York Road Travel Limited

Directors' report and financial statements

Registered number 3388989

For the year ended 31 December 2018

Contents

Director's report

The director presents his director's report and financial statements for the year ended 31 December 2018.

These accounts have been prepared in accordance with the provisions of the small companies' regime as defined in the Companies Act 2006 and accordingly the director has chosen not to present a strategic report.

Results and dividends

The profit for the year after taxation was 2018: £17,888 (*2017: £20,355*). The director recommends the payment of a dividend of £12,000 (*2017: £10,000*).

Financial instruments

Details of the company's financial management objectives and policies are included in note 14 to the financial statements.

Director and director's interests

The director who held office during the year was as follows:

N Kerman

Disclosure of information to the auditor

The director who held office at the date of approval of this director's report confirm that, so far as he 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 to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditors

Pursuant to section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board

Nicholas Kerman
Director

26 June 2019

20 Britten Street
London
EC1M 5UA

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

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 they have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs as adopted by the EU) 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 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 estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

KPMG

KPMG LLP
One Saint Peter's Square
Manchester
M2 3AE
United Kingdom

Independent Auditor's Report to the Members of York Road Travel Limited

Opinion

We have audited the financial statements of York Road Travel Limited ("the company") for the year ended 31 December 2018 which comprise the Statement of comprehensive income, Statement of changes in equity, Statement of financial position, Statement of cash flows, and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union; 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 (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, such as the carrying value of assets and liabilities and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.
Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

Independent Auditor's Report to the Members of York Road Travel Limited *(continued)*

Going concern (continued)

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

Directors' report

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006, we are required 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, take advantage of the small companies exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 2, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report to the Members of York Road Travel Limited *(continued)*

Auditor's responsibilities

Our objectives 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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

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.

Liam Finnigan

Liam Finnigan (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
One Saint Peter's Square
Manchester
M2 3AE

2 July 2019

Statement of comprehensive income
for the year ended 31 December 2018

	Note	2018 £	2017 £
Revenue	2	38,540	46,162
Cost of Sales		(3,187)	(4,015)
Gross profit		35,353	42,147
Other income		34,228	26,712
Administrative expenses	3	(47,086)	(43,727)
Operating profit		22,495	25,132
Finance income	5	41	74
Profit before tax		22,536	25,206
Taxation	6	(4,648)	(4,851)
Profit for the year		17,888	20,355
Total comprehensive income for the year		17,888	20,355

All results are derived from continuing operations.

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

The company has no recognised gains or losses other than the results for the year as set out above.

Statement of changes in equity
for the year ended 31 December 2018

	Share capital	Retained earnings	Total
	£	£	£
At 1 January 2017	50,000	24,291	74,291
Total comprehensive income for the year	-	20,355	20,355
Dividends	-	(10,000)	(10,000)
At 1 January 2018	**50,000**	***34,646***	***84,646***
Total comprehensive income for the year	-	17,888	17,888
Dividends	-	(12,000)	(12,000)
At 31 December 2018	**50,000**	**40,534**	**90,534**

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

Statement of financial position
as at 31 December 2018

	Note	2018 £	2017 £
Non-current assets			
Plant and equipment	*7*	1,158	2,027
Deferred tax assets	*8*	214	176
		1,372	2,203
Current assets			
Trade and other receivables	*9*	61,639	49,269
Cash and cash equivalents	*10*	67,541	74,663
		129,180	123,932
Total assets		130,552	126,135
Current liabilities			
Amounts due to related parties	*12*	10,986	10,986
Trade and other payables	*11*	29,032	30,503
		40,018	41,489
Total liabilities		40,018	41,489
Net assets		90,534	84,646
Equity			
Share capital	*13*	50,000	50,000
Retained earnings		40,534	34,646
Total equity		90,534	84,646

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

These financial statements were approved by the board of directors on and were signed on its behalf by:

Nicholas Kerman
Director

26 June 2019

Statement of cash flows
for the year ended 31 December 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Profit for the year		17,888	20,355
Adjustments for:			
Depreciation	7	869	1,338
Finance income	5	(41)	(74)
Taxation	6	4,648	4,851
		23,364	26,470
(Increase)/decrease in trade and other receivables		(12,370)	353
(Decrease)/increase in trade and other payables		(1,205)	1,914
		9,789	28,737
Tax paid		(4,952)	(7,813)
Net cash generated from operating activities		4,837	20,924
Cash flows from investing activities			
Interest received	5	41	74
Net cash generated from investing activities		41	74
Cash flows from financing activities			
Dividends paid		(12,000)	(10,000)
Net cash used in financing activities		(12,000)	(10,000)
Net increase in cash and cash equivalents		(7,122)	10,998
Cash and cash equivalents at 1 January	10	74,663	63,665
Cash and cash equivalents at 31 December	10	67,541	74,663

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

Notes

(forming part of the financial statements)

1 Accounting policies

York Road Travel Limited (the "company") is a company incorporated and domiciled in the UK. The registered number is 03388989 and the registered address is 4th Floor Clerkswell House 20 Britton Street, London, United Kingdom, EC1M 5UA.

