

CREDIT CARD HOLIDAYS LIMITED
(a company limited by guarantee)

Registered No. 00543108

Annual report and financial statements
For the year ended 28 February 2017



CREDIT CARD HOLIDAYS LIMITED
(a company limited by guarantee)

Annual Report and Financial Statements
For the year ended 28 February 2017

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CREDIT CARD HOLIDAYS LIMITED

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Annual Report and Financial Statements
For the year ended 28 February 2017

COMPANY INFORMATION

Directors	M J Taylor (Chairman) B McAulay P J McLaughlin (Resigned 19 January 2018) T Hopkinson R B Kirton (Appointed 19 January 2018)
Secretary	R B Kirton
Registered Office	Old Mansion House Eamont Bridge Penrith Cumbria CA10 2BX
Company Number	00543108
Independent Auditor	Mazars LLP One St Peter's Square Manchester M2 3DE

CREDIT CARD HOLIDAYS LIMITED

(a company limited by guarantee)

Report of the Directors

For the year ended 28 February 2017

The directors submit their annual report together with the audited financial statements of the Company for the year to 28 February 2017.

Principal Activity

The Company, which does not trade for profit, administers two schemes to provide holidays with pay for operatives employed in the building and engineering services industry. Employers participating in the schemes purchase units thus providing a credit for the operatives' holidays. Welplan Limited, a wholly owned subsidiary undertaking of the Building Engineering Services Association conducts the operations of the holiday schemes on behalf of Credit Card Holidays Limited.

Review of Business and Future Developments

Legislation introduced in 2007 removed, with effect from October 2012, the National Insurance concession for holiday pay paid to employees personally engaged in construction operations. A communication programme by Welplan Limited ensured that all employers participating in the Company's holiday pay scheme were made aware both before and after October 2012 of the removal of the National Insurance concessions. Some employers continue to purchase holiday credits from the Company as a means of budgeting for their holiday pay commitments and it is the opinion of the directors that the Company remains viable.

The Company receives monies from participating employers which comprise elements relating to the purchase of holiday credits and other elements relating to the payment for welfare benefits and also to pension contributions. The elements relating to the provision of welfare benefits and pension contributions fall outside the scope of the Company's operations and are transferred in full to the appropriate scheme funds.

Dividends

The Company did not pay or propose any dividends during the year (2016 - £nil).

Directors

The directors who held office during the year were as follows:-

M J Taylor (Chairman)

B McAulay

P J McLaughlin (Resigned 19/01/2018)

T Hopkinson (Appointed 27/10/2016)

R B Kirton (Appointed 19/01/2018)

Professional Indemnity insurance has been in place, covering all directors, throughout the current and prior year.

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Report of the Directors **For the year ended 28 February 2017**

Statement of Directors' Responsibilities

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" 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 results of the Company for that period. In preparing these financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and accounting estimates that are reasonable and prudent;
- 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 proper 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.

Statement as to Disclosure of Information to Auditor

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

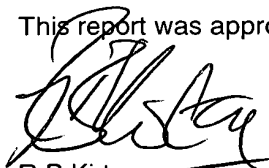
- So far as that director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- That director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor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

Auditors

Mazars LLP have expressed their willingness to continue in office. A resolution to reappoint them in accordance with Section 485 of the Companies Act 2006 will be put to the annual general meeting.

The Directors' Report has been prepared in accordance with the provisions applicable to companies entitled to small companies exemption.

This report was approved by the board on 19 January 2018 and signed on its behalf by:



R B Kirton
Secretary

CREDIT CARD HOLIDAYS LIMITED

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Report of the Independent Auditor

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CREDIT CARD HOLIDAYS LIMITED

We have audited the financial statements of Credit Card Holidays Limited for the year ended 28 February 2017 which comprise the Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows and the related notes. 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) FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Respective Responsibilities of Directors and Auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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. 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.

Scope of the Audit of the Financial Statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at www.frc.org.uk/auditscopeprivate.

Opinion on the Financial Statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 28 February 2017 and of its results 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 has been prepared in accordance with applicable legal requirements.

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Report of the Independent Auditor

Matters on which we are required to report by exception

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

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 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.



Timothy Hudson (Senior statutory auditor)
for and on behalf of Mazars LLP, Chartered Accountants and Statutory Auditor

One St Peters Square
Manchester
M2 3DE

Date: 29 January 2018.

