

Registered number 02652781

## **Airparks Services Limited**

**Directors' report and financial statements**

**For the year ended 31 March 2013**



## **Airparks Services Limited**

### **Company Information**

<b>Directors</b>	S D Lawrence P Humphrey C M Beare M G Pack H Dove
<b>Company secretary</b>	C M Beare
<b>Registered number</b>	02652781
<b>Registered office</b>	100 Mackadown Lane Birmingham West Midlands B33 0JD
<b>Independent auditors</b>	Reeves & Co LLP Statutory Auditor & Chartered Accountants 37 St Margaret's Street Canterbury Kent CT1 2TU
<b>Bankers</b>	Barclays Bank Plc 66 High Street Ashford Kent TN24 8TL

## **Airparks Services Limited**

### **Contents**

	Page
<b>Directors' report</b>	1 - 3
<b>Independent auditors' report</b>	4 - 5
<b>Profit and loss account</b>	6
<b>Statement of total recognised gains and losses</b>	7
<b>Note of historical cost profits and losses</b>	7
<b>Balance sheet</b>	8
<b>Notes to the financial statements</b>	9 - 20

## **Airparks Services Limited**

### **Directors' report For the year ended 31 March 2013**

The directors present their report and the financial statements for the year ended 31 March 2013

#### **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 accounting 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 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 activity during the period was the provision of off site airport parking facilities.

#### **Business review**

The trading environment continues to be challenging. Passenger numbers through UK airports are still down on 2008 peak levels, with passenger levels through the combined airports where the company operate still significantly down. This reduction in passengers continues to impact the competitive landscape with both price and volume at the company's sites continuing to prove volatile. This has led to the company discontinuing operations at its East Midlands site and transferring its operations at Cardiff to a fellow subsidiary company. The trading activity at Birmingham has been transferred to a fellow subsidiary company with effect from 1 January 2013.

Management expect the trading environment to remain challenging with the outlook for the travel industry remaining uncertain as a result of the continuing global downturn. Management do expect previous volume and prices to return, however the timing of this is uncertain.

In order to meet its day to day working capital requirements the company and group will rely upon support provided by companies under common control, as and when the need arises.

After making enquiries, the directors have a reasonable expectation that the company and group will have adequate resources. On this basis, the directors consider it appropriate to prepare the financial statements on a going concern basis.

## **Airparks Services Limited**

### **Directors' report For the year ended 31 March 2013**

#### **Results and dividends**

The loss for the year, after taxation, amounted to £707,000 (2012 - loss £772,000)

The directors do not recommend payment of a dividend in the year

#### **Directors**

The directors who served during the year were

S D Lawrence  
P Humphrey  
C M Beare  
M G Pack  
H Dove

#### **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

During the year, 157 full-time and part-time staff were employed by the company, generating an average turnover of £49,000 each

## **Airparks Services Limited**

### **Directors' report For the year ended 31 March 2013**

#### **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.

#### **Operational leasehold land**

The company's interest in operational leasehold land was revalued on 30 September 2012 by Deloitte LLP on a market value basis which amounted to £12,000,000.

#### **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 4 September 2013 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 2013, set out on pages 6 to 20. 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 2013 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.

## **Airparks Services Limited**

### **Independent auditors' report to the shareholders of Airparks Services 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

4 September 2013



# Airparks Services Limited

## Profit and loss account For the year ended 31 March 2013

	Note	2013 £000	2012 £000
<b>Turnover</b>	1,2		
Continuing operations		4,385	4,499
Discontinued operations		3,310	3,947
		<u>7,695</u>	<u>8,446</u>
Cost of sales	3	(4,762)	(5,748)
		<u>2,933</u>	<u>2,698</u>
<b>Gross profit</b>			
Administrative expenses	3	(2,827)	(3,720)
Other operating income		61	317
		<u>61</u>	<u>317</u>
<b>Operating profit/(loss)</b>	4		
Continuing operations		(16)	(904)
Discontinued operations		183	199
		<u>167</u>	<u>(705)</u>
<b>Exceptional items</b>			
Other exceptional items	8	(1,020)	-
		<u>(1,020)</u>	<u>-</u>
<b>Loss on ordinary activities before interest</b>		(853)	(705)
Interest receivable and similar income		61	-
Interest payable and similar charges	7	(6)	(62)
		<u>61</u>	<u>(62)</u>
<b>Loss on ordinary activities before taxation</b>		(798)	(767)
Tax on loss on ordinary activities	9	91	(5)
		<u>91</u>	<u>(5)</u>
<b>Loss for the financial year</b>	17	<u>(707)</u>	<u>(772)</u>

