Grant Thornton

Financial Statements

The Travel Department Ltd

For the year ended 31 December 2017

Registered number: 05948197

Company Information

Directors	Sara Zimmerman Robert Haugh (resigned 26 March 2018) Damien Meehan (resigned 26 March 2018) Neil McGowan (appointed 26 March 2018, resigned 9 April 2018) John Rowe (appointed 26 March 2018) Claire Stone (appointed 9 April 2018) Yvonne Boyle (appointed 9 April 2018)
Company secretary	John Rowe
Registered number	05948197
Registered office	Suite 3b, 2 Northside House Mount Pleasant Barnet EN4 9EB United Kingdom
Independent auditors	Grant Thornton Chartered Accountants & Statutory Auditors Molyneux House Bride Street Dublin 8
Bankers	Bank of Ireland 20 Berkley Square London W1X6LY United Kingdom
	AIB International Banking Services AIB International Centre Ashford House PO Box 518, Tara Street Dublin 2 Ireland
	Barclays Bank PLC Leicester LE87 2BB United Kingdom
Solicitors	Dillon Eustace Solicitors 33 Sir John Rogersons Quay Dublin 2 Ireland

The Travel Department Ltd

Contents

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.

Principal activity

The principal activity of the company is the provision of escorted tours, and holidays.

Results and dividends

The profit for the year, after taxation, amounted to £257,310 (2016 - loss £199,010).

~~The directors have not recommended a dividend.~~

Directors

Sara Zimmerman
Robert Haugh (resigned 26 March 2018)
Damien Meehan (resigned 26 March 2018)

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Post balance sheet events

Discovery Travel Limited has purchased the entire share capital of the parent company pursuant to the Share Purchase Agreement dated 7 February 2018.

Auditors

The auditors, Grant Thornton, who were apointed during the year, are willing to be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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 on 25 April 2018 and signed on its behalf.

Sara Zimmerman
Director

Directors' responsibilities statement

For the year ended 31 December 2017

The directors are responsible for preparing the 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 of the profit or loss of the Company for that period.

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

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 to 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.

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Independent auditors' report to the members of The Travel Department Ltd

Opinion

We have audited the financial statements of The Travel Department Ltd, which comprise the the Statement of comprehensive income, the Statement of financial position for the financial year ended 31 December 2017, and the related notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, The Travel Department Ltd's financial statements:

- give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the financial position of the Company as at 31 December 2017 and of its financial performance for the year then ended; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs') and applicable law. Our responsibilities under those standards are further described in the 'responsibilities of the auditor for the audit of the financial statements' section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, namely FRC's Ethical Standard concerning the integrity, objectivity and independence of the auditor. We have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Independent auditors' report to the members of The Travel Department Ltd (continued)

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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Independent auditors' report to the members of The Travel Department Ltd (continued)

Other Information

~~Other information comprises the information included in the annual report, other than the financial statements and~~ our Auditors' report thereon, including the Directors' report . The directors are responsible for the other information. Our opinion on the financial statements does not cover the information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies in the financial statements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which 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 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; or
- the directors were not entitled to take advantage of the small companies' exemptions from the requirement to prepare a strategic report or in preparing the Directors' report.

Responsibilities of management and those charged with governance for the financial statements

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

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Independent auditors' report to the members of The Travel Department Ltd (continued)

Responsibilities of the auditor for the audit of the financial statements

The objectives of an auditor are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), the auditor will exercise professional judgment and maintain professional scepticism throughout the audit. They will also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If they conclude that a material uncertainty exists, they are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify their opinion. Their conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

The auditor shall communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that may be identified during the audit.

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Independent auditors' report to the members of The Travel Department Ltd (continued)

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Cathal Kelly (Senior statutory auditor)

for and on behalf of
Grant Thornton

Chartered Accountants
Statutory Auditors

Dublin 8

25 April 2018

Statement of comprehensive income
For the year ended 31 December 2017

	Note	2017 £	2016 £
Turnover		**7,986,742**	6,765,259
Cost of sales		**(6,779,058)**	(6,220,247)
Gross profit		**1,207,684**	545,012
Administrative expenses		**(901,835)**	(747,120)
Operating profit/(loss)		**305,849**	(202,108)
Interest receivable and similar income		**1,620**	13,354
Profit/(loss) before tax		**307,469**	(188,754)
Tax on profit/(loss)	5	**(50,159)**	(10,256)
Profit/(loss) for the financial year		**257,310**	(199,010)

There was no other comprehensive income for 2017 (2016:£NIL).

The notes on pages 10 to 17 form part of these financial statements.

All amounts relate to continuing operations.

The Travel Department Ltd

Registered number:05948197

Statement of financial position

As at 31 December 2017

	Note		2017 £		2016 £
Current assets					
Debtors: amounts falling due within one year	7	5,624,347		3,989,368	
Cash at bank and in hand	8	1,044,511		860,108	
		6,668,858		4,849,476	
Creditors: amounts falling due within one year	9	(6,014,980)		(4,452,908)	
Net current assets			653,878		396,568
Total assets less current liabilities			653,878		396,568
Creditors: amounts falling due after more than one year	10		(164,000)		(164,000)
Net assets			489,878		232,568
Capital and reserves					
Called up share capital	11		30,000		30,000
Profit and loss account			459,878		202,568
			489,878		232,568

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 were approved and authorised for issue by the board and were signed on its behalf on 25 April 2018.

