

Company registration number: 8994196

DISTANT JOURNEYS LTD

Financial statements

30 September 2016

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DISTANT JOURNEYS LTD

Directors Andrew Laycock
Richard Hanson
Simon Whittle

Company number 8994196

Registered office 223 Church Street
Blackpool
Lancashire
FY1 3PB

Business address 8 Hattersley Court
Ormskirk
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L39 2AY

Clarke Broome & Fleming
223 Church Street
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DISTANT JOURNEYS LTD

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DISTANT JOURNEYS LTD

Strategic report Year ended 30 September 2016

The directors submit their report and the financial statements of Distant Journeys Limited for the year ended 30 September 2016.

Principal Activities

The principal activity is the provision of escorted tours to Australia and New Zealand.

Review of the Business

This is the first full year of trading as tour operators, concentrating on escorted tours to Australia and New Zealand. The directors are pleased with the progress of the business and the results achieved.

Review of 2016 Results

Turnover in the year was £8,220,082 a substantial increase on £594,062 achieved the previous year. Overall gross profit margin rates are in line with budgeted forecasts.

The profit for the year amounted to £1,111,710 (£479,470 loss - 2015) after tax and depreciation.

Total assets less current liabilities increased by £1,476,452 mainly due to retention of profit in the business. directors long term loans and a fair value of currency contracts.

Review of Developments and Future Prospects

The sales and commercial team are in the process of identifying additional destinations and have released in the 17/18 brochure South Africa. This will be targeted at the existing customer base so that renewal of business is an option.

Financial Instrument Risk

The company is reliant on directors' loans which are subordinated to the CAA and are repayable over one year.

The company is not exposed to interest rate risk because it has no borrowings from commercial banks at the present time and therefore does not run the risk of having facilities withdrawn by the bank.

The company continuously monitors its credit terms and cash flow requirements.

DISTANT JOURNEYS LTD

Strategic report (continued) Year ended 30 September 2016

Foreign Currency Fluctuations

The company's local currency is pounds sterling but many of the services are from suppliers in Australia and New Zealand. These purchases are denominated in local currency. As a result, the company is subject to foreign currency exchange risk due to exchange rate movements between pounds sterling and Australian and New Zealand dollars. The company seeks to reduce this risk by entering into forward exchange contracts and more complex hedging structures.

At the year end there were forward currency contracts as follows:-

USD	6,997,350
NZD	1,000,000
ZAR	3,600,000
AUD	2,850,000

The realised gain on relevant contracts at 30 September 2016 was £202,776, which has been credited to the profit and loss account.

The company has moved away from sterling and opted to buy US dollars even though most of the supplies are in other foreign currencies, the net effect of which is a substantial increase in fair value when expressed in sterling.

Key Performance Indicators

The company established key performance indicators to measure the progress of the company in achieving both its business objectives and strategy. The executive team reviews performance against these at monthly meetings.

The principal performance measures are summarised below

	<u>2016</u>	<u>2015</u>
Passengers	1613	110
Gross Margin	25%	24%
Net Margin	12%	-

Principal Risks and Uncertainties

There are a number of potential risks and uncertainties which could have a material impact on the company's performance.

Global political and economic conditions with the withdrawal from the European Union

DISTANT JOURNEYS LTD

Strategic report (continued) Year ended 30 September 2016

Demand for the company's tours is ultimately a function of economic confidence and prosperity. Whilst the tourist industry is forecast to continue to grow, growth can be interrupted by natural disasters, wars and acts of terrorism as well as by lower disposable incomes.

The devaluation of sterling against other major currencies will have an impact in 2016/17, this is because New Zealand dollars of 1 million was unhedged prior to the referendum. However, the impact of this unhedged currency requirement will be relatively small as it will be offset by the improved margins planned when originally pricing the tours.

Commercial relationships

The company benefits from close commercial relationships with a number of key suppliers. The loss of any of these key suppliers, or a significant worsening in commercial terms could have a material impact on results.

Competitors

The Company operates in a highly competitive market and as such results must be achieved by finding unique selling points or by superior experiences.

The company policy is not to discount its tours, favouring to offer a competitive pricing model and discounted stay overs in key destination cities.

This report was approved by the Board on 21 December 2016 and signed on its behalf by



Andrew Laycock
Director

DISTANT JOURNEYS LTD

Directors report Year ended 30 September 2016

The directors present their report and the financial statements of the company for the year ended 30 September 2016.