The notes on pages 9 to 20 form part of these financial statements

## Airparks Services Limited

### Statement of total recognised gains and losses For the year ended 31 March 2013

	2013 £000	2012 £000
<b>Loss for the financial year</b>	<b>(707)</b>	<b>(772)</b>
Unrealised deficit on revaluation of tangible fixed assets	(2,608)	-
Impairment of revalued tangible fixed assets	(1,243)	-
	<hr/>	<hr/>
<b>Total recognised gains and losses relating to the year</b>	<b>(4,558)</b>	<b>(772)</b>

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### Note of historical cost profits and losses For the year ended 31 March 2013

	2013 £000	2012 £000
<b>Reported loss on ordinary activities before taxation</b>	<b>(798)</b>	<b>(767)</b>
Difference between a historical cost depreciation charge and the actual depreciation charge for the year calculated on the revalued amount	1,009	1,113
	<hr/>	<hr/>
<b>Historical cost profit on ordinary activities before taxation</b>	<b>211</b>	<b>346</b>
	<hr/>	<hr/>
<b>Historical profit for the year after taxation</b>	<b>302</b>	<b>341</b>

The notes on pages 9 to 20 form part of these financial statements

**Airparks Services Limited**  
**Registered number: 02652781**

**Balance sheet**  
**As at 31 March 2013**

	Note	£000	2013 £000	£000	2012 £000
<b>Fixed assets</b>					
Tangible assets	10		11,971		18,182
<b>Current assets</b>					
Stocks	11	10		23	
Debtors	12	1,832		2,995	
Cash at bank and in hand		300		110	
		<u>2,142</u>		<u>3,128</u>	
<b>Creditors' amounts falling due within one year</b>	13	<u>(1,746)</u>		<u>(2,760)</u>	
<b>Net current assets</b>			<u>396</u>		<u>368</u>
<b>Total assets less current liabilities</b>			<u>12,367</u>		<u>18,550</u>
<b>Creditors' amounts falling due after more than one year</b>	14		<u>-</u>		<u>(1,625)</u>
<b>Net assets</b>			<u><u>12,367</u></u>		<u><u>16,925</u></u>
<b>Capital and reserves</b>					
Called up share capital	16		1		1
Revaluation reserve	17		11,101		15,961
Other reserves	17		(33)		(33)
Profit and loss account	17		<u>1,298</u>		<u>996</u>
<b>Shareholders' funds</b>	18		<u><u>12,367</u></u>		<u><u>16,925</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 4 September 2013



**C M Beare**  
Director

**H Dove**  
Director



The notes on pages 9 to 20 form part of these financial statements

## **Airparks Services Limited**

### **Notes to the financial statements For the year ended 31 March 2013**

#### **1. Accounting policies**

##### **1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of operational leasehold land and in accordance with applicable accounting standards

##### **1.2 Going concern**

In order to meet its day to day working capital requirements the company relies upon support provided by fellow group companies, as and when the need arises

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

##### **1.3 Cash flow**

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

##### **1.4 Turnover**

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

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

##### **1.5 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation 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% straight line
Fixtures & fittings	-	25% 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

**Notes to the financial statements  
For the year ended 31 March 2013**

**1. Accounting policies (continued)**

**1.6 Revaluation of tangible fixed assets**

Long-term leasehold land is carried at cost

Operational leasehold land is carried at market value at the balance sheet date. A full valuation is obtained from a qualified valuer for each property every five years, with an interim valuation three years after the previous full valuation, and in any year where it is likely that there has been a material change in value.

