

Registered number: 1693250

CO HOUSE COPY

Holiday Extras Limited

Directors' report and financial statements

for the year ended 31 March 2011

THURSDAY



A00Q4CMJ

A61

22/12/2011

#86

COMPANIES HOUSE

Holiday Extras Limited

Company Information

Directors

S D Lawrence
M G Pack
C M Beare
H Dove
S P Hagger
M N Paxton
N H Peiris

Company secretary

C M Beare

Company number

1693250

Registered office

Ashford Road
Newingreen
Hythe
Kent
CT21 4JF

Auditors

Reeves & Co LLP
Statutory Auditor & Chartered Accountants
37 St Margaret's Street
Canterbury
Kent
CT1 2TU

Bankers

Barclays Bank Plc
66 High Street
Ashford
Kent
TN24 8TL

Holiday Extras Limited

Contents

	Page
Directors' report	1 - 4
Independent auditors' report	5 - 6
Profit and loss account	7
Balance sheet	8
Notes to the financial statements	9 - 19

Holiday Extras Limited

Directors' report for the year ended 31 March 2011

The directors present their report and the financial statements for the year ended 31 March 2011

Directors' responsibilities statement

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 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 judgments and 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 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.

Principal activities

The company's principal activities continue to be that of the selling and marketing of travel-related services that are required in addition to a holiday or flight and UK short break leisure packages and have expanded to also sell German short break leisure packages.

Business review

The business has grown in a declining market. The company continues to extend its web distribution service in terms of target markets and product offerings. In the current year the travel industry suffered widespread disruption due to the volcanic ash from Iceland. Whilst this resulted in certain logistical difficulties the overall financial impact on the company has been minimal.

The board considers that financial resources available to the company are adequate to meet its operational needs for the foreseeable future. Consequently the going concern basis has been adopted in preparing these financial statements.

Results and dividends

The profit for the year, after taxation, amounted to £6,446,000 (2010 - £2,422,000).

During the year, the company has paid dividends totalling £3,000,000 (2010 - £NIL).

The profit for the year, after taxation and dividends, amounted to £3,446,000 (2010 - £2,422,000).

Holiday Extras Limited

Directors' report for the year ended 31 March 2011

Directors

The directors who served during the year were

S D Lawrence
M G Pack
C M Beare
H Dove
S P Hagger
M N Paxton
N H Peiris

Political and charitable contributions

The company's charitable donations during the year amounted to £8,000 (2010 £7,000) There were no political donations made during the year

Events since the end of the year

As a result of a group reconstruction, which took place on 26 May 2011, the company's ultimate parent company became Holiday Extras Investments Limited

Financial instruments

The company finances its operations through various financial instruments comprising bank balances, trade debtors and trade creditors

Due to the nature of the financial instruments used by the company during the year there is no exposure to price risk

The company's approach to managing other risks applicable to the financial instruments concerned is shown below

The company ensures its liquidity is maintained by entering into short term financial instruments to support operational and other funding requirements The company's liquidity management process includes projecting cashflows and considering the level of liquid assets Liquid assets surplus to immediate operating requirements of the company are generally invested in money market facilities

Trade debtors are managed in respect of credit and cashflow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due

Holiday Extras Limited

Directors' report for the year ended 31 March 2011

Employee involvement

The company prides itself on recognising the value of its people and invests in training and development, the working environment and a fun culture to ensure that staff remain skilled, motivated and engaged

Employees of the company are involved in generating the company's value statement, which underpin its culture, performance management and rewards

A reflection of the above is a place in The Sunday Times "Top 100 Companies to Work For" for the last 6 years. In addition, the company has been accredited by Investors in People

The company communicates and consults with all employees via regular business briefings, staff forum and its Intranet

At the year end, 328 full-time and part-time staff were employed by the company, generating an average turnover of £436,000 each

Employment policies

The company's employment policies have been designed to guarantee that everyone is treated in a fair and consistent manner. They have been developed to ensure that everyone is aware of what is expected of him or her and what the employer offers in return

The company is an equal opportunities employer and is committed to achieving and maintaining a workforce which is representative of the local community in terms of race, colour, nationality, sex, age, sexual orientation, marital status and disability