Directors

The directors who served the company during the year were as follows:

Andrew Laycock
Richard Hanson
Simon Whittle

Dividends

The board have decided to pay a dividend of £60,000 for the current year.

Future developments

The directors are optimistic about the future, the number of passengers travelling in the 2016/17 season are at the same level as in the previous year.

The company is currently reviewing its operations to deal with any currency losses arising from the current devaluation of sterling against the Australian and New Zealand dollars, caused by the decision to leave the European Union.

Financial instruments

The company has prepared a Comprehensive Income Statement under FRS102 in order to show fair value of its assets and liabilities which are subject to foreign exchange contracts.

The management objective is to cover tour costs by entering into currency contracts at the price costed for each tour, this effectively mitigates the risk of currency fluctuations in the market.

Disclosure of information in the strategic report.

The company has chosen in accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors Report) Regulations 2013 to set out in the company's strategic report information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 it must be stated in the Directors Report that it has been done. This includes information that would have been included in the business review and the principal risks and uncertainties.

DISTANT JOURNEYS LTD

Directors report (continued) Year ended 30 September 2016

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, directors report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with 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 profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

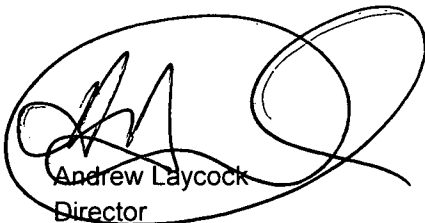
Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

This report was approved by the board of directors on 21 December 2016 and signed on behalf of the board by:



Andrew Laycock
Director

DISTANT JOURNEYS LTD

Independent auditor's report to the shareholders of

DISTANT JOURNEYS LTD

Year ended 30 September 2016

We have audited the financial statements of DISTANT JOURNEYS LTD for the year ended 30 September 2016 which comprise the and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standard (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's , 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 those matters we are required to state to them in an auditors report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors report and the Strategic report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors report and the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.

DISTANT JOURNEYS LTD

**Independent auditor's report to the shareholders of
DISTANT JOURNEYS LTD (continued)
Year ended 30 September 2016**

Matters on which we are required to report by exception

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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and the 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.



Martin V Clarke (senior statutory auditor)

For and on behalf of
Clarke Broome & Fleming
Chartered Certified Accountants and & Registered Auditors
223 Church Street
Blackpool
Lancashire
FY1 3PB

21 December 2016

DISTANT JOURNEYS LTD

Statement of comprehensive income Year ended 30 September 2016

	Note	2016 £	2015 £
Turnover	2	8,220,082	594,062
Cost of sales		(6,143,177)	(437,984)
Gross profit		2,076,905	156,078
Administrative expenses		(1,073,340)	(640,706)
Operating profit/(loss)	3	1,003,565	(484,628)
Other interest receivable and similar income	6	231,643	5,158
Interest payable and similar charges	7	(15,025)	-
Profit/(loss) on ordinary activities before taxation		1,220,183	(479,470)
Tax on profit/(loss) on ordinary activities	8	(108,473)	-
Profit/(loss) for the financial year and total comprehensive income		1,111,710	(479,470)

All the activities of the company are from continuing operations.

The notes on pages 13 to 21 form part of these financial statements.

DISTANT JOURNEYS LTD

Statement of income and retained earnings
Year ended 30 September 2016

	2016 £	2015 £
Profit/(loss) for the year	1,111,710	(479,470)
Dividends paid and payable	(60,000)	-
Retained earnings at the start of the year	<u>(479,470)</u>	<u>-</u>
Retained earnings at the end of the year	<u><u>572,240</u></u>	<u><u>(479,470)</u></u>

DISTANT JOURNEYS LTD

Statement of changes in equity Year ended 30 September 2016

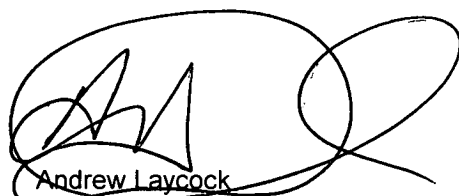
	Called up share capital £	Profit and loss account £	Total £
At 1 October 2014	-	-	-
Profit/(loss) for the year	<u> </u>	(479,470)	(479,470)
Total comprehensive income for the year	-	(479,470)	(479,470)
Issue of shares	<u>30,000</u>	<u> </u>	<u>30,000</u>
Total investments by and distributions to owners	30,000	-	30,000
At 30 September 2015	<u>30,000</u>	<u>(479,470)</u>	<u>(449,470)</u>
Profit/(loss) for the year	<u> </u>	1,111,710	1,111,710
Total comprehensive income for the year	-	1,111,710	1,111,710
Dividends paid and payable	<u> </u>	(60,000)	(60,000)
Total investments by and distributions to owners	-	(60,000)	(60,000)
At 30 September 2016	<u>30,000</u>	<u>572,240</u>	<u>602,240</u>