Revaluation gains and losses are recognised in the statement of total recognised gains and losses unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the losses are recognised in the Profit and loss account.

**1.7 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.

**1.8 Stocks**

Stocks are valued at the lower of cost and net realisable value.

**1.9 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.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements.

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.

**1.10 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.

## Airparks Services Limited

### Notes to the financial statements For the year ended 31 March 2013

#### 2. Turnover

All turnover arose within the United Kingdom

The whole of the turnover and loss before taxation from continuing activities is attributable to the provision of off site airport parking facilities at one site located in the UK. The turnover and loss before taxation from discontinued activities arose from the provision of off site airport parking facilities at East Midlands, Cardiff and Birmingham

#### 3 Analysis of operating profit/(loss)

	2013		2012	
	Continuing £000	Discontinued £000	Continuing £000	Discontinued £000
Turnover	4,385	3,310	4,499	3,947
Cost of sales	(2,156)	(2,606)	(2,550)	(3,198)
Gross profit	2,229	704	1,949	749
Administrative expenses	(2,297)	(530)	(3,119)	(601)
Other operating income	52	9	266	51
	(16)	183	(904)	199

#### 4 Operating profit/(loss)

The operating profit/(loss) is stated after charging

	2013 £000	2012 £000
Depreciation of tangible fixed assets		
- owned by the company	1,502	1,526
Auditors' remuneration	8	10
Operating lease rentals		
- other operating leases	1,527	1,721

## Airparks Services Limited

### Notes to the financial statements For the year ended 31 March 2013

#### 5. Staff costs

Staff costs, including directors' remuneration, were as follows

	2013 £000	2012 £000
Wages and salaries	2,737	3,327
Social security costs	246	304
Other pension costs	29	36
	<u>3,012</u>	<u>3,667</u>

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

	2013 No.	2012 No
Administration and operational staff	<u>157</u>	<u>186</u>

#### 6 Directors' remuneration

	2013 £000	2012 £000
Remuneration	<u>232</u>	<u>278</u>
Company pension contributions to defined contribution pension schemes	<u>20</u>	<u>21</u>

During the year retirement benefits were accruing to 2 directors (2012 - 2) in respect of defined contribution pension schemes

The highest paid director received remuneration of £134,000 (2012 - £161,000)

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 (2012 - £6,000)

#### 7. Interest payable

	2013 £000	2012 £000
On other loans	-	41
On loans from group undertakings	6	21
	<u>6</u>	<u>62</u>

## Airparks Services Limited

### Notes to the financial statements For the year ended 31 March 2013

#### 8 Exceptional items

	2013 £000	2012 £000
Loss on termination of an operation	1,020	-

The company has terminated the park and ride operations at East Midlands, Cardiff and Birmingham during the year. As a direct result of the termination, the company incurred costs of £471,000. In addition, the company disposed of a number of assets held at the above sites incurring a loss on disposal of £215,000 and recognised an impairment of its leasehold property at Cardiff of £334,000.

#### 9. Taxation

	2013 £000	2012 £000
<b>Analysis of tax (credit)/charge in the year</b>		
<b>Current tax</b> (see note below)		
UK corporation tax (credit)/charge on loss for the year	(18)	-
<b>Deferred tax</b>		
Origination and reversal of timing differences	(73)	3
Effect of increased tax rate on opening liability	-	2
<b>Total deferred tax</b> (see note 15)	(73)	5
<b>Tax on loss on ordinary activities</b>	(91)	5

#### Factors affecting tax charge for the year

The tax assessed for the year is higher than (2012 - higher than) the standard rate of corporation tax in the UK of 24% (2012 - 26%). The differences are explained below.