Sara Zimmerman
Director
The notes on pages 10 to 17 form part of these financial statements.

Notes to the financial statements

For the year ended 31 December 2017

1. General information

The Travel Department Limited is a private company limited by shares incorporated in the United Kingdom. Suite 3b, 2 Northside House, Mount Pleasant, Barnet, EN4 9EB, United Kingdom, is the registered office, which is also the principal place of business of the company.

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 Revenue

Revenue is recognised in the Statement of comprehensive income at the date of departure of travel by clients. Monies received from clients before the financial year end in respect of departure dates after the financial year end are deferred until the dates of departure and reflected as deferred income in the company's Statement of financial position. Costs associated with delivering transportation services are similarly recognised in the Statement of comprehensive income based on the date of departure of clients travelling. Turnover is accounted for at fair value.

2.3 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	- 20% 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.

2.4 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, including 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 2017

2. Accounting policies (continued)

2.5 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.

2.6 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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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 amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

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.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.7 Creditors

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

Notes to the financial statements
For the year ended 31 December 2017

2. Accounting policies (continued)

2.8 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 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'.

2.9 Interest income

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

Notes to the financial statements

For the year ended 31 December 2017

2. Accounting policies (continued)

2.10 Taxation

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.

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

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. The judgments, estimates and assumptions used in the financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results could differ from these estimates, and the effect of any change in estimates will be adjusted in the financial statements when they become reasonably determinable.

Judgments, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under these circumstances.

Estimates and Assumptions

The key estimates and assumptions concerning the future and other key sources of estimation uncertainty at the financial 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 are discussed below:

Fair value measurement of intercompany balances
Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Notes to the financial statements
For the year ended 31 December 2017

4. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2016 - £NIL).

5. Taxation

	2017 £	2016 £
Corporation tax		
Current tax on profits for the year	**50,159**	-
Adjustments in respect of previous periods	**-**	10,256
Total current tax	**50,159**	10,256

Factors affecting tax charge for the financial year

The tax assessed for the financial year is higher than (2016 - higher than) the standard rate of corporation tax 12.5% (2016 - 12.5%). The differences are explained below:

	2017 £	2016 £
Profit/(loss) on ordinary activities before tax	**307,469**	(188,754)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax of 12.5% (2016 - 12.5%)	**38,434**	(23,594)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	**13,191**	300
Utilisation of tax losses	**(1,669)**	-
Income taxed at 25%	**203**	1,699
Adjustments to tax charge in respect of prior periods	**-**	10,256
Unrelieved tax losses carried forward	**-**	21,595
Total tax charge for the financial year	**50,159**	10,256

Notes to the financial statements
For the year ended 31 December 2017

6. Tangible fixed assets

	Office equipment £
Cost or valuation	
At 1 January 2017	1,620
At 31 December 2017	1,620
Depreciation	
At 1 January 2017	1,620
At 31 December 2017	1,620
Net book value	
At 31 December 2017	-
At 31 December 2016	-

7. Debtors

	2017 £	2016 £
Amounts owed by group undertakings	5,561,652	3,830,074
Other debtors	440	440
Taxation	-	42,883
Prepayments and accrued income	62,255	115,971
	5,624,347	3,989,368

Amounts owed by group undertakings are unsecured, interest free and are repayable on demand.

8. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	1,044,511	860,108
	1,044,511	860,108

Notes to the financial statements

For the year ended 31 December 2017

9. Creditors: Amounts falling due within one year

	2017	2016
	£	£
Amounts owed to group undertakings	**4,981,022**	3,774,824
Amounts owed to related party	**100**	100
Corporation tax	**7,277**	-
Other taxation	**33,685**	27,825
Accruals	**499,942**	250,627
Deferred income	**492,954**	399,532
	6,014,980	4,452,908

Amounts owed to group undertakings are unsecured, interest free and are repayable on demand.

Corporation tax and other taxes are repayable at various dates over the coming months in accordance with the applicable statutory provisions.

The terms of accruals and deferred income are based on the underlying contracts.

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

	2017	2016
	£	£
Amounts owed to group undertakings	**164,000**	164,000
	164,000	164,000

The amount outstanding represents advances received from group company - The Travel Department (IRL) £164,000 which is subordinated to the Civil Aviation Authority as part of licensing agreements.

11. Share capital

	2017	2016
	£	£
Allotted, called up and fully paid		
30,000 Ordinary shares of £1 each	**30,000**	30,000

12. Related party transactions

The company has availed of the exemptions in FRS 102 Section 33.1A which allows non disclosure of transactions with other group companies.

Notes to the financial statements

For the year ended 31 December 2017

13. Post balance sheet events

Discovery Travel Limited has purchased the entire issued share capital of the parent company, The Travel Department Unlimited Company pursuant to the Share Purchase Agreement dated 7 February 2018.

14. Controlling party

For the financial year, the company was an immediate subsidiary of The Travel Department Unlimited Company, a company incorporated in the Republic of Ireland. The ultimate parent company was Yoyo Capital Unlimited Company (formerly The Travel Department Holdings Unlimited Company), a company incorporated in the Republic of Ireland and under the control of Robert Haugh.

The Travel Department Unlimited Company is the parent company of the largest and the smallest group to prepare consolidated accounts which include the company.