

Registered number: 01693250

Holiday Extras Limited

Directors' report and financial statements

For the year ended 31 March 2014

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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
S A Hagger

Company secretary

M G Daly

Registered number

01693250

Registered office

Ashford Road
Newingreen
Hythe
Kent
CT21 4JF

Independent 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 2014

The directors present their report and the financial statements for the year ended 31 March 2014.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, 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 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 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 short break leisure packages.

Results and dividends

The performance of the company is set out in the enclosed financial statements. The directors are pleased with the company's financial performance with strong growth to Revenue and EBITDA seen during the year.

A review of the results is set out in the company Strategic Report.

The profit for the year, after taxation, amounted to £6,539,000 (2013 - £3,274,000).

During the year, the company has paid dividends totalling £1,500,000 (2013: £1,500,000).

The profit for the year, after taxation and dividends, amounted to £5,039,000 (2013: £1,774,000).

Holiday Extras Limited

Directors' report For the year ended 31 March 2014

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
S F Delargy (resigned 19 November 2013)
S A Hagger

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.

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.

The company is regularly named as one of The Sunday Times 100 Best Companies to Work For and achieved number 10 on the list in 2014. Inclusion in the list reflects those core principles held by the company, innovation, inspiration, people and success, and acknowledges the company as one of the best employers in the UK. 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.

Holiday Extras Limited

Directors' report For the year ended 31 March 2014

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.

Disclosure 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 relevant audit information and to establish that the company's auditors are aware of that information.

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 18 September 2014 and signed on its behalf.



C M Beare
Director

Holiday Extras Limited

Strategic report For the year ended 31 March 2014

Introduction

The directors present their Strategic report on the affairs of Holiday Extras Limited ('the company'), together with the audited financial statements.

The company is a wholly owned subsidiary of Holiday Extras Investments Limited.

Business review

The results for the company show an increase in EBITDA to £9,010,000 (2013: £8,087,000). Profit before tax was £7,949,000 (2013: £4,673,000) for the year with Revenue of £196,940,000 (2013: £188,970,000). The company has net assets of £10,092,000 (2013: £5,053,000).

The company operates in the UK travel and leisure market selling ancillary travel services mainly to outbound travellers and selling packages to customers taking UK based short stay breaks. The demand for leisure travel has remained strong and with improvements to economic indicators trends in the sector are encouraging.

The company acquired the Essential Group of companies from the Thomas Cook Group in December 2013. The Essential Group provides a similar range of products as the company and integration of the activities of the Essential Group with the company is expected to be positive to revenue and earnings in 2014/15.

With 90% of its business done online the company continues to focus on technology and making the customer experience hassle free through a process of continuous innovation.

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.

Principal risks and uncertainties

The company has identified a number of principal risks and uncertainties that could potentially damage the current business model and future growth opportunities:

- Downturn in the UK economy leading to a reduction in demand for our products and services.
- Any significant damage to reputation or brands.
- Adverse changes to industry specific regulations and legislation
- Loss of, or difficulty in replacing, senior talent.
- Natural catastrophe including closure of airspace.
- Disruption to information technology systems or infrastructure, premises or business processes.

The company has developed risk management and contingency planning procedures appropriate for the business so as to mitigate these risks. There are many opportunities for growth in the UK and Europe, through developing the relationships the company has with existing customers and suppliers.

Holiday Extras Limited

Strategic report (continued) For the year ended 31 March 2014

Key performance indicators

The company uses a range of performance indicators across different business segments to monitor performance. Of these the following are considered key:

<u>EBITDA</u>	2013/14 £000	2012/13 £000
Operating profit	6,971	5,025
Amortisation	515	1,170
Depreciation	1,524	1,892
Group EBITDA	9,010	8,087

At the year end, 433 (2013: 394) full-time and part-time staff were employed by the company, generating an average turnover of £455,000 each (2013 £480,000).

The company prides itself in the way it values its people and the level of staff engagement and retention is seen as a measure of this. Staff engagement as measured by employee participation in company wide surveys was 90% (2013: 90%). Staff Retention was 86% (2013: 75%).

This report was approved by the board on 18 September 2014 and signed on its behalf.



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 2014, set out on pages 8 to 22. 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 Strategic report and the Directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2014 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 Strategic report and 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

19 September 2014

Holiday Extras Limited

Profit and loss account For the year ended 31 March 2014

	Note	2014 £000	2013 £000
Turnover	2	196,940	188,970
Cost of sales		<u>(166,705)</u>	<u>(163,545)</u>
Gross profit		30,235	25,425
Administrative expenses		(24,309)	(21,441)
Other operating income	3	<u>1,045</u>	<u>1,041</u>
Operating profit	4	6,971	5,025
Interest receivable and similar income	8	1,074	402
Interest payable and similar charges	9	<u>(96)</u>	<u>(754)</u>
Profit on ordinary activities before taxation		7,949	4,673
Tax on profit on ordinary activities	10	<u>(1,410)</u>	<u>(1,399)</u>
Profit for the financial year	21	<u>6,539</u>	<u>3,274</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2014 or 2013 other than those included in the Profit and loss account.