In the event of existing staff members becoming disabled, every effort is made to enable them to maintain their present position or to provide appropriate training and employ them in suitable work within another department

Environmental Reporting

The company takes seriously its responsibility to the environment, and is committed to minimising its' impact on the environment

This is apparent in the construction of the company's headquarters. Built on a brown-field site, the offices have been constructed with water recycling systems and high-efficiency plant in order to minimise the long-term environmental impact of the building. A tree planting programme has helped enhance the buildings visual impact

However, the directors judge that the provision of detailed information on such matters is not necessary in order to gain an understanding of the business, so no detailed disclosures regarding environmental performance have been provided

Provision 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 that director is aware, there is no relevant audit information of which the company's auditors are 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 information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information

Holiday Extras Limited

**Directors' report
for the year ended 31 March 2011**

Auditors

Under section 487(2) of the Companies Act 2006, Reeves & Co LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier

This report was approved by the board on 23 September 2011 and signed on its behalf

A handwritten signature in black ink, appearing to read 'C M Beare', written in a cursive style.

C M Beare
Director

Holiday Extras Limited

Independent auditors' report to the shareholders of Holiday Extras Limited

We have audited the financial statements of Holiday Extras Limited for the year ended 31 March 2011, set out on pages 7 to 19. 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).

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 Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

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 Directors' report to identify material inconsistencies with the audited financial statements. 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 March 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Holiday Extras Limited

Independent auditors' report to the shareholders of Holiday Extras 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

Reeves & Co LLP

Peter Manser FCA DChA (Senior statutory auditor)

for and on behalf of
Reeves & Co LLP

Statutory Auditor
Chartered Accountants

Canterbury

26 September 2011

Holiday Extras Limited

Profit and loss account for the year ended 31 March 2011

	Note	2011 £000	2010 £000
Turnover	2	142,952	124,112
Cost of sales		(124,640)	(106,956)
Gross profit		18,312	17,156
Administrative expenses		(18,657)	(17,448)
Other operating income	3	1,568	1,996
Operating profit	4	1,223	1,704
Exceptional items			
Other exceptional items	9	(691)	-
Profit on ordinary activities before interest		532	1,704
Income from other fixed asset investments		5,000	-
Interest receivable and similar income	8	1,441	1,129
Interest payable and similar charges		(2)	(3)
Profit on ordinary activities before taxation		6,971	2,830
Tax on profit on ordinary activities	10	(525)	(408)
Profit for the financial year	20	6,446	2,422

All amounts relate to continuing operations

There were no recognised gains and losses for 2011 or 2010 other than those included in the Profit and loss account

The notes on pages 9 to 19 form part of these financial statements

Holiday Extras Limited
Registered number: 1693250

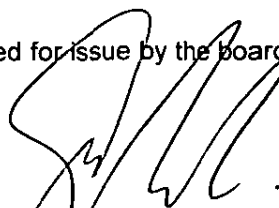
Balance sheet
as at 31 March 2011

	Note	£000	2011 £000	£000	2010 £000
Fixed assets					
Intangible assets	11		1,308		1,962
Tangible assets	12		8,877		9,072
Investments	13		5,284		-
			<u>15,469</u>		<u>11,034</u>
Current assets					
Debtors	15	30,004		22,291	
Cash at bank		16,134		13,541	
		<u>46,138</u>		<u>35,832</u>	
Creditors amounts falling due within one year	16	(29,250)		(22,328)	
Net current assets			<u>16,888</u>		<u>13,504</u>
Total assets less current liabilities			<u>32,357</u>		<u>24,538</u>
Provisions for liabilities					
Deferred tax	17		(276)		(347)
Accruals and deferred income	18		(22,717)		(18,273)
Net assets			<u>9,364</u>		<u>5,918</u>
Capital and reserves					
Called up share capital	19		20		20
Other reserves	20		(67)		(67)
Profit and loss account	20		9,411		5,965
Shareholders' funds	21		<u>9,364</u>		<u>5,918</u>

The financial statements were approved and authorised for issue by the board, and were signed on its behalf on 23 September 2011



C M Beare
Director



M G Pack
Director

The notes on pages 9 to 19 form part of these financial statements

**Notes to the financial statements
for the year ended 31 March 2011**

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.2 Going Concern

After making enquiries, the directors have a reasonable expectation that the company will have adequate resources together with the continued support of companies under common control to continue in operational existence for the foreseeable future. On this basis, the directors consider it appropriate to prepare the financial statements on a going concern basis.