	2013 £000	2012 £000
Loss on ordinary activities before tax	(798)	(767)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 24% (2012 - 26%)	(192)	(199)
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	88	3
Depreciation in advance of capital allowances	371	316
Effect of group relief	(267)	(120)
Payment for group relief	(18)	-
<b>Current tax (credit)/charge for the year</b> (see note above)	(18)	-

#### 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 2013

### 10. Tangible fixed assets

	Leasehold Property £000	Motor vehicles £000	Fixtures, fittings & equipment £000	Total £000
<b>Cost or valuation</b>				
At 1 April 2012	18,626	376	2,305	21,307
Additions	77	63	130	270
Disposals	(625)	(403)	(1,322)	(2,350)
Revaluation surplus/(deficit)	(4,253)	-	-	(4,253)
At 31 March 2013	13,825	36	1,113	14,974
<b>Depreciation</b>				
At 1 April 2012	1,541	143	1,441	3,125
Charge for the year	1,102	50	350	1,502
On disposals	(352)	(162)	(1,041)	(1,555)
Impairment charge	1,577	-	-	1,577
On revalued assets	(1,646)	-	-	(1,646)
At 31 March 2013	2,222	31	750	3,003
<b>Net book value</b>				
At 31 March 2013	11,603	5	363	11,971
At 31 March 2012	17,085	233	864	18,182

## Airparks Services Limited

### Notes to the financial statements For the year ended 31 March 2013

#### 10. Tangible fixed assets (continued)

Cost or valuation at 31 March 2013 is as follows

	Land and buildings £000
<b>At cost</b>	<b>1,742</b>
<b>At valuation:</b>	
30 September 2012	<b>12,083</b>
	<b>13,825</b>

Airparks Services Limited's leasehold properties were valued on 30 September 2012 by Deloitte LLP. The valuations were in accordance with the requirements of the RICS Valuation - Professional Standards 2012, Global and UK Edition ("Red Book 2012") published by the Royal Institution of Chartered Surveyors.

The valuation of each property was on the basis of market value, subject to the following assumptions:

- For investment property valued to market value (MV) assuming that the property would be sold subject to any existing leases
- For surplus property and property held for development valued to market value assuming that the property would be sold with vacant possession in its existing condition

Deloitte LLP's opinion of market value was primarily derived using:

- comparable recent market transactions on arm's length terms,
- an estimate of the future potential net income generated by use of the property

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	2013 £000	2012 £000
Cost	1,742	2,290
Accumulated depreciation	(1,243)	(1,167)
Net book value	<b>499</b>	<b>1,123</b>

#### 11. Stocks

	2013 £000	2012 £000
Fuel stocks	<b>10</b>	<b>23</b>

# Airparks Services Limited

## Notes to the financial statements For the year ended 31 March 2013

### 12 Debtors

	2013 £000	2012 £000
Trade debtors	388	820
Amounts owed by group undertakings	482	1,338
Other debtors	399	-
Prepayments and accrued income	474	821
Deferred tax asset (see note 15)	89	16
	<u>1,832</u>	<u>2,995</u>

### 13. Creditors. Amounts falling due within one year

	2013 £000	2012 £000
Trade creditors	388	423
Amounts owed to group undertakings	926	1,246
Other taxation and social security	157	242
Other creditors	68	486
Accruals and deferred income	207	363
	<u>1,746</u>	<u>2,760</u>

### 14 Creditors: Amounts falling due after more than one year

	2013 £000	2012 £000
Other creditors	-	1,625
	<u>-</u>	<u>1,625</u>

### 15 Deferred tax asset

	2013 £000	2012 £000
At beginning of year	16	21
Released during/(charged for) year (P&L)	73	(5)
	<u>89</u>	<u>16</u>

The deferred tax asset is made up as follows

	2013 £000	2012 £000
Accelerated capital allowances	89	16
	<u>89</u>	<u>16</u>

# Airparks Services Limited

## Notes to the financial statements For the year ended 31 March 2013

### 16. Share capital

	2013 £000	2012 £000
<b>Allotted, called up and fully paid</b>		
500 Ordinary shares of £1 each	<u>1</u>	<u>1</u>

### 17. Reserves

	Revaluation reserve £000	Other reserves £000	Profit and loss account £000
At 1 April 2012	15,961	(33)	996
Loss for the financial year			(707)
Deficit on revaluation of leasehold property	(2,608)		
Impairment of leasehold property	(1,243)		
Transfer between reserves	(1,009)		1,009
At 31 March 2013	<u>11,101</u>	<u>(33)</u>	<u>1,298</u>