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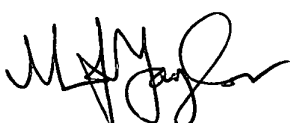
Balance Sheet as at 28 February 2017

Registered No 00543108

The Company did not have any trading transactions in the year or the preceding year and accordingly no Statement of Comprehensive Income has been prepared. The Company made neither a profit nor a loss.

	Note	2017 £	2016 £
Fixed Assets			
Investments	3	71,886	71,886
Current Assets			
Debtors	4	751,435	971,436
Cash at bank and in hand	5	1,113,829	1,125,197
		<u>1,865,264</u>	<u>2,096,633</u>
Creditors			
Amounts falling due within one year	6	(1,937,150)	(2,168,519)
Total assets less current liabilities		<u>(71,886)</u>	<u>(71,886)</u>
Net assets		<u>-</u>	<u>-</u>
Reserves			
Profit and loss account	10	5,470	5,470
Other reserves	11	(5,470)	(5,470)
Shareholders' equity		<u>-</u>	<u>-</u>

The financial statements were approved and authorised for issue by the board and signed on its behalf on 19 January 2018.



M J Taylor
Director

The notes on pages 9 to 15 form part of these financial statements.

CREDIT CARD HOLIDAYS LIMITED
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Statement of Changes in Equity
For the year ended 28 February 2017

	Other Reserves £	Profit and Loss Account £	Total £
At 1 March 2015	5,470	(5,470)	-
Profit for the year	-	-	-
Total comprehensive income	-	-	-
At 29 February 2016	5,470	(5,470)	-
Profit for the year	-	-	-
Total comprehensive income	-	-	-
At 28 February 2017	5,470	(5,470)	-

The notes on pages 9 to 15 form part of these financial statements.

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Statement of Cash Flows
For the year ended 28 February 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Operating profit		-	-
Operating cash flow before movement in working capital		-	-
Decrease in debtors	4	220,001	40,000
Decrease in creditors	6	(231,369)	(241,106)
Net cash outflow from operating activities		(11,368)	(201,106)
Net (decrease) in cash and cash equivalents		(11,368)	(201,106)
Cash and cash equivalents at the beginning of the year		1,125,197	1,326,303
Cash and cash equivalents at the end of the year	5	1,113,829	1,125,197
Cash and cash equivalents consists of:			
Cash at bank and in hand		1,113,829	1,125,197
Cash and cash equivalents		1,113,829	1,125,197

The notes on pages 9 to 15 form part of these financial statements.

CREDIT CARD HOLIDAYS LIMITED

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Notes to the Financial Statements

For the year ended 28 February 2017

1 Accounting Policies

1.1 General Information

Credit Card Holidays Limited ('the Company') is a company limited by guarantee incorporated in the United Kingdom and registered in England and Wales. The address of its registered office and principal place of business is:

Old Mansion House, Eamont Bridge, Penrith, Cumbria, CA10 2BX

The Company, which does not trade for profit, administers two schemes to provide holidays with pay for operatives employed in the building and engineering services industry. Employers participating in the schemes purchase units thus providing a credit for the operatives' holidays. Welplan Limited, a wholly owned subsidiary undertaking of the Building Engineering Services Association, conducts the operations of the holiday schemes on behalf of Credit Card Holidays Limited.

These financial statements have been presented in pound sterling which is the functional currency of the Company.

1.2 Basis of Preparation

These financial statements have been prepared in accordance with FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' ('FRS 102') and applicable legislation as set out in the Companies Act 2006. These financial statements have been prepared under the historical cost convention modified for equity investments held at fair value.

1.3 Basis of Consolidation

The Company is a parent undertaking of a small group and as such is not required by the Companies Act 2006 to prepare group accounts. These financial statements therefore present information about the Company as an individual undertaking and not about its group.

1.4 Going Concern

These financial statements have been prepared on a going concern basis.

The current economic conditions present increased risks for all businesses. In response to such conditions, the directors have carefully considered these risks, including an assessment of uncertainty on future trading projection for a period of at least twelve months from the date of signing the financial statements, and the extent to which they might affect the preparation of the financial statements on a going concern basis.

Based on this assessment, the directors consider that the Company maintains an appropriate level of liquidity, sufficient to meet the demands of the business including any capital and servicing obligations of external debt liabilities.

