

G Adventures Limited

Annual report and financial statements

for the year ended 31 July 2016

Registered number: 07848780



G Adventures Limited

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G Adventures Limited

Officers and professional advisers For the year ended 31 July 2016

Directors

B Poon Tip
J M Warner

Registered office

60 Bastwick Street
London
England
EC1V 3AT

Auditor

Deloitte LLP
Chartered Accountants and Statutory Auditor
1 Woodborough Road
Nottingham
NG1 3FG
United Kingdom

Banker

HSBC Bank plc.
9 Wellesley Road
Croydon
Surrey
CR9 2AA

G Adventures Limited

Directors' report

The directors present their annual report on the affairs of G Adventures Limited, together with the audited financial statements and auditor's report, for the year ended 31 July 2016.

The directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption. The directors have also taken advantage of the small companies' exemption from preparing a strategic report.

Principal activities

G Adventures Limited (the "Company") is engaged, as a disclosed agent of G Adventures Inc., a Barbados corporation and a related party of the Company under common control, in the sale of adventure tours to remote locations throughout Latin America, North America, Europe, Asia, Arctic, Africa and Antarctica.

Directors

The directors, who served throughout the year and to the date of signing, were as follows:

- B Poon Tip
- J M Warner

Directors' indemnities

The Company has not made any qualifying third party indemnity provisions for the benefit of its directors during the year and no such provisions remain in force at the date of this report.

Auditor

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

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP has been deemed re-appointed under section 487 of the 2006 Act.

Approved by the Board and signed on its behalf by:



Bruce Poon Tip

Director

30 September 2016

Registered office

60 Bastwick Street

London

England

EC1V 3AT

G Adventures Limited

Directors' responsibilities statement

The directors are responsible for preparing the annual 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) including FRS 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 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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.

Independent auditor's report to the members of G Adventures Limited

We have audited the financial statements of G Adventures Limited for the year ended 31 July 2016 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 17. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' 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 annual 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 31 July 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 matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

Independent auditor's report to the members of G Adventures Limited

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 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Directors' Report or from the requirement to prepare a Strategic Report.

Alistair Pritchard FCA

Alistair Pritchard FCA (Senior statutory auditor)

for and on behalf of Deloitte LLP

Chartered Accountants and Statutory Auditor

Nottingham, United Kingdom

30 September 2016

G Adventures Limited

Profit and loss Account For the year ended 31 July 2016

	Note	2016 £	2015 £
Turnover		5,670,337	6,600,127
Operating expenses		(4,418,634)	(4,473,989)
Profit before taxation	3	1,251,703	2,126,138
Tax on profit	5	(334,636)	(381,065)
Profit for the financial year		<u>917,067</u>	<u>1,745,073</u>

All of the activities of the Company derive from continuing operations.

There were no gains or losses to recognise in other comprehensive income other than those included in the above profit and loss account. Therefore, in accordance with the provisions of Section 1A of FRS 102, no separate statement of total comprehensive income is presented.

G Adventures Limited

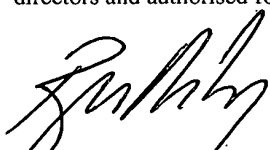
Balance sheet

As at 31 July 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	6	365,965	436,544
Investments	7	17,676	17,676
		<u>383,641</u>	<u>454,220</u>
Current assets			
Debtors	8	3,173,482	2,634,350
Cash at bank and in hand		591,738	3,137
		<u>3,765,220</u>	<u>2,637,487</u>
Creditors: amounts falling due within one year	9	<u>(778,740)</u>	<u>(700,867)</u>
Net current assets		<u>2,986,480</u>	<u>1,936,620</u>
Total assets less current liabilities		<u>3,370,121</u>	<u>2,390,840</u>
Provisions for liabilities	10	<u>(62,214)</u>	<u>-</u>
NET ASSETS		<u><u>3,307,907</u></u>	<u><u>2,390,840</u></u>
Capital and reserves			
Called-up share capital	11	30,000	30,000
Share premium account	11	99	99
Profit and loss account		<u>3,277,808</u>	<u>2,360,741</u>
SHAREHOLDERS' FUNDS	12	<u><u>3,307,907</u></u>	<u><u>2,390,840</u></u>

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

The financial statements of G Adventures Limited (registered number 07848780) were approved by the board of directors and authorised for issue on 30 September 2016. They were signed on its behalf by:



Bruce Poon Tip

Director

G Adventures Limited

Notes to the financial statements

For the year ended 31 July 2016

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding year.

a. General information and basis of accounting

G Adventures Limited is a Company incorporated in the United Kingdom under the Companies Act.