DISTANT JOURNEYS LTD

Statement of financial position 30 September 2016

	Note	2016 £	£	2015 £	£
Fixed assets					
Tangible assets	10	254,288		256,100	
			254,288		256,100
Current assets					
Debtors	11	7,773,174		1,504,134	
Cash at bank and in hand		3,756,113		1,771,900	
		11,529,287		3,276,034	
Creditors: amounts falling due within one year	12	(10,096,093)		(3,321,104)	
Net current assets/(liabilities)			1,433,194		(45,070)
Total assets less current liabilities			1,687,482		211,030
Creditors: amounts falling due after more than one year	13		(1,083,000)		(660,500)
Provisions for liabilities	15		(2,242)		-
Net assets/(liabilities)			602,240		(449,470)
Capital and reserves					
Called up share capital	16		30,000		30,000
Profit and loss account	17		572,240		(479,470)
Shareholders funds/(deficit)			602,240		(449,470)

These financial statements were approved by the board of directors and authorised for issue on 21 December 2016, and are signed on behalf of the board by:


Andrew Laycock
Director

Company registration number: 8994196

The notes on pages 13 to 21 form part of these financial statements.

DISTANT JOURNEYS LTD

Statement of cash flows
Year ended 30 September 2016

	2016	2015
	£	£
Cash flows from operating activities		
Profit/(loss) for the financial year	1,111,710	(479,470)
<i>Adjustments for:</i>		
Depreciation of tangible assets	7,175	5,140
Other interest receivable and similar income	(231,643)	(5,158)
Interest payable and similar charges	15,025	-
Tax on profit/(loss) on ordinary activities	108,473	-
Accrued expenses/(income)	40,934	8,500
<i>Changes in:</i>		
Trade and other debtors	(6,269,040)	(1,504,134)
Trade and other creditors	6,627,824	3,312,604
Cash generated from operations	1,410,458	1,337,482
	18	
Interest paid	(15,025)	-
Interest received	231,643	5,158
Net cash from operating activities	<u>1,627,076</u>	<u>1,342,640</u>
Cash flows from investing activities		
Purchase of tangible assets	(5,362)	(261,240)
Net cash used in investing activities	<u>(5,362)</u>	<u>(261,240)</u>
Cash flows from financing activities		
Proceeds from issue of ordinary shares	-	30,000
Proceeds from borrowings	422,500	660,500
Equity dividends paid	(60,000)	-
Net cash from financing activities	<u>362,500</u>	<u>690,500</u>
Net increase/(decrease) in cash and cash equivalents	1,984,214	1,771,900
Cash and cash equivalents at beginning of year	1,771,900	-
Cash and cash equivalents at end of year	<u>3,756,114</u>	<u>1,771,900</u>

DISTANT JOURNEYS LTD

Notes to the financial statements Year ended 30 September 2016

1. Summary of significant accounting policies

General information and basis of preparation

Distant Journeys Ltd is a limited company incorporated in the United Kingdom. The address of the registered office is given in the company information page of these financial statements. The nature of the company's operations and principal activities are the provision of escorted tours to Australia and New Zealand.

The financial statements have been prepared in accordance with the applicable accounting standards including Financial Reporting Standard 102, The Financial Reporting Standard Applicable in the UK and the Companies Act 2006. The financial statements have been prepared on a going concern basis under the historical cost convention and in sterling which is the functional currency of the company.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated. The company adopted FRS102 in the current year and an explanation of how transition to FRS102 has affected the reported financial position and performance is given in 20

Judgements and key sources of estimation uncertainty

The following judgements (apart from those involving estimates) have been made in the process of applying accounting policies that have had the most significant on amounts recognised in the financial statements:-

Foreign Exchange Contracts

Under Financial Reporting Standard 102, the company has recognised fair value on its foreign exchange contracts, this is a comparison between the contract value and what the cost would have been at the year end, the resulting profit taken to the Comprehensive Income Statement.

