

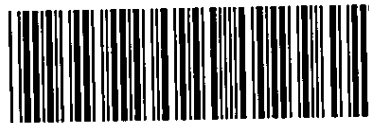
Registered number: 01693250

Holiday Extras Limited

Directors' report and financial statements

for the year ended 31 March 2012

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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	01693250
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

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Holiday Extras Limited

Directors' report for the year ended 31 March 2012

The directors present their report and the financial statements for the year ended 31 March 2012

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 continues to grow in the difficult economic climate, reporting strong revenue growth whilst maintaining steady margins. The business is extending its web distribution service in terms of target markets and product offerings and is well set-up to support changing customer behaviours including increased usage of mobile devices.

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 loss for the year, after taxation, amounted to £5,335,000 (2011 - profit £6,446,000)

During the year, the company has paid dividends totalling £750,000 (2011 £3,000,000)

The loss for the year, after taxation and dividends, amounted to £6,085,000 (2011 profit £3,446,000)

During the year, the company incurred an exceptional charge which relates to the forgiveness of £9,500,000 of the inter-group loan which was owed by Holiday Extras Holdings Limited, a company under common control. The loan arose as a result of past commercial transactions.

Holiday Extras Limited

Directors' report for the year ended 31 March 2012

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 Peris

Political and charitable contributions

The company's charitable donations during the year amounted to £23,000 (2011 £8,000) There were no political donations made during the year

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 2012

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 7 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, 333 full-time and part-time staff were employed by the company, generating an average turnover of £494,000 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 2012**

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 21 September 2012 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 2012, set out on pages 7 to 21. 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 2012 and of its loss 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

21 September 2012

Holiday Extras Limited

Profit and loss account for the year ended 31 March 2012

	Note	2012 £000	2011 £000
Turnover	2	164,687	142,952
Cost of sales		<u>(143,331)</u>	<u>(124,640)</u>
Gross profit		21,356	18,312
Administrative expenses		(20,120)	(18,657)
Other operating income	3	<u>1,433</u>	<u>1,568</u>
Operating profit	4	2,669	1,223
Exceptional items			
Other exceptional items	10	<u>(9,500)</u>	<u>(691)</u>
(Loss)/profit on ordinary activities before interest		(6,831)	532
Income from other fixed asset investments		2,000	5,000
Interest receivable and similar income	8	949	1,441
Interest payable and similar charges	9	<u>(81)</u>	<u>(2)</u>
(Loss)/profit on ordinary activities before taxation		(3,963)	6,971
Tax on (loss)/profit on ordinary activities	11	<u>(1,372)</u>	<u>(525)</u>
(Loss)/profit for the financial year	22	<u>(5,335)</u>	<u>6,446</u>

All amounts relate to continuing operations

There were no recognised gains and losses for 2012 or 2011 other than those included in the Profit and loss account

The notes on pages 9 to 21 form part of these financial statements

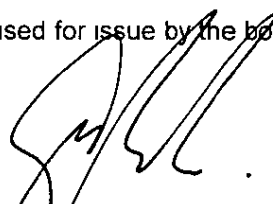
Holiday Extras Limited
Registered number: 01693250

Balance sheet
as at 31 March 2012

	Note	£000	2012 £000	£000	2011 £000
Fixed assets					
Intangible assets	12		654		1,308
Tangible assets	13		8,881		8,877
Investments	14		5,284		5,284
			<u>14,819</u>		<u>15,469</u>
Current assets					
Debtors amounts falling due after more than one year	16	25,661		17,579	
Debtors amounts falling due within one year	16	2,325		12,425	
Cash at bank		19,300		16,134	
		<u>47,286</u>		<u>46,138</u>	
Creditors: amounts falling due within one year	17	(32,161)		(29,250)	
Net current assets			<u>15,125</u>		<u>16,888</u>
Total assets less current liabilities			<u>29,944</u>		<u>32,357</u>
Creditors: amounts falling due after more than one year	18		(66)		-
Provisions for liabilities					
Deferred tax	19		(250)		(276)
Accruals and deferred income	20		(26,349)		(22,717)
Net assets			<u>3,279</u>		<u>9,364</u>
Capital and reserves					
Called up share capital	21		20		20
Other reserves	22		(67)		(67)
Profit and loss account	22		3,326		9,411
Shareholders' funds	23		<u>3,279</u>		<u>9,364</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 21 September 2012


C M Beare
 Director


M G Pack
 Director

The notes on pages 9 to 21 form part of these financial statements

**Notes to the financial statements
for the year ended 31 March 2012**

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 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 2012**

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.