In addition, the Company's assets are assessed for recoverability on a regular basis, and the directors consider that the Company is not exposed to losses on these assets which would affect their decision to adopt the going concern basis.

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future and that there are no material uncertainties that lead to significant doubt upon the Company's ability to continue as a going concern. Thus the directors have continued to adopt the going concern basis of accounting in preparing these financial statements.

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Notes to the Financial Statements

For the year ended 28 February 2017

1.5 Impairment of Assets

At each reporting date the Company reviews the carrying value of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss.

The recoverable amount of an asset is the higher of fair value less costs to sell and value in use. Value in use is the present value of the future cash flows expected to be derived from the asset, or cash generating unit. The present value calculation involves estimating the future cash inflows and outflows to be derived from continuing use of the asset, and from its ultimate disposal, applying an appropriate discount rate to those future cash flows. Where the recoverable amount of an asset is less than the carrying amount, an impairment loss is recognised immediately in the Income Statement.

1.6 Financial Instruments

The Company recognises financial assets and liabilities when they become party to contractual provisions of the financial instrument. The Company holds only basic financial instruments which comprise cash and cash equivalents, contributions receivable and claims and other payments.

Financial assets – classified as basic financial instruments

- *Cash and cash equivalents:*
Cash and cash equivalents include cash in hand, deposits held with banks and other short term highly liquid investments with original maturities of three months or less.
- *Receivables*
Receivables are initially recognised at the transaction price, including any transaction costs, and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Amounts receivable within one year are measured at the undiscounted amount of the cash expected to be received net of any impairment.

At the end of each reporting period, the Company assesses whether there is objective evidence that any receivable amount may be impaired. A provision for impairment is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised immediately in the Income Statement.

Financial liabilities – classified as basic financial instruments

- *Holiday Scheme Liabilities and Other Payables*
Holiday Scheme Liabilities and other payables are initially measured at the transaction price, including any transaction costs, and subsequently measured at amortised cost using the effective interest method. Amounts that are payable within one year are measured at the undiscounted amount of the cash expected to be paid.

1.7 Investment in Subsidiaries

Investments in subsidiary undertakings are held at a previous GAAP valuation as deemed cost.

1.8 Holiday Scheme Payments

In accordance with the industry's National Agreement, the Company is obliged to meet claims for reimbursement of holiday scheme credits (previously stamps) which are submitted within seven years of the end of the appropriate holiday period. Late claims, i.e. those made outside this timescale, are paid at the discretion of the Directors.

CREDIT CARD HOLIDAYS LIMITED

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Notes to the Financial Statements

For the year ended 28 February 2017

1.9 Critical Accounting Judgements

In applying the Company's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

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.

There are no critical accounting judgements or key sources of estimation uncertainty contained within these financial statements.

2 Directors' Remuneration and Employees

No director received any emoluments during the current year (2016 - £nil).

There are no employees other than the directors (2016 - nil).

3 Investments

Interest in subsidiary undertakings:

	2017 £	2016 £
Share in subsidiary undertaking	71,886	71,886

The investment represents 12 "A" shares of £1 each in Welfare Holdings (H&V) Limited, a company registered in England, and represents the whole of the equity voting rights in that company.

Welfare Holdings (H&V) Limited holds investments and derives its income from the investment of funds generated by the holiday scheme operated by Credit Card Holidays Limited.

During the year ended 28 February 1986 these shares were revalued by the directors to £71,886 from their historic cost of £12.

Welfare Holdings (H&V) Limited financial statements for the year ended 28/29 February are summarised below:

	2017 £	2016 £
Profit for the year	7,114	14,755
Aggregate value of share capital and reserves	34,478	27,364

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Notes to the Financial Statements
For the year ended 28 February 2017

4 Debtors

	2017	2016
	£	£
Amounts owed by subsidiary undertakings	751,435	971,436
	<u>751,435</u>	<u>971,436</u>

All amounts shown under debtors fall due for payment within one year.

5 Cash at bank and in hand

	2017	2016
	£	£
Cash at bank and in hand	1,113,829	1,125,197
	<u>1,113,829</u>	<u>1,125,197</u>

6 Creditors

	2017	2016
	£	£
Amounts owed to related undertakings (note 12)	409,229	442,201
Holiday scheme liability (note 7)	1,527,831	1,726,228
Other creditors including taxation	90	90
	<u>1,937,150</u>	<u>2,168,519</u>

All amounts shown under creditors fall due for payment within one year.