The key assumptions concerning the future and other key sources of uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:-

Currency markets

The continued market volatility may reverse in the new year leading to a loss being incurred when measured at fair value, current carrying value £6,158,108 DR.

Turnover

Turnover is measured at the fair value of the consideration received or receivable for services rendered, net of Value Added Tax.

Revenue from the sale of tours is recognised when the significant risks and rewards of travel have transferred to the buyer, usually on despatch of the tour; the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

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

DISTANT JOURNEYS LTD

Notes to the financial statements (continued) **Year ended 30 September 2016**

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Tangible assets

Tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses.

Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in capital and reserves, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	1	%
Equipment	33	%
Fixtures and fittings	15	%

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

Impairment

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

DISTANT JOURNEYS LTD

Notes to the financial statements (continued) **Year ended 30 September 2016**

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event; it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised in finance costs in profit or loss in the period it arises.

Derivatives

Derivative financial instruments are initially measured at fair value at the date on which a derivative contract is entered into and are subsequently measured at fair value through profit or loss.

The company uses derivatives to cover overseas tour costs. The fair value of which is determined by a comparison between the contract date and year end date.

2. Turnover

Turnover arises from:

	2016	2015
	£	£
Rendering of services	8,220,082	594,062
Interest	28,867	5,158
	<u>8,248,949</u>	<u>599,220</u>

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

3. Operating profit/(loss)

Operating profit/(loss) is stated after charging/(crediting):

	2016	2015
	£	£
Depreciation of tangible assets	7,175	5,140
Foreign exchange differences	103,175	11,187
Fees payable for the audit of the financial statements	<u>10,000</u>	<u>6,500</u>

DISTANT JOURNEYS LTD

Notes to the financial statements (continued) Year ended 30 September 2016

4. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2016	2015
Office and Management	4	4
Sales	5	3
	<u>9</u>	<u>7</u>

The aggregate payroll costs incurred during the year were:

	2016 £	2015 £
Wages and salaries	204,829	95,081
Social security costs	21,238	-
	<u>226,067</u>	<u>95,081</u>

5. Directors remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	2016 £	2015 £
Remuneration	<u>87,000</u>	<u>46,667</u>

6. Other interest receivable and similar income

	2016 £	2015 £
Bank deposits	28,867	5,158
Gain on financial instruments	202,776	-
	<u>231,643</u>	<u>5,158</u>

7. Interest payable and similar charges

	2016 £	2015 £
Other interest payable and similar charges	<u>15,025</u>	<u>-</u>

DISTANT JOURNEYS LTD

Notes to the financial statements (continued) Year ended 30 September 2016

8. Tax on profit/(loss) on ordinary activities

Major components of tax expense

	2016 £	2015 £
Current tax:		
UK current tax expense	106,231	-
Deferred tax:		
Origination and reversal of timing differences	2,242	-
Tax on profit/(loss) on ordinary activities	<u>108,473</u>	<u>-</u>

Reconciliation of tax expense

The tax assessed on the profit/(loss) on ordinary activities for the year is lower than (2015: higher than) the standard rate of corporation tax in the UK of 20% (2015: 20%).

A reconciliation is given below:

	2016 £	2015 £
Profit/(loss) on ordinary activities before taxation	1,220,183	(479,470)
Profit/(loss) on ordinary activities by rate of tax	244,037	(95,894)
Effect of capital allowances and depreciation	363	(1,719)
Utilisation of tax losses	(97,613)	-
Effect of derivative forward contracts	(40,556)	-
Tax on profit/(loss) on ordinary activities	<u>106,231</u>	<u>(97,613)</u>

9. Dividends

Equity dividends

	2016 £	2015 £
Dividends paid during the year (excluding those for which a liability existed at the end of the prior year)	<u>60,000</u>	<u>-</u>

DISTANT JOURNEYS LTD

Notes to the financial statements (continued) Year ended 30 September 2016

10. Tangible assets

	Freehold property	Plant and machinery	Fixtures, fittings and equipment	Total
	£	£	£	£
Cost				
At 1 October 2015	247,503	10,014	3,724	261,241
Additions	-	-	5,362	5,362
At 30 September 2016	<u>247,503</u>	<u>10,014</u>	<u>9,086</u>	<u>266,603</u>
Depreciation				
At 1 October 2015	1,953	2,643	544	5,140
Charge for the year	2,475	3,338	1,362	7,175
At 30 September 2016	<u>4,428</u>	<u>5,981</u>	<u>1,906</u>	<u>12,315</u>
Carrying amount				
At 30 September 2016	<u>243,075</u>	<u>4,033</u>	<u>7,180</u>	<u>254,288</u>
At 30 September 2015	<u>245,550</u>	<u>7,371</u>	<u>3,180</u>	<u>256,101</u>