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 2012

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.

5.4% of the company's turnover (2011 - 4.4%) is attributable to geographical markets outside the United Kingdom.

3. Other operating income

	2012 £000	2011 £000
Management fees	1,239	1,260
Government grants credited to income	4	4
Other income	181	283
Other commissions receivable	9	21
	<u>1,433</u>	<u>1,568</u>

4. Operating profit

The operating profit is stated after charging/(crediting)

	2012 £000	2011 £000
Amortisation - intangible fixed assets	654	654
Depreciation of tangible fixed assets		
- owned by the company	1,142	1,089
Operating lease rentals		
- plant and machinery	22	20
- other operating leases	40	40
Difference on foreign exchange	(4)	(11)
Government grants credited to income	(4)	(4)
	<u></u>	<u></u>

Holiday Extras Limited

Notes to the financial statements for the year ended 31 March 2012

5 Auditors' remuneration

	2012 £000	2011 £000
Fees payable to the company's auditor for the audit of the company's annual accounts	43	42
Fees payable to the company's auditor and its associates in respect of		
Other services relating to taxation	8	8
All other services	-	11
	<u>43</u>	<u>61</u>

6 Staff costs

Staff costs, including directors' remuneration, were as follows

	2012 £000	2011 £000
Wages and salaries	8,387	7,558
Social security costs	832	761
Other pension costs	139	113
	<u>9,358</u>	<u>8,432</u>

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

	2012 No.	2011 No.
Office administration and sales	333	328
	<u>333</u>	<u>328</u>

Holiday Extras Limited

Notes to the financial statements for the year ended 31 March 2012

7 Directors' remuneration

	2012 £000	2011 £000
Emoluments	776	-
Company pension contributions to defined contribution pension schemes	35	-

During the year retirement benefits were accruing to 4 directors (2011 - NIL) in respect of defined contribution pension schemes

The highest paid director received remuneration of £265,000 (2011 - £NIL)

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £8,000 (2011 - £NIL)

A number of the company's directors remuneration and pension contributions were made via the previous ultimate holding company Holiday Extras Holdings Limited, up until the group reorganisation, and subsequent to this date a similar arrangement has ensued with the company's new holding company, Holiday Extras Investments Limited. A similar level of costs are borne by this company by way of a management charge

8. Interest receivable

	2012 £000	2011 £000
Interest receivable from group companies	258	1,432
Other interest receivable	691	9
	949	1,441

9 Interest payable

	2012 £000	2011 £000
On bank loans and overdrafts	18	-
On other loans	-	2
On loans from group undertakings	64	-
Other interest payable	(1)	-
	81	2

Holiday Extras Limited

Notes to the financial statements for the year ended 31 March 2012

10 Exceptional items

	2012 £000	2011 £000
Cost of restructuring	-	691
Inter-group loan forgiven	9,500	-
	<u>9,500</u>	<u>691</u>

During the year, the company has forgiven £9,500,000 of the inter-group loan which was owed by Holiday Extras Holdings Limited as a result of past commercial arrangements

In the prior 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

11. Taxation

	2012 £000	2011 £000
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on (loss)/profit for the year	1,398	596
Deferred tax		
Origination and reversal of timing differences	(5)	(51)
Effect of decreased tax rate on opening liability	(21)	(20)
Total deferred tax (see note 19)	<u>(26)</u>	<u>(71)</u>
Tax on (loss)/profit on ordinary activities	<u>1,372</u>	<u>525</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2011 - lower than) the standard rate of corporation tax in the UK of 26% (2011 - 28%)

	2012 £000	2011 £000
(Loss)/profit on ordinary activities before tax	<u>(3,963)</u>	<u>6,971</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 26% (2011 - 28%)	(1,030)	1,952
Effects of		
Expenses not deductible for tax purposes	2,659	203
Capital allowances for year in excess of depreciation	51	44
Effect of group relief	(245)	(203)
Payment for group relief	483	-
Dividends from UK companies	(520)	(1,400)
Current tax charge for the year (see note above)	<u>1,398</u>	<u>596</u>

