

Company Number : 3883868

**BUYAGIFT Plc**  
**Report and Financial Statements**  
**For the year ended 30 April 2014**

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## **BUYAGIFT Plc**

### **Annual report and financial statements for the year ended 30 April 2014**

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#### **Directors**

D Mountain	
E Corre	
S Abbas	
P Stérin	
J Perkins	(Appointed 20 January 2014)
P Boccon-Liaudet	(Appointed 20 January 2014)

#### **Registered office**

Kingmaker House  
15 Station Road  
New Barnet  
Hertfordshire  
EN5 1NZ

#### **Registered number**

3883868

#### **Auditors**

Ernst & Young LLP  
400 Capability Green  
Luton  
LU1 3LU

**Strategic report for the year ended 30 April 2014**

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The directors present their strategic report for the year ended 30 April 2014.

**Financial key performance indicators**

The directors are pleased to report another strong year with turnover rising 17% to £14.4m. This was driven by a rise in customer orders which generated a turnover stated at full sales price paid by customers of £31.1m, a rise of 13%, as stated in note 2.

We are also delighted to report an increase in our profitability year on year, with profit after tax of £0.7m against £0.6m the previous year. The results of the Company are set out on page 8. We are confident that the following year will again produce growth in both turnover and profit.

As with previous years, a key strategy to achieve this growth is a focus on making on-going improvements for our team, our suppliers and our customers. We continue to do what we can to provide an inspirational working environment for our team, profitable incremental business for our suppliers and a fantastic value and service proposition for our customers. This approach is helping to ensure we develop increasing loyalty from all key stakeholder groups. We are confident that this will ultimately lead to increased profitability for our shareholders. Results to date are validating this approach.

To ensure we offer an industry leading experience selection, over the course of the year we made significant improvements to the range of products that we offer on behalf of our suppliers. As a result of the business stability shown by our cash reserves and the significant volume of new customers we have a track record for providing, we continue to attract top name suppliers who are keen to sell their experiences through our web site.

The Company continues to be in a strong cash position, with cash held at the end of the year of £23.5m against £19.0m the previous year. There remains no debt in the business, so there is no exposure to any potential increases in lending rates.

In conclusion, the business has demonstrated another year of growth and performs in line with directors' expectations.

**Principal risks and uncertainties**

Buyagift Plc is predominantly an e-commerce business and as such we need to ensure we remain at the forefront of on-line marketing developments. The pace of change in e-commerce is rapid and care must be taken to ensure our customers have a faultless user experience no matter which device they chose to use to access our store.

We need to ensure that we continue to help our customer to make informed purchase decisions with total peace of mind so that they are ultimately delighted with both our service and the service of our suppliers. With this in mind we have increased our refund terms to 60 days from purchase and we continue to offer unlimited free of charge exchanges on our experience range.

The gift voucher market continues to remain highly competitive and price driven, with many customers seeking the best deals and offers available. As a result we need to constantly monitor competitor pricing and product portfolios to ensure market share is not lost. This risk is mitigated to some extent by continually evolving our product range and offering these products at market leading prices. Ultimately, there should never be a reason for a potential customer to make a purchase from one of our competitors.

The company's credit risk is primarily attributable to its trade debtors. Credit risk is managed by running credit checks on new customers, regularly reviewing the credit limit of existing customers and by monitoring customer receipts against agreed credit terms.

**This report was approved by the Board and signed on its behalf by:**

**D Mountain**  
Director



10/11/14  
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## **BUYAGIFT Plc**

### **Report of the directors for the year ended 30 April 2014**

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The directors present their report together with the audited financial statements for the year ended 30 April 2014.

#### **Results and dividends**

The results for the year are set out on page 8.

The company paid a dividend of 16p per share (2013:36p), amounting to £800,000 during the year (2013: £1,800,000).

#### **Principal activities**

The principal activity of the company continued to be that of the sale of gift vouchers through the internet. The business is predominantly based in the UK with subsidiaries in France, Spain and Italy.

