

Registered number: 2652781

Airparks Services Limited

Directors' report and financial statements

for the year ended 31 March 2008

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Airparks Services Limited

Company information

Directors

S D Lawrence
E Hirlemann BA ACA (resigned 02/04/08)
P Humphrey (appointed 20/11/07)
C M Beare (appointed 02/04/08)

Company secretary

E Hirlemann BA ACA

Company number

2652781

Registered office

Willow House
Pinewood Business Park
Marston Green
Solihull
B37 7HG

Auditors

Reeves + Neylan LLP
Chartered Accountants & Registered Auditors
37 St Margaret's Street
Canterbury
Kent
CT1 2TU

Bankers

Barclays Bank Plc
Business Centre
PO Box 104
Ashford
Kent
TN24 8YB

Airparks Services Limited

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Airparks Services Limited

Directors' report for the year ended 31 March 2008

The directors present their report and the financial statements for the year ended 31 March 2008.

Statement of directors' responsibilities

The directors are responsible for preparing the Annual 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). The financial statements are required by law to 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping proper accounting records that 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 1985. 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 activity during the period was the provision of off site airport parking facilities.

Business review

The directors are satisfied with the continued expansion of trading activity and consolidation of the company's position in the airport parking sector.

Results

The loss for the year, after taxation, amounted to £86,000 (2007 - profit £361,000). It remains the directors' intention to continue to expand and develop the company's activities in the following financial year.

Directors

The directors who served during the year were:

S D Lawrence
E Hirlemann BA ACA (resigned 02/04/08)
P Humphrey (appointed 20/11/07)
C M Beare (appointed 02/04/08)

Airparks Services Limited

Directors' report for the year ended 31 March 2008

Financial instruments

The company finances its operation through various financial instruments comprising: bank balances, trade debtors, 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 are involved in generating the company's value statement, which underpin its culture, performance management and rewards.

A reflection of the above is that 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 end of the year, 209 full-time and part-time staff were employed by the company, generating an average turnover of £41,000 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.

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.

Airparks Services Limited

Directors' report for the year ended 31 March 2008

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.

Auditors

Under section 487 of the Companies Act 2006, Reeves + Neylan LLP will be deemed to have been reappointed as auditor(s) 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 20 October 2008 and signed on its behalf.



C M Beare
Director

Airparks Services Limited

Independent auditors' report to the shareholders of Airparks Services Limited

We have audited the financial statements of Airparks Services Limited for the year ended 31 March 2008, set out on pages 6 to 16. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Airparks Services Limited

Independent auditors' report to the shareholders of Airparks Services Limited

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 March 2008 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' report is consistent with the financial statements.



Reeves + Neylan LLP

Chartered Accountants
Registered Auditors

Canterbury

21 October 2008

Airparks Services Limited

Profit and loss account for the year ended 31 March 2008

	Note	2008 £000	2007 £000
Turnover	1,2	8,537	8,302
Cost of sales		<u>(6,807)</u>	<u>(6,389)</u>
Gross profit		1,730	1,913
Administrative expenses		(1,774)	(1,803)
Other operating income		<u>247</u>	<u>244</u>
Operating profit	3	203	354
Interest receivable	5	21	57
Interest payable	6	<u>(17)</u>	<u>(9)</u>
Profit on ordinary activities before taxation		207	402
Tax on profit on ordinary activities	7	<u>(293)</u>	<u>(41)</u>
(Loss)/profit on ordinary activities after taxation	14	<u>(86)</u>	<u>361</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2008 or 2007 other than those included in the Profit and loss account.

The notes on pages 8 to 16 form part of these financial statements.

Airparks Services Limited

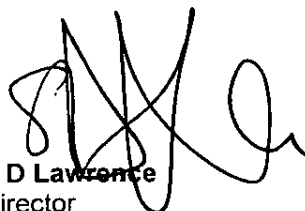
Balance sheet as at 31 March 2008

	Note	£000	2008 £000	£000	2007 £000
Fixed assets					
Tangible fixed assets	8		1,617		1,197
Current assets					
Stocks	9	18		15	
Debtors	10	2,411		1,920	
Cash at bank and in hand		499		279	
		<u>2,928</u>		<u>2,214</u>	
Creditors: amounts falling due within one year	11	<u>(2,981)</u>		<u>(1,761)</u>	
Net current (liabilities)/assets			<u>(53)</u>		<u>453</u>
Total assets less current liabilities			<u>1,564</u>		<u>1,650</u>
Capital and Reserves					
Called up share capital	13		1		1
Other reserves	14		(33)		(33)
Profit and loss account	14		1,596		1,682
Shareholders' funds	15		<u>1,564</u>		<u>1,650</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 20 October 2008.