Holiday Extras Limited

Notes to the financial statements for the year ended 31 March 2012

11 Taxation (continued)

Factors that may affect future tax charges

There were no factors that may affect future tax charges

12 Intangible fixed assets

	Goodwill £000
Cost	
At 1 April 2011 and 31 March 2012	3,488
Amortisation	
At 1 April 2011	2,180
Charge for the year	654
At 31 March 2012	2,834
Net book value	
At 31 March 2012	654
At 31 March 2011	1,308

13. Tangible fixed assets

	Freehold property £000	Motor vehicles £000	Fixtures & fittings £000	Total £000
Cost				
At 1 April 2011	7,101	352	8,731	16,184
Additions	14	138	1,042	1,194
Disposals	-	(124)	(32)	(156)
At 31 March 2012	7,115	366	9,741	17,222
Depreciation				
At 1 April 2011	960	178	6,169	7,307
Charge for the year	127	57	958	1,142
On disposals	-	(76)	(32)	(108)
At 31 March 2012	1,087	159	7,095	8,341
Net book value				
At 31 March 2012	6,028	207	2,646	8,881
At 31 March 2011	6,141	174	2,562	8,877

Included in freehold land and buildings is an amount of £482,000 (2011 £482,000) attributable to land on which no depreciation has been charged

Holiday Extras Limited

Notes to the financial statements for the year ended 31 March 2012

14. Fixed asset investments

	Investments in subsidiary company £000
Cost	
At 1 April 2011 and 31 March 2012	5,284
Net book value	
At 31 March 2012	5,284
At 31 March 2011	5,284

Further details of the subsidiary company can be found at Note 15 below

15 Principal subsidiaries

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

16. Debtors

	2012 £000	2011 £000
Due after more than one year		
Amounts owed by group undertakings	-	17,579
Other debtors	25,661	-
	<u>25,661</u>	<u>17,579</u>
Due within one year		
Trade debtors	1,106	1,310
Amounts owed by group undertakings	-	9,500
Other debtors	98	27
Prepayments and accrued income	1,121	1,588
	<u>2,325</u>	<u>12,425</u>

Holiday Extras Limited

Notes to the financial statements for the year ended 31 March 2012

17. Creditors: Amounts falling due within one year

	2012 £000	2011 £000
Trade creditors	16,962	14,902
Amounts owed to group undertakings	12,490	12,338
Corporation tax	923	59
Social security and other taxes	537	775
Other creditors	214	204
Accruals and deferred income	1,035	972
	<u>32,161</u>	<u>29,250</u>

The company's bankers have a secured deed of charge over the company's bank balances

18 Creditors: Amounts falling due after more than one year

	2012 £000	2011 £000
Other creditors	<u>66</u>	<u>-</u>

19 Deferred taxation

	2012 £000	2011 £000
At beginning of year	276	347
Released during year	(26)	(71)
At end of year	<u>250</u>	<u>276</u>

The provision for deferred taxation is made up as follows

	2012 £000	2011 £000
Accelerated capital allowances	<u>250</u>	<u>276</u>

Holiday Extras Limited

Notes to the financial statements for the year ended 31 March 2012

20. Accruals and deferred income

	2012	2011
	£000	£000
Deferred income	26,189	22,553
Government grants received	160	164
	<u>26,349</u>	<u>22,717</u>

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

21 Share capital

	2012	2011
	£000	£000
Allotted, called up and fully paid		
20,000 Ordinary shares of £1 each	<u>20</u>	<u>20</u>

22 Reserves

	Other reserves £000	Profit and loss account £000
At 1 April 2011	(67)	9,411
Loss for the year		(5,335)
Dividends Equity capital		(750)
	<u>(67)</u>	<u>3,326</u>
At 31 March 2012		

23 Reconciliation of movement in shareholders' funds

	2012	2011
	£000	£000
Opening shareholders' funds	9,364	5,918
(Loss)/profit for the year	(5,335)	6,446
Dividends (Note 24)	(750)	(3,000)
	<u>3,279</u>	<u>9,364</u>
Closing shareholders' funds		

24. Dividends

	2012	2011
	£000	£000
Dividends paid on equity capital	<u>750</u>	<u>3,000</u>

Holiday Extras Limited

Notes to the financial statements for the year ended 31 March 2012

25. 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 £139,000 (2011 £113,000).