The Company is a private company limited by shares and is registered in England and Wales. The address of the registered office is given on page 1.

The average monthly number of employees (including executive directors) was 63 (2015: 49).

The financial statements have been prepared under the historical cost convention, and in accordance with Section 1A of Financial Reporting Standard 102 (FRS 102) 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council. The Company has also early adopted the July 2015 amendments to the FRS 102.

The Company has also taken exemption, in accordance with the provisions of Section 1A of FRS 102, to not prepare consolidated financial statements, to not present a statement of total comprehensive income, a statement of changes in equity or a statement of cash flows.

There have been no changes to the prior year financial statements on adoption of FRS 102 in the current year. For more information see note 17.

b. Going concern

The directors have considered the current and forecast prospects for the business and despite the uncertain economic environment; the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

c. Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset on a reducing balance basis over its expected useful life, as follows:

Computer equipment	Reducing balance	30%
Telephone equipment	Reducing balance	30%
Furniture & equipment	Reducing balance	20%
Leasehold improvements	Reducing balance	20%

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate. Any gain or loss on disposal of an item of tangible fixed assets (calculated as the difference between net proceeds from the disposal and the carrying amount of the item) is recognised in profit and loss.

d. Fixed asset investments

Investments in subsidiaries are measured at cost less impairment.

e. Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss.

G Adventures Limited

Notes to the financial statements (continued)

For the year ended 31 July 2016

1. Accounting policies (continued)

f. Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: (a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and (b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

g. Turnover

The turnover of the Company is received entirely from G Adventures Inc., a Barbados corporation and a related party of the Company under common control, in line with the agreements in place with G Adventures Inc. The turnover represents costs recharged at a fixed percentage mark-up, costs recharged without mark-up, and commission received at a fixed rate for the provision of services to G Adventures Inc.

h. Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the profit and loss account.

i. Leases

The Company as lessee

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

j. Share capital

Ordinary shares are classified as equity.

G Adventures Limited

Notes to the financial statements (continued)

For the year ended 31 July 2016

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Revenue recognition

The support agreement with G Adventures Inc. results in the Company receiving a fixed percentage mark-up for the provision of support services. The consulting agreement with G Adventures Inc. results in the Company receiving compensation for the provision of consultancy services at cost.

The commission agreement with G Adventures Inc. results in the Company receiving a fixed commission on the net revenue earned from sales to customers, and is recognised from the date of customer departure. A key judgement in recognising commission revenue is to distinguish whether the Company acts in the capacity of principal or agent so to determine the accounting as either gross or net respectively, in line with FRS 102 Section 23 Revenue. The Company exercises judgement to assess principal or agency by considering if it is the prime obligor in all the revenue arrangements, has pricing discretion and is exposed to credit risk, in which case the Company will be principal to the arrangement.

A key judgement in recognising revenue under all these agreements is to assess transfer pricing legislation and OECD Transfer Pricing Guidelines to determine the transactions are conducted using arm's length principle.

3. Profit before taxation

Profit before taxation is stated after charging:

	2016	2015
	£	£
Depreciation (note 6)	88,767	41,764
Operating lease rentals (note 13)	275,982	241,484
Directors' remuneration	145,720	118,942
Auditor's remuneration – audit fees	25,325	13,000

No directors had defined benefit pensions scheme, money purchase pension scheme, share options or loss of office during either the current or prior year. There were no sums paid to third parties in respect of directors' services during either the current or prior year.

G Adventures Limited

Notes to the financial statements (continued)

For the year ended 31 July 2016

4. Staff numbers and costs

The average monthly number of employees (including executive directors) was 63 (2015: 49). Their aggregate remuneration comprised:

	2016	2015
	£	£
Wages and salaries	1,791,794	1,416,668
Social security costs	205,204	175,224
	<u>1,996,998</u>	<u>1,591,892</u>

5. Tax on profit

The tax charge comprises:

	2016	2015
	£	£
Current tax:		
UK corporation tax on profit for the year	264,456	422,497
Adjustments in respect of prior years	7,966	(41,432)
Total current tax	<u>272,422</u>	<u>381,065</u>
Deferred tax:		
Origination and reversal of timing differences	(14,116)	-
Adjustments in respect of prior years	74,213	-
Effect of changes in tax rates	2,117	-
Total deferred tax	<u>62,214</u>	<u>-</u>
Total tax on profit	<u>334,636</u>	<u>381,065</u>