1.3 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

1.4 Recognition of income

Turnover represents revenue due from normal activities of the business to the extent that the seller obtains a right to consideration in exchange for its performance of those activities.

The revenue recognised is measured by reference to the amounts likely to be chargeable to customers, less a suitable allowance to recognise the uncertainties remaining in the completion of the obligations. Contingent income is recognised only when the contingent element is assured.

Income is recognised as follows:

- (a) Sale of hotel accommodation, airport parking and other travel related products

Credit is taken to the profit and loss account for stay dates commencing during the accounting period.

- (b) Travel insurance

Credit is taken to the profit and loss account for the commission arising on insurance policies returned to the company during the accounting period.

1.5 Gross profit on trading activities

- (a) Value added tax

VAT on trading activities is accounted for under the Tour Operators' Margin Scheme. VAT payable under the scheme is included in cost of sales.

- (b) Commissions due to agents

Commissions payable to agents on business executed in the year are included in cost of sales.

Turnover is therefore shown gross without deduction for relevant commissions.

**Notes to the financial statements
for the year ended 31 March 2011**

1. Accounting policies (continued)

1.6 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the Profit and loss account over its estimated economic life of 5 years.

1.7 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold buildings	-	2% straight line
Motor vehicles	-	25% reducing balance
Fixtures, fittings and equipment	-	25% reducing balance
Computer software	-	25% reducing balance
Computer hardware	-	25% straight line

1.8 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

1.9 Operating leases

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.10 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.11 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and loss account.

Holiday Extras Limited

Notes to the financial statements for the year ended 31 March 2011

1. Accounting policies (continued)

1.12 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Profit and loss account over the expected useful lives of the assets concerned. Other grants are credited to the Profit and loss account as the related expenditure is incurred.

1.13 Pensions

Pension costs charged to the profit and loss account represent the amount of contributions payable to the group personal pension scheme in respect of the accounting period.

1.14 Treatment of income from fixed asset investments

Income from fixed asset investments relates to dividends from subsidiary companies and is recognised when paid.

2. Turnover

The whole of the turnover is attributable to the company's principal activity being the selling and marketing of travel-related services that are required in addition to a holiday or flight and UK short break leisure packages.

4.4% of the company's turnover (2010 - 0.1%) is attributable to geographical markets outside the United Kingdom.

3. Other operating income

	2011 £000	2010 £000
Management fees	1,260	1,552
Government grants credited to income	4	4
Other income	283	366
Other commissions receivable	21	74
	<u>1,568</u>	<u>1,996</u>

Holiday Extras Limited

Notes to the financial statements for the year ended 31 March 2011

4 Operating profit

The operating profit is stated after charging/(crediting)

	2011 £000	2010 £000
Amortisation - intangible fixed assets	654	654
Depreciation of tangible fixed assets		
- owned by the company	1,089	1,022
Operating lease rentals		
- plant and machinery	20	27
- other operating leases	40	15
Difference on foreign exchange	(11)	-
Government grants credited to income	(4)	(4)
	<u> </u>	<u> </u>

During the year, no director received any emoluments (2010 - £NIL)

5. Auditors' remuneration

	2011 £000	2010 £000
Fees payable to the company's auditor for the audit of the company's annual accounts	42	40
Fees payable to the company's auditor and its associates in respect of		
Other services relating to taxation	8	7
All other services	11	35
	<u> </u>	<u> </u>

6. Staff costs

Staff costs were as follows

	2011 £000	2010 £000
Wages and salaries	7,558	6,544
Social security costs	761	689
Other pension costs	113	77
	<u> </u>	<u> </u>
	8,432	7,310
	<u> </u>	<u> </u>

The average monthly number of employees, including the directors, during the year was as follows

	2011 No.	2010 No
Office administration and sales	328	338
	<u> </u>	<u> </u>

Holiday Extras Limited

Notes to the financial statements for the year ended 31 March 2011

7. Directors' remuneration

Directors' remuneration and pension contributions were made via the ultimate holding company Holiday Extras Holdings Limited. A similar level of costs were borne by this company by way of a management charge.