The company financial statements have been prepared and approved by the directors in accordance with International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), and under the historical cost accounting rules.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Going concern

Based on a review of future forecasts and current operational strategies, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. They therefore continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Use of estimates and judgements

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The directors do not consider there to be any significant areas of estimation uncertainty in relation to these financial statement.

Critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements relate to revenue recognition. The directors have made the judgement to recognise revenue in full on the departure date of the tour. This policy also applies to cancellation revenue, which is not recognised until the departure date.

Revenue

Revenue represents commission earned on tours sold.

Plant and equipment

Plant and equipment is stated at cost less accumulated depreciation and impairment losses.

Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of each part of an item of plant and equipment. The estimated useful lives are as follows:

Fixtures and fittings	10% - 25% on cost
IT Hardware	20% on cost

Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

Trade and other receivables

Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Trade and other payables

Trade and other payables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Notes *(continued)*
(forming part of the financial statements)

1 Accounting policies *(continued)*

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Expenses

Operating lease payments

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives received are recognised in the income statement as an integral part of the total lease expense.

Financing income and expenses

Financing expenses comprise interest payable, finance charges on shares classified as liabilities and finance leases, interest receivable on funds invested, dividend income, that are recognised in the income statement.
Interest income and interest payable is recognised in income statement as it accrues, using the effective interest method.

Capital management

The company's objective when managing capital is to safeguard the entity's ability to continue as a going concern.
The company has no external debt as at 31 December 2018 and is not subject to externally imposed capital requirements; management of capital therefore focuses around its ability to generate cash from its operations.

New standards adopted during the year

The Company has adopted the following standards, amendments and interpretations during the year which have not had a significant impact on the Company's results;

IFRS 15 'Revenue from Contracts with Customers'

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaced IAS 18 Revenue, IAS 11 Construction Contracts and related interpretations. Under IFRS 15, revenue is recognised when a customer obtains control of the goods or services. Determining the timing of the transfer of control – at a point in time or over time – requires judgement. The standard introduces a new revenue recognition model that recognised revenue either at a point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognised. It has been determined that no changes are required to our current revenue recognition methods as these are still within material adherence of IFRS 15.

Notes *(continued)*
(forming part of the financial statements)

1 *Accounting policies (continued)*

New standards and interpretations not yet adopted (continued)

The Group has adopted IFRS 15 using the cumulative effect method (without practical expedients), with the effect of initially applying this standard recognised at the date of initial application (i.e. 1 January 2018). Accordingly, and as the policies applied in the prior year were materially appropriate under IFRS 15 the information presented for 2017 has not been restated – i.e. it is presented, as previously reported, under IAS 18, IAS 11 and related interpretations. Additionally, the disclosure requirements in IFRS 15 have not been applied to comparative information.

IFRS 9 'Financial Instruments'

IFRS 9 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. This standard replaces IAS 39 Financial Instruments: Recognition and Measurement. The main financial statement caption effected is receivables. As a result of the adoption of IFRS 9, the new single expected credit loss impairment model is now applied in calculating the provision for credit losses. Changes in accounting policies resulting from the adoption of IFRS 9 have been applied retrospectively.
The Group has adopted IFRS 15 using the cumulative effect method (without practical expedients), with the effect of initially applying this standard recognised at the date of initial application (i.e. 1 January 2018). Accordingly, and as the policies applied in the prior year were materially appropriate under IFRS 15 the information presented for 2017 has not been restated – i.e. it is presented, as previously reported, under IAS 18, IAS 11 and related interpretations. Additionally, the disclosure requirements in IFRS 15 have not been applied to comparative information.

2 Revenue

The turnover and pre-tax result are attributable to commissions earned as a travel agent.

The turnover attributable to the company's main activity arises entirely in the United Kingdom.

3 Expenses and auditor's remuneration

Included in profit/loss are the following:

	2018 £	2017 £
Depreciation	869	1,338

Auditor's remuneration:

	2018 £	2017 £
Audit fee	5,000	2,000
Other services	948	878

4 Staff numbers and costs

A management services company is used by York Road Travel Limited for administration purposes. All staff are the employees of that company and staff costs are included in a management services charge.

No director received any emoluments from the company during the year *(2017:£ nil)*.

Notes *(continued)*
(forming part of the financial statements)

5 Finance income

	2018 £	2017 £
Bank interest receivable	**41**	74

6 Taxation

Recognised in the income statement:

	2018 £	2017 £
Current tax expense		
Current year	**4,608**	4,953
Adjustments in respect of prior periods	**77**	-
Deferred tax expense		
Origination/reversal of timing differences	**(37)**	(102)
Total tax in income statement	**4,648**	4,851

Reconciliation of effective tax rate:

	2018 £	2017 £
Current tax reconciliation		
Profit on ordinary activities before tax	**22,535**	25,206
Effects of:		
Tax using UK corporation tax rate of 19% *(2017: 19.25%)*	**4,282**	4,852
Fixed asset differences	**289**	(1)
Adjustments in respect of prior periods	**77**	-
Total current tax in income statement	**4,648**	4,851

A reduction in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) was substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2018) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2017. This will reduce the company's future current tax charge accordingly. The deferred tax liability at 31 December 2018 has been calculated based on these rates.