The notes on pages 10 to 22 form part of these financial statements.

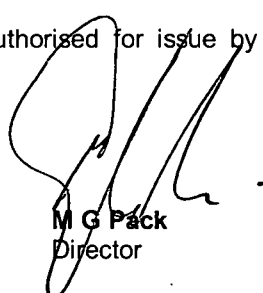
Holiday Extras Limited
Registered number: 01693250

Balance sheet
As at 31 March 2014

	Note	£000	2014 £000	2013 £000
Fixed assets				
Intangible assets	11		7,977	4,640
Tangible assets	12		9,245	8,762
Investments	13		2	-
			<u>17,224</u>	<u>13,402</u>
Current assets				
Debtors	15	40,845		35,280
Cash at bank		14,657		8,835
		<u>55,502</u>		<u>44,115</u>
Creditors: amounts falling due within one year	16	(26,066)		(24,766)
			<u>29,436</u>	<u>19,349</u>
Net current assets				
			<u>46,660</u>	<u>32,751</u>
Total assets less current liabilities				
Creditors: amounts falling due after more than one year	17		(350)	-
Accruals and deferred income	19		(36,218)	(27,698)
			<u>10,092</u>	<u>5,053</u>
Net assets				
Capital and reserves				
Called up share capital	20		20	20
Other reserves	21		(67)	(67)
Profit and loss account	21		10,139	5,100
			<u>10,092</u>	<u>5,053</u>
Shareholders' funds	22		<u>10,092</u>	<u>5,053</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 18 September 2014.


C M Beare
 Director


M G Pack
 Director

The notes on pages 10 to 22 form part of these financial statements.

Holiday Extras Limited

Notes to the financial statements For the year ended 31 March 2014

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 believe 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, exclusive of VAT.

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

Where appropriate, 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 2014**

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 between 5 and 20 years.

1.7 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold buildings	-	2% straight line
Motor vehicles	-	25% straight line
Fixtures, fittings and equipment	-	20% - 33% straight line
Computer software	-	25% straight line
Computer hardware	-	25% - 50% straight line

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

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.

Holiday Extras Limited

Notes to the financial statements For the year ended 31 March 2014

1. Accounting policies (continued)

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.

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 entitled.

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 short break leisure packages.

None of the company's turnover (2013: 5.3%) is attributable to geographical markets outside the United Kingdom.

3. Other operating income

	2014 £000	2013 £000
Management fees	857	863
Government grants credited to income	4	4
Other income	162	161
Other commissions receivable	22	13
	<u>1,045</u>	<u>1,041</u>

Holiday Extras Limited

Notes to the financial statements For the year ended 31 March 2014

4. Operating profit

The operating profit is stated after charging/(crediting):

	2014 £000	2013 £000
Amortisation - intangible fixed assets	515	1,170
Depreciation of tangible fixed assets:		
- owned by the company	1,524	1,892
Operating lease rentals:		
- plant and machinery	22	22
- other operating leases	-	17
Difference on foreign exchange	-	10
Government grants credited to income	(4)	(4)
	<u> </u>	<u> </u>

5. Auditors' remuneration

	2014 £000	2013 £000
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	51	55
Fees payable to the company's auditor and its associates in respect of:		
The auditing of accounts of associates of the company	4	4
Taxation compliance services	9	9
	<u> </u>	<u> </u>

6. Staff costs

Staff costs, including directors' remuneration, were as follows:

	2014 £000	2013 £000
Wages and salaries	11,471	9,703
Social security costs	1,161	954
Other pension costs	306	226
	<u>12,938</u>	<u>10,883</u>

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

	2014 No.	2013 No.
Office administration and sales	<u>433</u>	<u>394</u>

Holiday Extras Limited

Notes to the financial statements For the year ended 31 March 2014

7. Directors' remuneration

	2014 £000	2013 £000
Remuneration	1,119	872
Company pension contributions to defined contribution pension schemes	64	65

During the year retirement benefits were accruing to 6 directors (2013 - 6) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £310,000 (2013 - £205,000).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £18,000 (2013 - £8,000).