8. Interest receivable

	2011 £000	2010 £000
Interest receivable from group companies	1,432	1,125
Other interest receivable	9	4
	<u>1,441</u>	<u>1,129</u>

9. Exceptional items

	2011 £000	2010 £000
Cost of restructuring	691	-

During the year, the company undertook a restructuring process to align the skills of the team for growth in an e-commerce business. The implementation cost above represents the redundancy costs together with the associated legal and human resources support costs.

10. Taxation

	2011 £000	2010 £000
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	596	463
Deferred tax		
Origination and reversal of timing differences	(51)	(55)
Effect of decreased tax rate on opening liability	(20)	-
Total deferred tax (see note 17)	<u>(71)</u>	<u>(55)</u>
Tax on profit on ordinary activities	<u>525</u>	<u>408</u>

Holiday Extras Limited

Notes to the financial statements for the year ended 31 March 2011

10. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2010 - lower than) the standard rate of corporation tax in the UK of 28% (2010 - 28%)

	2011 £000	2010 £000
Profit on ordinary activities before tax	<u>6,971</u>	<u>2,830</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2010 - 28%)	1,952	792
Effects of:		
Expenses not deductible for tax purposes	203	183
Capital allowances for year in excess of depreciation	44	32
Effect of group relief	(203)	(544)
Dividends from UK companies	(1,400)	-
Current tax charge for the year (see note above)	<u>596</u>	<u>463</u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges

11. Intangible fixed assets

	Goodwill £000
Cost	
At 1 April 2010 and 31 March 2011	<u>3,488</u>
Amortisation	
At 1 April 2010	1,526
Charge for the year	654
At 31 March 2011	<u>2,180</u>
Net book value	
At 31 March 2011	<u>1,308</u>
At 31 March 2010	<u>1,962</u>

Holiday Extras Limited

Notes to the financial statements for the year ended 31 March 2011

12. Tangible fixed assets

	Freehold property £000	Motor vehicles £000	Fixtures & fittings £000	Total £000
Cost				
At 1 April 2010	7,087	484	7,835	15,406
Additions	15	30	932	977
Disposals	(1)	(162)	(36)	(199)
At 31 March 2011	<u>7,101</u>	<u>352</u>	<u>8,731</u>	<u>16,184</u>
Depreciation				
At 1 April 2010	833	199	5,302	6,334
Charge for the year	127	67	895	1,089
On disposals	-	(88)	(28)	(116)
At 31 March 2011	<u>960</u>	<u>178</u>	<u>6,169</u>	<u>7,307</u>
Net book value				
At 31 March 2011	<u>6,141</u>	<u>174</u>	<u>2,562</u>	<u>8,877</u>
At 31 March 2010	<u>6,254</u>	<u>285</u>	<u>2,533</u>	<u>9,072</u>

Included in freehold land and buildings is an amount of £482,000 (2010 £482,000) attributable to land on which no depreciation has been charged

13 Fixed asset investments

	Investments in subsidiary company £000
Cost	
At 1 April 2010	-
Transfers intra group	5,284
At 31 March 2011	<u>5,284</u>

Further details of subsidiary companies can be found at Note 14 below

14. Principal subsidiaries

Company name	Country	Percentage Shareholding	Description
BCP Limited	England	100%	Travel related services

Holiday Extras Limited

Notes to the financial statements for the year ended 31 March 2011

15. Debtors

	2011	2010
	£000	£000
Due after more than one year		
Amounts owed by group undertakings	17,579	3,920
Due within one year		
Trade debtors	1,310	906
Amounts owed by group undertakings	9,500	15,699
Other debtors	27	7
Prepayments and accrued income	1,588	1,759
	30,004	22,291