7 Holiday Scheme Liability

	2017	2016
	£	£
At 1 March	1,726,228	1,931,523
Credits received in the year	5,133,436	6,032,561
Payments made in the year	(5,306,719)	(6,204,382)
	<u>1,552,945</u>	<u>1,759,702</u>
Transfer out of balances more than seven years old	(25,114)	(33,474)
	<u>1,527,831</u>	<u>1,726,228</u>
At 28 / 29 February		

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Notes to the Financial Statements

For the year ended 28 February 2017

8 Financial instruments

Financial assets that are debt instruments measured at amortised costs:

	2017 £	2016 £
Amounts owed by subsidiary undertakings	751,435	971,436
	<u>751,435</u>	<u>971,436</u>

Financial liabilities that are debt instruments measured at amortised costs:

	2017 £	2016 £
Amounts owed to related undertakings	409,229	442,201
Holiday scheme liability	1,527,831	1,726,228
Other creditors including taxation	90	90
	<u>1,937,150</u>	<u>2,168,519</u>

9 Liability of Members

The liability of members, of whom there are a maximum of 12, is limited by the Company's Memorandum of Association to a sum not to exceed £1 per member on liquidation.

10 Reserves

Profit and loss account

This reserve represents the cumulative profits and losses.

11 Other Reserve

Other reserves are non-distributable reserves.

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Notes to the Financial Statements

For the year ended 28 February 2017

12 Related Party Transactions

The directors consider there to be three classes of related parties as follows:

- a) The controlling members of Credit Card Holidays Limited, Unite the Union and the Building Engineering Services Association (including its subsidiary companies) are considered to be related parties for the purposes of FRS102, section 33. A summary of the aggregate transactions which have been undertaken by Credit Card Holidays Limited with these related parties is as follows:

	2017 £	2016 £
Amount collected on behalf of the company by controlling members	878,181	847,005
Amounts included within creditors due within one year	58,655	33,553

- b) The welfare schemes listed below are considered to be related parties for the purposes of FRS102, section 33, by virtue of Welplan Limited, a wholly owned subsidiary undertaking of the Building Engineering Services Association administering these schemes as Trustee. The schemes are as follows:

- The Welfare Schemes administered, and which Welplan acts as Trustee for, are as follows:
 - Welplan Sickness and Accident Scheme
 - Welplan Death Benefit Scheme
 - Welplan Pensions
 - TICI Sickness and Accident Scheme
 - TICI Death Benefit Scheme
 - ECI Sickness and Accident Scheme
 - ECI Death Benefit Scheme

A summary of the aggregate transactions which have been undertaken by Credit Card Holidays Limited with the Welfare Schemes is as follows:

	2017 £	2016 £
Amount collected on behalf of the company by related Schemes	1,789,895	2,147,336
Amounts included within creditors due within one year	350,574	408,648

- c) Welfare Holdings (H&V) Limited, the subsidiary undertaking of Credit Card Holidays Limited, is considered to be a related party for the purposes of FRS102, section 33. Auditor's remuneration for the year of £900 (2016 - £1,200) are borne by Welfare Holdings (H&V) Limited. A summary of the aggregate transactions which have been undertaken by Credit Card Holidays Limited with Welfare Holdings (H&V) Limited are as follows:

	2017 £	2016 £
Investment in subsidiary undertaking	71,886	71,886
Amounts included within debtors due within one year	751,435	971,436

Key management personnel are considered to be the directors only. Refer to note 2 for remuneration paid in the year. There were no other transactions with key management personnel in the year ended 28 February 2017.

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Notes to the Financial Statements **For the year ended 28 February 2017**

13 Ultimate Parent Undertaking

The Company is 50% controlled by the Building Engineering Services Association and 50% controlled by Unite the Union. Each of these entities has the power to appoint 50% of the membership of the board.

The Annual Return for the Building Engineering Services Association and group can be obtained from the Certification Office, 22nd Floor, Euston Tower, 286 Euston Road, London, NW1 3JJ.

The financial statements for Unite the Union can be obtained from Unite House, 128 Theobalds Road, Holborn, London, WC1X 8TN.