There were £6,000 of unpaid contributions at 31 March 2012 (2011 £5,000).

26. Operating lease commitments

At 31 March 2012 the company had annual commitments under non-cancellable operating leases as follows:

	2012 £000	2011 £000
Expiry date:		
Between 2 and 5 years	<u>22</u>	<u>22</u>

In addition to the above, the company has a joint tenancy with Airparks Services Limited, a company under common control, 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.

27. Contingent liabilities

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

At 31 March 2012 the total exposure amounted to £9,033,000 (2011 £9,731,000).

Holiday Extras Limited

Notes to the financial statements for the year ended 31 March 2012

28 Related party transactions

A group reconstruction took place on 26 May 2011 which resulted in Holiday Extras Investments Limited becoming the parent undertaking of this company Holiday Extras Holdings Limited, the company's previous holding company, and Holiday Extras Investments Limited are under common control

The following transactions took place during the year

i) At 26 May 2011, there were outstanding loans due from the group undertakings of Holiday Extras Holdings Limited to this company

The outstanding loans at this date were due from the following companies Holiday Extras Holdings Limited £23,677,000, ABC Holdings Limited £2,052,000, Airparks Services Limited £1,609,000, Airparks Management Limited £3,748,000, Apple Barn Services Limited £1,799,000, HX Properties Limited £3,250,000, Holiday Extras Properties Limited £1,446,000, and Hagger Properties Limited £577,000

ii) Since the 26 May 2011, the company has loaned further amounts to the following companies ABC Holdings Limited £62,000, Apple Barn Services Limited £81,000 and Hagger Properties Limited £13,000 to facilitate working capital requirements

iii) On 27 July 2011, the company has forgiven a loan of £9,500,000 due from Holiday Extras Holdings Limited

iv) The company has received interest on the above loans from Holiday Extras Holdings Limited £307,000 ABC Holdings Limited £51,000, Airparks Services Limited £38,000 Airparks Management Limited £85,000, Apple Barn Services Limited £67,000, HX Properties Limited £79,000, Holiday Extras Properties Limited £35,000 and from Hagger Properties Limited £14,000

This interest has been charged at a rate of 3% in accordance with the commercial loan agreement between the two groups

v) At 31 March 2012, amounts due from the group undertakings of Holiday Extras Holdings Limited to the company are Holiday Extras Holdings Limited £11,829,000, ABC Holdings Limited £2,113,000, from Airparks Services Limited £1,511,000, Airparks Management Limited £3,147,000, Apple Barn Services Limited £1,878,000, HX Properties Limited £3,196,000, Holiday Extras Properties Limited £1,422,000 and Hagger Properties Limited £590,000

vi) At 31 March 2012, an amount of £66,000 is due to Apple Barn Properties Limited, a group undertaking of Holiday Extras Holdings Limited, in respect of bank transfers

vii) The company has charged management fees to Airparks Services Limited in the sum of £2,365

viii) The company has been provided with off site airport parking facilities during the year from Airparks Services Limited in the sum of £4,479,000 and from Airparks Management Limited in the sum of £4,319,000

ix) During the year, the company sold a motor vehicle to S D Lawrence, a director of the company, in the sum of £5,408

All transactions have taken place at market value on normal commercial trading terms

Transactions prior to the group reconstruction have not been disclosed in accordance with FRS 8

Holiday Extras Limited

Notes to the financial statements for the year ended 31 March 2012

29 Post balance sheet events

On 1 May 2012, BCP Limited, a wholly owned subsidiary, transferred its entire trade along with all assets and liabilities to the company. The transfer of the assets and liabilities was settled by way of the creation of an intercompany account equal to the book value of the assets and liabilities at that date.

30 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 parent undertaking is Holiday Extras Investments Limited, a company incorporated in England and Wales.

In the opinion of the directors there is no controlling party.