16. Creditors: Amounts falling due within one year

	2011	2010
	£000	£000
Trade creditors	14,902	14,635
Amounts owed to group undertakings	12,338	6,127
Corporation tax	59	205
Social security and other taxes	775	340
Other creditors	204	1
Accruals and deferred income	972	1,020
	29,250	22,328

During the year, the company's bankers have secured a deed of charge over the company's bank balances

17. Deferred taxation

	2011	2010
	£000	£000
At beginning of year	347	402
Released during year	(71)	(55)
At end of year	276	347

The provision for deferred taxation is made up as follows

	2011	2010
	£000	£000
Accelerated capital allowances	276	347

Holiday Extras Limited

Notes to the financial statements for the year ended 31 March 2011

18. Accruals and deferred income

	2011 £000	2010 £000
Deferred income	22,553	18,105
Government grants received	164	168
	<u>22,717</u>	<u>18,273</u>

Deferred income comprises cash received in respect of bookings where the stay date falls after the balance sheet date

19. Share capital

	2011 £000	2010 £000
Allotted, called up and fully paid		
20,000 Ordinary shares of £1 each	<u>20</u>	<u>20</u>

20. Reserves

	Other reserves £000	Profit and loss account £000
At 1 April 2010	(67)	5,965
Profit for the year		6,446
Dividends		(3,000)
Equity capital		
At 31 March 2011	<u>(67)</u>	<u>9,411</u>

21 Reconciliation of movement in shareholders' funds

	2011 £000	2010 £000
Opening shareholders' funds	5,918	3,496
Profit for the year	6,446	2,422
Dividends (Note 22)	(3,000)	-
Closing shareholders' funds	<u>9,364</u>	<u>5,918</u>

22. Dividends

	2011 £000	2010 £000
Dividends paid on equity capital	<u>3,000</u>	<u>-</u>

Holiday Extras Limited

Notes to the financial statements for the year ended 31 March 2011

23. Pension commitments

The company makes payment into a group personal pension plan available to all employees. The assets of the scheme are held separately from those of the company in independently administered funds. The pension cost included in the financial statements in respect of this scheme is £113,000 (2010 £77,000).

There were £5,000 of unpaid contributions at 31 March 2011 (2010 £NIL).

24. Operating lease commitments

At 31 March 2011 the company had annual commitments under non-cancellable operating leases as follows:

	2011 £000	2010 £000
Expiry date:		
Between 2 and 5 years	<u>22</u>	<u>15</u>

In addition to the above, the company has a joint tenancy with its fellow subsidiary Airparks Services Limited, in leasehold property. All costs relating to this leasehold property are borne by Airparks Services Limited, which occupies the property for its sole use in its trade.

25. Contingent liabilities

i) The company has provided guarantees, secured by debentures in favour of Clydesdale Bank Plc to support the borrowings of the ultimate holding company of the group in which this company is a member.

At 31 March 2011 the total exposure amounted to £9,731,000 (2010 £14,057,000).

ii) To facilitate repayment of the loan notes issued by HX Properties Limited, a company under common control, the company has a joint and several intra company loan agreement with other companies under common control.

At 31 March 2011, the total loan notes outstanding amounted to £19,063,277 (2010 £19,063,277). Subsequent to the year end, the loan notes were re-negotiated and as a result of this have no fixed repayment date.

26. Post balance sheet events

As a result of a group reconstruction, which took place on 26 May 2011, the company's ultimate parent company became Holiday Extras Investments Limited.

On 27 July 2011, intercompany debt amounting to £9,500,000 owed to the company by Holiday Extras Holdings Limited was forgiven.

**Notes to the financial statements
for the year ended 31 March 2011**

27. Ultimate parent undertaking and controlling party

The company has taken advantage of the exemption from disclosing related party transactions with its fellow group members provided by paragraph 3c of FRS 8 as it is a wholly owned subsidiary undertaking

The company was a wholly owned subsidiary of ABC Holdings Limited, a company incorporated in England and Wales

The ultimate parent undertaking was Holiday Extras Holdings Limited, a company incorporated in England and Wales

In the opinion of the directors there is no controlling party