Notes *(continued)*
(forming part of the financial statements)

7 Plant and equipment

	Computer Hardware	Fixtures and Fittings	Total
Cost	£	£	£
Balance at 1 January 2017	3,518	2,357	5,875
Balance at 31 December 2017	3,518	2,357	5,875
Balance at 31 December 2018	**3,518**	**2,357**	**5,875**
Depreciation			
Balance at 1 January 2017	1,782	728	2,510
Depreciation for the year	1,102	236	1,338
Balance at 31 December 2017	2,884	964	3,848
Balance at 1 January 2018	2,884	964	3,848
Depreciation for the year	634	235	869
Balance at 31 December 2018	3,518	1,199	4,717
Net Book Value			
At 31 December 2017	634	1,393	2,027
At 31 December 2018	**-**	**1,158**	**1,158**

Notes *(continued)*
(forming part of the financial statements)

8 Deferred tax asset

Recognised deferred tax assets

Deferred tax assets are attributable to the following:

	2018	2017
	£	£
Plant and equipment	214	176

The deferred tax asset account consists of the tax effect and timing differences in respect of excess of taxation allowances over depreciation on plant and equipment.

The movement in the deferred taxation during the year:

	2018	2017
	£	£
At 1 January	176	74
Recognised in income statement	38	102
At 31 December	214	176

9 Trade and other receivables

	2018	2017
	£	£
VAT receivable	1,235	992
Prepayments and accrued income	60,404	48,277
	61,639	49,269

The company's exposure to credit risk and impairment losses related to trade receivables is disclosed in note 14.

10 Cash and cash equivalents

	2018	2017
	£	£
Cash and cash equivalents per balance sheet and cash flow statement	67,541	74,663

The company's exposure to credit and interest rate risk is disclosed in note 14.

Notes *(continued)*
(forming part of the financial statements)

11 Trade and other payables

	2018 £	2017 £
Trade payables	**2,555**	96
Other payables	**7,084**	15,807
Accruals	**14,785**	9,726
Tax payable	**4,608**	4,874
	29,032	30,503

The company's exposure to currency and liquidity risk related to trade and other payables is disclosed in note 14.

12 Amounts due to related parties

	2018 £	2017 £
Bressenden Travel Company Limited	**10,986**	30,503

13 Share capital

	2018 £	2017 £
Authorised		
50,000 Ordinary shares of £1 each	**50,000**	50,000

	2018 No	2018 £	2017 No	2017 £
Allotted, called up and fully paid				
Ordinary shares of £1 each	**50,000**	50,000	50,000	50,000

14 Financial risk management objectives and policies

The company holds or issues financial instruments in order to achieve three main objectives, as follows:

a) to finance its operations;

b) to manage its exposure to interest risk from its operations and from its sources of finance; and

c) for trading purposes.

In addition, various financial instruments (e.g. trade debtors, trade creditors, accruals and prepayments) arise directly from the company's operations.

Transactions in financial instruments result in the company assuming or transferring to another party in one or more of the financial risks described below.

Notes *(continued)*
(forming part of the financial statements)

14 Financial risk management objectives and policies *(continued)*

Credit risk

The company monitors credit risk closely and considers that its current policies of credit checks meet its objectives of managing exposure to credit risk.

Amounts shown in the balance sheet best represent the maximum credit risk exposure in the event of other parties failing to perform their obligations under financial instruments. The maximum exposure at their reporting date was:

	2018	2017
	£	£
Cash and cash equivalents	**67,541**	74,663

Liquidity risk

The company at all times maintains adequate committed credit facilities in order to meet all its commitments as and when they fall due. Trade and other payables are payable within 6 months or less from the year end.

Interest rate risk

The company invests its cash in cash deposit accounts with UK banks. Interest earned, therefore, closely follows movements in Bank of England base rates. A movement of 1 percent in this rate would result in difference in annual pre-tax profit of £675 based on company cash, cash equivalents and financial instruments at 31 December 2018.

Currency risk

The company is not exposed to any foreign exchange risk, as all transactions during the year occurred in Pound Sterling and all balances at the year-end are denominated in Pound Sterling.

Fair value

The directors are of the opinion that the carrying value of financial instruments approximates fair value.

Trade and other receivables are valued at amortised cost. Impairment losses are estimated at year end by reviewing amounts outstanding and assessing the likelihood of recoverability.

15 Commitments and contingent liabilities

Bonds of £25,000 *(2017: £25,000)* given to ABTA by bankers on behalf of the company are secured by a specific counter indemnity given to those bankers by Trafalgar Tours International Limited.

16 Ultimate parent company

The Company's ultimate parent undertaking and controlling party is Bressenden Travel Company Limited, a company incorporated in England and Wales. Copies of the financial statements of Bressenden Travel Company Limited are available to the public from the Registrar of Companies, Companies House, Crown Way, Cardiff, CF14 3UZ.