The differences between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax of 20% (2015: 20.67%) to the profit before tax is as follows:

	2016	2015
	£	£
Profit before taxation	<u>1,251,703</u>	<u>2,126,138</u>
Tax on profit at standard UK corporation tax rate of 20% (2015: 20.67%)	250,341	439,473
Effects of:		
- Adjustments to tax charge in respect of prior years	82,179	(41,432)
- Changes in tax rates	2,117	-
- Other	(1)	(16,976)
Total tax charge for the year	<u>334,636</u>	<u>381,065</u>

G Adventures Limited

Notes to the financial statements (continued)

For the year ended 31 July 2016

5. Tax on profit (continued)

Factors that may affect the future tax charge

The Finance (No. 2) Bill 2015, which provides for a reduction in the main rate of corporation tax from 20% to 19% effective from 1 April 2017 and to 18% effective from 1 April 2020, was substantively enacted by the balance sheet date. These rate reductions have been reflected in the calculation of deferred tax.

6. Tangible fixed assets

	Leasehold improvements	Furniture & equipment	Computer equipment	Telephone equipment	Total
	£	£	£	£	£
Cost					
At 1 August 2015	301,123	96,546	66,260	25,583	489,512
Additions	-	-	18,188	-	18,188
At 31 July 2016	<u>301,123</u>	<u>96,546</u>	<u>84,448</u>	<u>25,583</u>	<u>507,700</u>
Depreciation					
At 1 August 2015	21,065	5,951	19,939	6,013	52,968
Charge for the year	51,152	16,547	15,941	5,127	88,767
At 31 July 2016	<u>72,217</u>	<u>22,498</u>	<u>35,880</u>	<u>11,140</u>	<u>141,735</u>
Net book value					
At 31 July 2016	<u>228,906</u>	<u>74,048</u>	<u>48,568</u>	<u>14,443</u>	<u>365,965</u>
At 1 August 2015	<u>280,058</u>	<u>90,595</u>	<u>46,321</u>	<u>19,570</u>	<u>436,544</u>

7. Fixed asset investments

	Subsidiary undertakings	Total
	£	£
As at 31 July 2016 and at 1 August 2015	<u>17,676</u>	<u>17,676</u>

The Company has investments in the following subsidiary undertakings:

	Country of incorporation	Principal activity	Holding %
G Adventures GmbH	Germany	Marketing and promoting travel holiday business	100

G Adventures Limited

Notes to the financial statements (continued)

For the year ended 31 July 2016

7. Fixed asset investments (continued)

On 18 May 2015, the Company acquired 100 per cent of the issued share capital of G Adventures GmbH, a company incorporated in Germany, whose primary activity is marketing and promoting travel holiday business, for consideration comprising the issue of 1 ordinary share for EUR 25,000. The fair value of the total consideration was EUR 25,000 translated into £17,676. Unless otherwise indicated, all ownership interests are in the ordinary share capital of the investee.

The Company is subject to the small companies regime, and has opted to not prepare consolidated financial statements for the year. Consequently, the investments in G Adventures GmbH is measured at cost less impairment. There was no impairment recognised during either current or prior year.

8. Debtors

Amounts falling due within one year:

	2016	2015
	£	£
Prepayments and other debtors	242,329	353,072
VAT	242,990	238,033
Corporation tax	72,003	-
Amounts owed by Group undertakings	2,350,034	1,876,916
	2,907,356	2,468,021

Amounts falling due after more than one year:

	2016	2015
	£	£
Prepayments	266,126	166,329
	266,126	166,329

The amounts owed by Group undertakings are classified as Debtors: Amounts falling due within one year in both years. The prior year balance has been reclassified as short-term consistent with current year balance after assessment of pattern and timing of cash receipts during the year and post year-end, along with any legal or contractual terms with Group undertakings. This change in prior year classification has no effect on current assets, equity or the reported results of operation.

The amounts owed by Group undertakings are unsecured, non-interest bearing and repayable on demand.

9. Creditors: amounts falling due within one year

	2016	2015
	£	£
Trade and other creditors	375,222	50,800
Accruals and deferred income	403,518	437,134
Corporation tax	-	212,933
	778,740	700,867

G Adventures Limited

Notes to the financial statements (continued)

For the year ended 31 July 2016

10. Provisions for liabilities

	Deferred taxation £	Total £
At 1 August 2015	-	-
Charged to profit and loss account	62,214	62,214
At 31 July 2016	62,214	62,214

Deferred tax is provided as follows:

	2016 £	2015 £
Accelerated capital allowances	62,214	-
Provision for deferred tax	62,214	-

The deferred tax liability of £62,214 is due after more than one year.