C M Beare
Director



S D Lawrence
Director

The notes on pages 8 to 16 form part of these financial statements.

**Notes to the financial statements
for the year ended 31 March 2008**

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.

1.2 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.

1.3 Turnover

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.

Turnover comprises revenue recognised by the company in respect of the provision of off site airport car parking for stay dates commencing during the accounting period, exclusive of Value Added Tax.

1.4 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:

Leasehold improvements	-	10-25% straight line or over term of lease
Motor vehicles	-	25% reducing balance
Fixtures and equipment	-	25% reducing balance

1.5 Operating leases

Rentals under operating leases are charged 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.

1.6 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

**Notes to the financial statements
for the year ended 31 March 2008**

1. Accounting policies (continued)

1.7 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.

1.8 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.

2. Turnover

The whole of the turnover is attributable to the one principal activity of the company being the provision of off site airport car parking facilities.

All turnover arose within the United Kingdom.

3. Operating profit

The operating profit is stated after charging:

	2008	2007
	£000	£000
Depreciation of tangible fixed assets:		
- owned by the company	255	276
Auditors' remuneration	7	6
Operating lease rentals:		
- other operating leases	2,089	2,078

During the year, no director received any emoluments (2007 - £NIL).

Airparks Services Limited

Notes to the financial statements for the year ended 31 March 2008

4. Staff costs

Staff costs were as follows:

	2008 £000	2007 £000
Wages and salaries	3,715	3,313
Social security costs	345	310
Other pension costs	14	17
	<u>4,074</u>	<u>3,640</u>

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

	2008 No.	2007 No.
Administration and operational staff	<u>209</u>	<u>192</u>

5. Interest receivable

	2008 £000	2007 £000
Interest receivable from group companies	-	31
Other interest receivable	21	26
	<u>21</u>	<u>57</u>

6. Interest payable

	2008 £000	2007 £000
On other loans	-	4
On loans from group undertakings	17	-
Other interest payable	-	5
	<u>17</u>	<u>9</u>

Airparks Services Limited

Notes to the financial statements for the year ended 31 March 2008

7. Taxation

	2008 £000	2007 £000
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	280	5
Adjustments in respect of prior periods	2	58
Total current tax	282	63
Deferred tax (see note 12)		
Origination and reversal of timing differences	11	(22)
Tax on profit on ordinary activities	293	41

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2007 - lower than) the standard rate of corporation tax in the UK (30%). The differences are explained below:

	2008 £000	2007 £000
Profit on ordinary activities before tax	207	402
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 30% (2007 - 19%)	62	76
Effects of:		
Expenses not deductible for tax purposes	10	17
Depreciation for year in excess of capital allowances	20	20
Payment for group relief	274	-
Effect of group relief	(86)	(108)
Adjustments to tax charge in respect of prior periods	2	58
Current tax charge for the year (see note above)	282	63

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

Airparks Services Limited

Notes to the financial statements for the year ended 31 March 2008

8. Tangible fixed assets

	Leasehold improve- ments £000	Motor vehicles £000	Furniture, fittings and equipment £000	Total £000
Cost				
At 1 April 2007	1,510	215	1,036	2,761
Additions	471	123	118	712
Disposals	-	(66)	-	(66)
At 31 March 2008	1,981	272	1,154	3,407
Depreciation				
At 1 April 2007	664	82	818	1,564
Charge for the year	117	55	83	255
On disposals	-	(29)	-	(29)
At 31 March 2008	781	108	901	1,790
Net book value				
At 31 March 2008	1,200	164	253	1,617
At 31 March 2007	846	133	218	1,197

9. Stocks

	2008 £000	2007 £000
Fuel stocks	18	15

10. Debtors

	2008 £000	2007 £000
Trade debtors	859	350
Amounts owed by group undertakings	757	788
Prepayments and accrued income	744	720
Deferred tax asset (see note 12)	51	62
	2,411	1,920

Airparks Services Limited

Notes to the financial statements for the year ended 31 March 2008

11. Creditors: Amounts falling due within one year

	2008 £000	2007 £000
Trade creditors	622	573
Amounts owed to group undertakings	972	94
Corporation tax	-	63
Social security and other taxes	313	258
Other creditors	486	302
Accruals and deferred income	588	471
	<u>2,981</u>	<u>1,761</u>

Included within other creditors is an amount of £70,000 (2007: £70,000) relating to bond guarantees as described in note 21 to the accounts. This amount is reflected in the cash balances disclosed on the balance sheet.