11. Debtors

	2016	2015
	£	£
Trade debtors	1,573,823	1,249,616
Prepayments and accrued income	18,450	141,802
Derivative financial assets	6,158,108	-
Other debtors	22,793	112,716
	<u>7,773,174</u>	<u>1,504,134</u>

12. Creditors: amounts falling due within one year

	2016	2015
	£	£
Trade creditors	296,048	223,186
Accruals and deferred income	49,434	8,500
Corporation tax	106,231	-
Social security and other taxes	4,109	2,927
Derivative financial liability	5,955,332	-
Other creditors	3,684,939	3,086,491
	<u>10,096,093</u>	<u>3,321,104</u>

DISTANT JOURNEYS LTD

Notes to the financial statements (continued) Year ended 30 September 2016

13. Creditors: amounts falling due after more than one year

	2016	2015
	£	£
Other creditors	1,083,000	660,500
	<u> </u>	<u> </u>

14. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2016	2015
	£	£
Included in provisions (note 15)	2,242	-
	<u> </u>	<u> </u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2016	2015
	£	£
Accelerated capital allowances	2,242	-
	<u> </u>	<u> </u>

15. Provisions

	Deferred tax (note 14) £
At 1 October 2015	-
Charges against provision	2,242
At 30 September 2016	<u>2,242</u>

16. Called up share capital Issued, called up and fully paid

	2016		2015	
	No	£	No	£
Ordinary shares of £ 1.00 each	30,000	30,000	30,000	30,000

17. Reserves

The profit and loss account represents cumulative profits and losses net of dividends and other adjustments.

DISTANT JOURNEYS LTD

Notes to the financial statements (continued) Year ended 30 September 2016

18. Cash generated from operations for the year ended 30 September 2016

	2016 £	2015 £
Cash flows from operating activities		
Profit/(loss) for the financial year	1,111,710	(479,470)
<i>Adjustments for:</i>		
Depreciation of tangible assets	7,175	5,140
Other interest receivable and similar income	(231,643)	(5,158)
Interest payable and similar charges	15,025	-
Tax on profit/(loss) on ordinary activities	108,473	-
Accrued expenses/(income)	40,934	8,500
<i>Changes in:</i>		
Trade and other receivables	(6,269,040)	1,504,134
Trade and other payables	6,627,824	3,312,604
Cash generated from operations	<u>1,410,458</u>	<u>4,345,750</u>

19. Controlling party

No family or individual member has control of the company.

20. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 14 April 2014.

Reconciliation of equity

No transitional adjustments were required.

Reconciliation of profit or loss for the year

No transitional adjustments were required.

21. Financial Instruments

The company had entered into foreign forward exchange contracts in the normal course of business amounting to £5,955,332 (£113,022 - 2015). The current value of the contracts are £6,158,108, a realised gain of £202,776 has been posted to the profit and loss account.

The company had also entered into foreign exchange contracts by way of trade, the loss that will materialise is £21,668 has been posted to the profit and loss account. The

company had also entered into foreign forward exchange contracts in the normal course of business at fixed strike rates, the cost of this option £110,000 has been posted to the profit and loss account.

DISTANT JOURNEYS LTD

Notes to the financial statements (continued) **Year ended 30 September 2016**

22. Related party transactions

Dividends have been paid to the directors and family members in the sum of £60,000.

During the year the company entered into the following transactions with related parties:

	Transaction value		Balance owed by/(owed to)	
	2016	2015	2016	2015
	£	£	£	£
A D Laycock	(843,000)	-	(843,000)	-
R J Hanson	(240,000)	-	(240,000)	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

23. Guarantees

The IATA bond for £180,000 is covered by the Yorkshire Bank.

The ATOL bond for £1,247,800 is covered by the Yorkshire Bank.

Yorkshire Bank have taken security from Mr A D Laycock, director.

First Data Management Services, who provide merchant services, have taken security from Mr R J Hanson, director.