11. Called-up share capital

		2016 £	2015 £
<i>Number allotted, called-up and fully paid</i>	<i>Nominal Value</i>		
30,000 ordinary shares	£1	30,000	30,000
Share premium account		99	99
		30,099	30,099

The Company has one class of ordinary shares which carry no right to fixed income. The share premium account contains the premium arising on issue of equity shares, net of issue expenses.

12. Reconciliation of movements in shareholders' funds

	2016 £	2015 £
Opening shareholders' funds	2,390,840	645,767
Profit for the financial year	917,067	1,745,073
Closing shareholders' funds	3,307,907	2,390,840

13. Financial commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2016 £	2015 £
- within one year	295,695	295,695
- between one and five years	634,462	930,157
- after five years	-	-
	930,157	1,225,852

The Company leased office space under an operating lease, which commenced on 19 September 2014 and has an initial term of five years, with an option to renew the lease after that date. The Company recognised £275,982 (2015: £241,484) operating lease rentals during the year.

G Adventures Limited

Notes to the financial statements (continued)

For the year ended 31 July 2016

14. Guarantees and off balance-sheet arrangements

The Company has provided bonds totalling £3,070,714 in respect of its ATOL and IATA licences.

On 15 July 2015, the Company has provided a guarantee, along with other foreign related companies, for credit facilities held by two Canadian companies controlled by the common shareholder. The maximum amount of any potential future payments cannot be reasonably estimated. The nature of the collective guarantee agreed to by the Company in conjunction with related foreign companies prevents the Company from making a reasonable estimate of the maximum exposure due to the difficulties in assessing the amount of liability which stems from the unpredictability of future events and the unlimited coverage. The Company has not made any payments under such or similar guarantees and therefore no amount is required to be accrued in the balance sheet with respect to this guarantee.

Additionally, on 15 July 2015, the Company has registered a charge over its leasehold in 60 Bastwick Street office with National Bank of Canada as the Security Agent. The debenture contains both fixed and floating charges, along with negative pledge.

15. Related party transactions

The following transactions were in the normal course of business and are measured at the exchange amount, which is the consideration established and agreed to by the related parties:

	2016	2015
	£	£
G Adventures Inc. (a Barbados corporation) (management revenue)	3,764,145	4,729,500
G Adventures Inc. (a Barbados corporation) (commission revenue)	1,906,192	1,870,627
	<u>5,670,337</u>	<u>6,600,127</u>

At the year end, the following related party amounts were outstanding and included within debtors (see note 8):

	2016	2015
	£	£
G Adventures Inc. (a Barbados corporation)	1,770,621	1,675,815
G Adventures Inc. (a Canadian corporation)	579,413	-
The Expedition Shipping Company Limited (a Barbados corporation)	-	201,101
	<u>2,350,034</u>	<u>1,876,916</u>

The receivables are all unsecured, non-interest bearing and repayable on demand. G Adventures Inc. (a Barbados corporation) and the Expedition Shipping Company Limited (a Barbados corporation) are 100% owned by Altun Group Ltd, the Company's ultimate parent company. G Adventures Inc. (a Canadian company) is 100% owned by a holding company in Canada. All these entities are under common control of Mr Bruce Poon Tip, who is also a Director of the Company. See note 16.

See note 3 for disclosure of the directors' remuneration.

16. Ultimate controlling party

Both immediate and ultimate parent company is Altun Group Ltd, which is a holding company incorporated in Canada. Altun Group Ltd heads the largest Group of which the Company is a member. There are no consolidated financial statements prepared. The financial statements of Altun Group Ltd may be obtained from 19 Charlotte Street, Toronto, Ontario, M5V 2H5, Canada.

The ultimate controlling party is Mr Bruce Poon Tip, who is also a Director of the Company.

G Adventures Limited

Notes to the financial statements (continued)

For the year ended 31 July 2016

17. Explanation of transition to FRS 102

This is the first year that the Company has presented its financial statements under Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The following disclosures are required in the year of transition. The last financial statements under previous UK GAAP were for the year ended 31 July 2015 and the date of transition to FRS 102 was therefore 1 August 2014. The Company has aligned its accounting policies in conformity with the FRS, however as a consequence of adopting FRS 102, there have been no changes to equity, and no changes to any figures reported in the profit or loss account and balance sheet.