8. Interest receivable

	2014 £000	2013 £000
Interest receivable from group companies	1,037	357
Other interest receivable	37	45
	1,074	402

9. Interest payable

	2014 £000	2013 £000
On bank loans and overdrafts	-	52
On other loans	21	676
On loans from group undertakings	75	26
	96	754

Holiday Extras Limited

Notes to the financial statements For the year ended 31 March 2014

10. Taxation

	2014 £000	2013 £000
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	1,874	1,490
Adjustments in respect of prior periods	(339)	-
Total current tax	1,535	1,490
Deferred tax (see note 18)		
Origination and reversal of timing differences	(125)	(91)
Tax on profit on ordinary activities	1,410	1,399

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2013 - higher than) the standard rate of corporation tax in the UK of 23% (2013 - 24%). The differences are explained below:

	2014 £000	2013 £000
Profit on ordinary activities before tax	7,949	4,673
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23% (2013 - 24%)	1,828	1,122
Effects of:		
Expenses not deductible for tax purposes	20	(25)
Depreciation in excess of capital allowances	160	393
Effect of group relief	(1,020)	(434)
Payment for group relief	886	434
Adjustments to tax charge in respect of prior periods	(339)	-
Current tax charge for the year (see note above)	1,535	1,490

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

Holiday Extras Limited

Notes to the financial statements For the year ended 31 March 2014

11. Intangible fixed assets

	Goodwill £000
Cost	
At 1 April 2013	8,644
Additions	3,852
At 31 March 2014	<u>12,496</u>
Amortisation	
At 1 April 2013	4,004
Charge for the year	515
At 31 March 2014	<u>4,519</u>
Net book value	
At 31 March 2014	<u>7,977</u>
At 31 March 2013	<u>4,640</u>

12. Tangible fixed assets

	Freehold property £000	Motor vehicles £000	Fixtures & fittings £000	Total £000
Cost				
At 1 April 2013	7,226	396	11,261	18,883
Additions	56	73	1,885	2,014
Disposals	-	(12)	(73)	(85)
At 31 March 2014	<u>7,282</u>	<u>457</u>	<u>13,073</u>	<u>20,812</u>
Depreciation				
At 1 April 2013	1,215	183	8,723	10,121
Charge for the year	136	89	1,299	1,524
On disposals	-	(5)	(73)	(78)
At 31 March 2014	<u>1,351</u>	<u>267</u>	<u>9,949</u>	<u>11,567</u>
Net book value				
At 31 March 2014	<u>5,931</u>	<u>190</u>	<u>3,124</u>	<u>9,245</u>
At 31 March 2013	<u>6,011</u>	<u>213</u>	<u>2,538</u>	<u>8,762</u>

Included in freehold land and buildings is an amount of £482,000 (2013: £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 2014

13. Fixed asset investments

	Investments in subsidiary companies £000
Cost or valuation	
At 1 April 2013	-
Additions	3,854
Disposals	(3,852)
	<hr/>
At 31 March 2014	2
	<hr/>
Net book value	
At 31 March 2014	2
	<hr/> <hr/>
At 31 March 2013	-
	<hr/> <hr/>

14. Principal subsidiaries

Company name	Country	Percentage Shareholding	Description
Think W3 Limited	England	100 %	Non-trading
Essential Travel Limited	England	100 %	Travel related services
Essential Extras Limited	England	100 %	Non-trading

15. Debtors

	2014 £000	2013 £000
Due after more than one year		
Other debtors	626	626
Due within one year		
Trade debtors	948	1,395
Amounts owed by group undertakings	36,571	31,080
Other debtors	991	739
Prepayments and accrued income	1,486	1,342
Deferred tax asset (see note 18)	223	98
	<hr/>	<hr/>
	40,845	35,280
	<hr/> <hr/>	<hr/> <hr/>

Holiday Extras Limited

Notes to the financial statements For the year ended 31 March 2014

16. Creditors: Amounts falling due within one year

	2014 £000	2013 £000
Trade creditors	19,475	20,084
Amounts owed to group undertakings	3,870	2,166
Corporation tax	28	407
Other taxation and social security	381	308
Other creditors	806	775
Accruals and deferred income	1,506	1,026
	<u>26,066</u>	<u>24,766</u>

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

17. Creditors: Amounts falling due after more than one year

	2014 £000	2013 £000
Other creditors	<u>350</u>	<u>-</u>

18. Deferred tax asset

	2014 £000	2013 £000
At beginning of year	98	(250)
Additions in the year	125	348
	<u>223</u>	<u>98</u>

The deferred tax asset is made up as follows:

	2014 £000	2013 £000
Accelerated capital allowances	203	85
Other timing differences	20	13
	<u>223</u>	<u>98</u>

Holiday Extras Limited

Notes to the financial statements For the year ended 31 March 2014

19. Accruals and deferred income

	2014 £000	2013 £000
Deferred income	36,066	27,542
Government grants received	152	156
	<u>36,218</u>	<u>27,698</u>

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

20. Share capital

	2014 £000	2013 £000
Allotted, called up and fully paid		
20,000 Ordinary shares of £1 each	<u>20</u>	<u>20</u>