12. Deferred tax asset

	2008 £000	2007 £000
At 1 April 2007	62	40
(Charge for)/released during the year	(11)	22
	<u>51</u>	<u>62</u>
At 31 March 2008		

The deferred tax asset is made up as follows:

	2008 £000	2007 £000
Depreciation in advance of capital allowances	<u>51</u>	<u>62</u>

13. Share capital

	2008 £000	2007 £000
Authorised		
1,000 Ordinary shares of £1 each	<u>1</u>	<u>1</u>
Allotted, called up and fully paid		
400 Ordinary shares of £1 each	<u>1</u>	<u>1</u>

Airparks Services Limited

Notes to the financial statements for the year ended 31 March 2008

14. Reserves

	Other reserves £000	Profit and loss account £000
At 1 April 2007	(33)	1,682
Loss for the year	-	(86)
	<u>(33)</u>	<u>1,596</u>
At 31 March 2008		

15. Reconciliation of movement in shareholders' funds

	2008 £000	2007 £000
Opening shareholders' funds	1,650	1,789
(Loss)/profit for the year	(86)	361
Dividends (Note 16)	-	(500)
	<u>1,564</u>	<u>1,650</u>
Closing shareholders' funds		

16. Dividends

	2008 £000	2007 £000
Dividends paid on equity capital	-	500

17. Contingent liabilities

i) The company has provided a guarantee, secured by a debenture in favour of Clydesdale Bank Plc to support the borrowings of Holiday Extras Holdings Limited, the holding company of the group of which Airparks Services Limited is a member.

At 31 March 2008 the total exposure amounted to £7,880,000 (2007: £9,450,000).

ii) In prior years, the company had entered into joint and several intra group loan agreements with other group companies to facilitate repayments of loan notes issued by Holiday Extras Holdings Limited in the sum of £19,532,000 plus interest. The earliest date on which repayment of the loan notes is due is 22 February 2010.

During the current year, the loan notes previously issued by Holiday Extras Holdings Limited, together with accrued interest were restructured resulting in new loan notes being issued by HX Properties Limited, a fellow subsidiary, the terms of which are broadly the same.

The joint and several intra company loan agreements with other group companies remain in place and now facilitate repayment of the loan notes issued by HX Properties Limited in the sum of £20,264,000 plus interest. The earliest date on which repayment of these loan notes is due remains as 22 February 2010.

Airparks Services Limited

Notes to the financial statements for the year ended 31 March 2008

18. Capital commitments

At 31 March 2008 the Company had capital commitments as follows:

	2008 £000	2007 £000
Contracted for but not provided in these financial statements	<u>70</u>	<u>282</u>

19. Pension commitments

The company makes payments 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 £14,000 (2007: £17,000).

20. Other financial commitments

At 31 March 2008 the company had annual commitments under non-cancellable operating leases totalling £2,262,000 (2007: £1,791,000), of which £354,000 relates to operating leases expiring within one year, £1,908,000 relates to leases expiring between two and five years and the balance relates to leases expiring after more than five years. The leases expiring within one year and between two and five years relate to both land and motor vehicles and those expiring after more than five years relate to land.

21. Related party transactions

During previous years, Mr and Mrs G N Pack, who are directors of the holding company, Holiday Extras Holdings Limited, purchased land. During the year to 31 March 2008, the land has continued to be developed. Costs amounting to £34,000 (2007: £39,000) were funded by Mr and Mrs G N Pack.

At 31 March 2008, the company held funds of £3,000 (2007: £22,000) due to Mr and Mrs G N Pack.

The company has provided bonds totaling £70,000 (2007: £70,000) to third parties in respect of works associated with the development of this land. Mr and Mrs G N Pack have deposited an equal amount of funds with the company which will be returned with any interest earned when the guarantee expires.

Mr and Mrs G N Pack have granted the company a 25 year lease over the land, with an initial rent free period of 2 years.

The company has also entered into a 5 year lease with Mr and Mrs G N Pack in connection with another property.

The combined annual rent payable for both properties by the company is £185,000 per annum and in the current year the company has paid amounts totaling £203,000 (2007: £174,000).

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

Airparks Services Limited

Notes to the financial statements for the year ended 31 March 2008

22. Employee Benefit Trust

As a result of the management buyout on 22 February 2005, the "Holiday Extras Holdings Benefit Trust" was established to ensure that all employees within the group benefited from the continued development of the business and to provide a market for those shares held by employees leaving the employment of the group.

It is a Discretionary Trust, with an independent trustee, Appleby Trust (Jersey) Limited (formerly Bailhache Labesse Trustees Limited), and is currently funded by advances from the group.

During the year ended 31 March 2008, the company made no advances to the Trust (2007: £Nil).

23. Ultimate parent undertaking and controlling party

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

The ultimate parent undertaking is Holiday Extras Holdings 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 conferred by Financial Reporting Standard number 8 from the disclosure of intragroup transactions, as consolidated financial statements of the ultimate parent company Holiday Extras Holdings Limited are publicly available.