### 18. Reconciliation of movement in shareholders' funds

	2013 £000	2012 £000
Opening shareholders' funds	16,925	17,697
Loss for the financial year	(707)	(772)
Other recognised gains and losses during the year	(3,851)	-
Closing shareholders' funds	<u>12,367</u>	<u>16,925</u>

### 19. Contingent liabilities

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

At 31 March 2013 the total exposure amounted to £6,500,000 (2012 £Nil)

## **Airparks Services Limited**

### **Notes to the financial statements For the year ended 31 March 2013**

#### **20 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 £29,000 (2012 £36,000).

At 31 March 2013, there were outstanding contributions of £3,000 (2012 £Nil) due to the pension scheme.

#### **21 Other financial commitments**

At 31 March 2013 the company had annual commitments under non-cancellable operating leases totalling £808,000 (2012 £1,414,000), of which none (2012 £46,000) relates to operating leases expiring within one year, £153,000 (2012 £188,000) relates to leases expiring between two and five years and the balance relates to leases expiring after more than five years. The leases expiring between two and five years relate to motor vehicles and those expiring after more than five years relate to land.

## **Airparks Services Limited**

### **Notes to the financial statements For the year ended 31 March 2013**

#### **22 Related party transactions**

On 28 December 2012, the company was acquired by Holiday Extras Investments Limited. The company's former parent company, Parking Logistics Holdings Limited (formerly Holiday Extras Holdings Limited) and Holiday Extras Investments Limited are under common control by virtue of a group reconstruction which occurred in the prior year on 26 May 2011.

Transactions prior to the group reconstruction and after the acquisition, together with outstanding amounts at the current balance sheet date have not been disclosed in accordance with paragraph 3c of FRS 8.

Transactions disclosed below have taken place between 26 May 2011 and 28 December 2012 as follows:

i) At 28 December 2012 there was an outstanding loan due to Holiday Extras Limited in the sum of £865,000 (at 26 May 2011 £1,609,000).

ii) The company has been charged interest on the above loan in the sum of £32,000 (2012 £38,000). The interest has been charged at 3% in accordance with the commercial loan agreement between the two groups.

iii) The company has had interest waived on the above loan due to Holiday Extras Limited in the sum of £70,000 (2012 £NIL).

iv) The company has been charged management fees by Holiday Extras Limited in the sum of £112,000 (2012 £2,000).

v) The company provided off site airport parking facilities to Holiday Extras Limited, in the sum of £4,798,000 (2012 £4,479,000) and to Park at the Airport Limited (formerly BCP Limited) in the sum of £NIL (2012 £549,000).

vi) The company has received payment from Holiday Extras Limited in the sum of £722,000 in connection with amendments to the contractual supply arrangements in place during the year.

vii) The amount due to Holiday Extras Limited at 31 March 2012 was £1,511,000.

The following transactions took place with group undertakings of Parking Logistics Holdings Limited subsequent to the acquisition:

viii) There was an outstanding loan due from Airparks Logistics Limited in the sum of £381,000 and there was an outstanding loan due to Airparks Management Limited in the sum of £190,000.

ix) The company has charged interest on the above loan to Airparks Logistics Limited in the sum of £3,000. The interest has been charged at 3% in accordance with the commercial loan agreement between the two groups.

x) The company has been charged management fees by Airparks Logistics Limited in the sum of £87,000.

xi) At 31 March 2013, there were amounts due from Parking Logistics Holdings Limited of £2,000, Airparks Logistics Limited of £504,000, and Airparks Management Limited of £151,000.

## **Airparks Services Limited**

### **Notes to the financial statements For the year ended 31 March 2013**

#### **22. Related party transactions (continued)**

xii) The company had entered into a three year lease with Mr and Mrs G N Pack in connection with a leasehold property. On 30 September 2012, the above lease was terminated.

In the year, the company has paid amounts totalling £17,000 (2012 £48,000) combined in respect of rent on the above lease.

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

#### **23. 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.