21. Reserves

	Other reserves £000	Profit and loss account £000
At 1 April 2013	(67)	5,100
Profit for the financial year		6,539
Dividends: Equity capital		(1,500)
At 31 March 2014	<u>(67)</u>	<u>10,139</u>

22. Reconciliation of movement in shareholders' funds

	2014 £000	2013 £000
Opening shareholders' funds	5,053	3,279
Profit for the financial year	6,539	3,274
Dividends (Note 23)	(1,500)	(1,500)
Closing shareholders' funds	<u>10,092</u>	<u>5,053</u>

23. Dividends

	2014 £000	2013 £000
Dividends paid on equity capital	<u>1,500</u>	<u>1,500</u>

Holiday Extras Limited

Notes to the financial statements For the year ended 31 March 2014

24. 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 2014 the total exposure amounted to £5,000,000 (2013: £6,500,000).

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 £306,000 (2013: £226,000).

There were £82,000 of unpaid contributions at 31 March 2014 (2013: £45,000).

26. Operating lease commitments

At 31 March 2014 the company had annual commitments under non-cancellable operating leases as follows:

	2014 £000	2013 £000
Expiry date:		
Between 2 and 5 years	22	22

In addition to the above, the company has a joint tenancy with Airparks Services Limited, a fellow group company, 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.

Holiday Extras Limited

Notes to the financial statements For the year ended 31 March 2014

27. Related party transactions

The company's parent company Holiday Extras Investments Limited acquired certain companies from Parking Logistics Holdings Limited in the year ended 31 March 2013. Parking Logistics Holdings Limited and Holiday Extras Investments Limited are under common control.

Transactions since the acquisition, together with outstanding amounts at the current and prior year balance sheet dates have not been disclosed in accordance with the paragraph 3c of FRS 8.

The following transactions have taken place during the year with the remaining group undertakings of Parking Logistics Holdings Limited.

a) The company has charged management fees to Parking Logistics Holdings Limited of £64,000 (2013: £9,000) and Airparks Logistics Limited £263,000 (2013: £81,000).

b) The company has received interest from Park at the Airport Limited in the sum of £21,000 (2013: £26,000).

c) The company has been provided with off site airport parking facilities from Airparks Management Limited in the sum of £5,619,000 (2013: £6,165,000).

d) At 31 March 2014, there were amounts due from Airparks Logistics Limited of £NIL (2013: £79,000), Airparks Management Limited of £NIL (2013: £38,000) and due to Parking Logistics Holdings Limited of £NIL (2013: £23,000) and Park at the Airport Limited of £712,000 (2013: £695,000).

e) The company provided working capital of £436,000 (2013: £237,000) to PassSmart Limited, a fellow subsidiary. Holiday Extras Investments Limited owns 80% of the share capital of PassSmart Limited. The company received interest on the above loan of £14,000 (2013: £NIL). At 31 March 2014, an amount of £687,000 (2013: £237,000) is due to the company.

The following transactions took place with members of the Parking Logistics Holdings Limited Group prior to the acquisition as follows:

i) At 28 December 2012, there were outstanding loans due from HX Properties Limited of £3,070,000, Holiday Extras Properties Limited of £1,394,000, ABC Holdings Limited of £2,062,000, Airparks Services Limited of £865,000 and Apple Barn Services Limited of £1,729,000.

ii) The company received interest on the above loans from HX Properties Limited of £63,000, Holiday Extras Properties Limited of £29,000, ABC Holdings Limited of £42,000, Airparks Services Limited of £32,000 and Apple Barn Services Limited of £37,000.

iii) The company waived interest on the above loans from HX Properties Limited of £142,000, Holiday Extras Properties Limited of £64,000, ABC Holdings Limited of £93,000, Airparks Services Limited of £70,000 and Apple Barn Services Limited of £104,000.

iv) The company charged management fees to Airparks Services Limited in the sum of £112,000.

v) The company was provided with off site airport parking facilities from Airparks Services Limited in the sum of £4,798,000.

vi) In the prior year, the company novated debts due to the company from Airparks Management Limited of £3,052,000 and Hagger Properties Limited of £576,000 to Parking Logistics Holdings Limited.

Holiday Extras Limited

Notes to the financial statements For the year ended 31 March 2014

27. Related party transactions (continued)

vii) During the prior year, the company sold the entire share capital of Park at the Airport Limited to Parking Logistics Holdings Limited. At 31 March 2014, an amount of £626,000 (2013: £626,000) was due from Parking Logistics Holdings Limited in relation to this transaction.

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

28. Post balance sheet events

Since the year end, the company has paid a dividend to Holiday Extras Investments Limited in the sum of £3,000,000.

29. Ultimate parent undertaking and controlling party

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.

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.