicted with any certainty, the directors have prepared forecasts taking into account their assessment of the potential reduction in sales and are confident that the company will be able to continue to meet their liabilities as they fall due for a period of not less than 12 months from the date these accounts are signed.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.5 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'.

2.6 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.7 Interest income

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

2.8 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.

2.9 Borrowing costs

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.10 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.

2.11 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. 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.

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

2.12 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.

2.13 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:

Leasehold improvements	-	20% Straight Line
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 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

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.

2.17 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 profit or loss 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.

2.18 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.

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

As the coronavirus pandemic referred to in note 15 resulted in the UK government announcing a lockdown on 23 March 2020, the directors have treated this as a non-adjusting post balance sheet event as, in their opinion, the conditions did not exist at the balance sheet date that require the event to be treated as 'adjusting' as required by FRS 102.

4. Employees

The average monthly number of employees, including directors, during the year was 35 (2018 - 33).

WILD FRONTIERS ADVENTURE TRAVEL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

5. Intangible assets

	Development expenditure £	Computer software £	Goodwill £	Total £
Cost				
At 1 January 2019	35,000	14,875	141,447	191,322
Additions	-	20,000	-	20,000
Additions - internal	4,353	-	-	4,353
At 31 December 2019	39,353	34,875	141,447	215,675
Amortisation				
At 1 January 2019	35,000	5,513	121,381	161,894
Charge for the year on owned assets	-	9,278	20,066	29,344
At 31 December 2019	35,000	14,791	141,447	191,238
Net book value				
At 31 December 2019	4,353	20,084	-	24,437
At 31 December 2018	-	9,362	20,066	29,428

WILD FRONTIERS ADVENTURE TRAVEL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

6. Tangible fixed assets

	Leasehold improvements £	Fixtures and fittings £	Office equipment £	Computer equipment £	Total £
Cost or valuation					
At 1 January 2019	-	32,959	20,733	124,652	178,344
Additions	66,139	6,728	483	24,463	97,813
Disposals	-	(7,213)	(9,093)	(71,710)	(88,016)
At 31 December 2019	66,139	32,474	12,123	77,405	188,141
Depreciation					
At 1 January 2019	-	26,156	12,861	89,619	128,636
Charge for the year on owned assets	9,796	7,501	2,274	23,076	42,647
Disposals	-	(7,213)	(9,093)	(71,710)	(88,016)
At 31 December 2019	9,796	26,444	6,042	40,985	83,267
Net book value					
At 31 December 2019	56,343	6,030	6,081	36,420	104,874
At 31 December 2018	-	6,803	7,872	35,033	49,708

7. Debtors

	2019 £	2018 £
Trade debtors	73,578	791,801
Other debtors	345,813	180,600
Prepayments and accrued income	816,832	578,280
Financial instruments	97,069	-
	<u>1,333,292</u>	<u>1,550,681</u>

Prepayments and accrued income includes £641,267 (2018: £507,538) of amounts paid to suppliers in respect of future departures.

WILD FRONTIERS ADVENTURE TRAVEL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

8. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	3,080,313	2,611,210
Less: bank overdrafts	(2,118)	-
	<u>3,078,195</u>	<u>2,611,210</u>

9. Creditors: Amounts falling due within one year

	2019 £	2018 £
Bank overdrafts	2,118	-
Trade creditors	478,441	72,878
Corporation tax	35	73,783
Other taxation and social security	31,724	36,033
Other creditors	155,238	52,537
Accruals and deferred income	2,013,870	2,309,933
Financial instruments	-	59,802
	<u>2,681,426</u>	<u>2,604,966</u>

Accruals and deferred income includes £1,764,062 (2018: £2,096,182) of amounts received from customers in respect of future departures.

10. Deferred taxation

	2019 £	2018 £
At beginning of year	(9,435)	(8,038)
Charged to the profit or loss	(2,811)	(1,397)
At end of year	<u>(12,246)</u>	<u>(9,435)</u>

WILD FRONTIERS ADVENTURE TRAVEL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

10. Deferred taxation (continued)

The provision for deferred taxation is made up as follows:

	2019 £	2018 £
Accelerated capital allowances	(12,246)	(9,435)
	<u>(12,246)</u>	<u>(9,435)</u>

11. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
2,756 (2018 - 2,676) Ordinary shares of £1.00 each	<u>2,756</u>	<u>2,676</u>

During the year 80 Ordinary shares were issued at a premium of £219.

12. 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 £38,915 (2018: £35,428). Contributions totalling £8,153 (2018: £4,795) were payable to the fund at the reporting date and are included in creditors.

13. Commitments under operating leases

At 31 December 2019 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	137,513	14,006
Later than 1 year and not later than 5 years	437,290	4,859
	<u>574,803</u>	<u>18,865</u>

WILD FRONTIERS ADVENTURE TRAVEL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

14. Cash flow hedging

The Company enters into forward foreign currency contracts to mitigate the exchange rate risk for certain foreign currency payables. At 31 December 2019, the outstanding contracts all mature within 12 months (2019: 12 months) of the year end. The company is committed to buy \$2.57m (2018: \$1.62m) and pay a fixed sterling amount.

At 31 December 2019, the Company had \$2.57m (2018: £1.62m) 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 2019:

2019 Amount (Foreign Currency)	2019 Gain/(Loss) (GBP £)	2018 Amount (Foreign Currency)	2018 Gain/(Loss) (GBP £)
<u>2,570,000</u>	<u>(97,068)</u>	<u>1,620,000</u>	<u>59,802</u>

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

	2019 £	2018 £
Reflected in other comprehensive income		
Effective - (other comprehensive income)	98,290	(40,763)
	<u>98,290</u>	<u>(40,763)</u>
Reflected in income statement for the year		
Ineffective - current year	(1,221)	(19,039)
Ineffective - prior year	19,039	232,143
	<u>17,818</u>	<u>213,104</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

15. Related party transactions

At the year end J Belaby, a director owed the company £Nil (2018: £1,906).

At the year end J Wimbledon, a director owed the company £Nil (2018: £26,906).

At the year end J Brown, a director owed the company £Nil (2018: £63).

Included within other debtors is a balance of £187,424 (2018: £78,045) owing from Wild Frontiers Inc, a US entity that has common control.

16. Post balance sheet events

Post year-end, a pandemic called Covid-19 caused major disruptions to the travel industry with closures of borders and grounding of flights; resulting in large scale cancellations. Future holiday packages have been cancelled as a result of Covid-19 and therefore £774,213 included within deferred income at the year-end has subsequently been reclassified to 'other creditors' post year-end.

17. Controlling party

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

18. Auditors' information

The auditors' report on the financial statements for the year ended 31 December 2019 was unqualified.

The audit report was signed on 21 August 2020 by Ian Palmer (Senior statutory auditor) on behalf of Elman Wall Limited.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.