#### **Directors**

The directors of the company during the year were:

D Mountain	
A Patel	(Resigned 03 September 2014)
S Abbas	
A Bernia	(Resigned 28 May 2014)
E Corre	
P Stérin	
V Hoogduijn	(Resigned 30 April 2014)
R Lejeune	(Resigned 20 January 2014)
J Perkins	(Appointed 20 January 2014)
P Boccon-Liaudet	(Appointed 20 January 2014)

#### **Disclosure of information to auditors**

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware, at the date of approving this report.

#### **Research and development**

The company undertakes research and development activities. In the judgement of the directors where no future benefits arises, the amounts are written off as a charge in the profit and loss account. Where long term benefits are envisaged, then the amounts are capitalised and amortised over five years.

#### **Charitable contributions**

The company made charitable contributions during the year amounting to £19,684 (2013 : £15,508).

#### **Creditor payment policy**

It is the firm's policy to negotiate terms with its suppliers and to ensure that they know the terms on which payment will be made when business is agreed. It is the directors' policy to abide by such terms. The company does not follow any specified code or standard practice due to the diverse nature of its supplier base.

**BUYAGIFT Plc**

**Report of the directors for the year ended 30 April 2014 (continued)**

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**Going concern**

The company's business activities, together with the factors likely to affect its future development, its financial position, financial risk management objectives, and its exposure to price, credit, liquidity and cash flow risk are described in the Business Review on page 2.

The company has considerable financial resources together with long-term arrangements with a number of customers and suppliers. As a consequence, the directors believe that the company is well placed to manage its business risks successfully despite the continuing uncertain economic outlook.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

**This report was approved by the Board and signed on its behalf by:**



**D Mountain**  
**Director**

10/11/14

**Statement of directors' responsibilities**

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The directors are responsible for preparing the Strategic Report, 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 period. 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 and loss of the company for that period. In preparing those financial statements, the directors are required to :

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 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.

## **Independent auditor's report to the members of Buyagift Plc**

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We have audited the financial statements of Buyagift Plc for the year ended 30 April 2014 which comprise the profit and loss account, the balance sheet and the related notes 1 to 23. 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 auditor's 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 set out on page 5, 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 (APB) 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 of the financial and non-financial information in the Strategic Report, Directors' Report and Financial Statements 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 30 April 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.

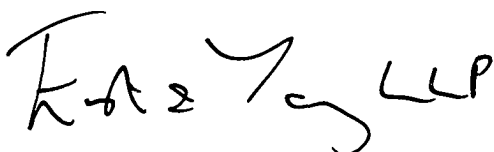
**Independent auditor's report to the members of Buyagift Plc (continued)**

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***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 of the information and explanations we require for our audit.

A handwritten signature in black ink, appearing to read 'Fraser Bull', followed by 'Ernst & Young LLP'.

**Fraser Bull (Senior Statutory Auditor)**  
**For and on behalf of Ernst & Young LLP (Statutory Auditor)**  
Luton

11 November 2014



**BUYAGIFT Plc****Profit and Loss account for the year ended 30 April 2014**

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	Note	30 April 2014 £	30 April 2013 £
Turnover	2	14,386,412	12,347,382
Cost of sales		(4,964,556)	(4,705,090)
<b>Gross profit</b>		<u>9,421,856</u>	<u>7,642,292</u>
Distribution and administrative costs	3	(8,737,877)	(7,101,112)
<b>Operating profit</b>	5	<u>683,979</u>	<u>541,180</u>
Interest receivable	6	269,965	226,664
<b>Profit on ordinary activities before taxation</b>		<u>953,944</u>	<u>767,844</u>
Taxation on ordinary activities	8	(231,824)	(127,339)
<b>Profit for the financial period</b>		<u><u>722,120</u></u>	<u><u>640,505</u></u>

There were no recognised gains and losses in the current and prior period other than the profit arising above.

All operations are continuing.

**BUYAGIFT Plc**
**Balance Sheet as at 30 April 2014**

	Note	30 April 2014 £	30 April 2013 £
<b>Fixed Assets</b>			
Intangible assets	9	-	57,000
Tangible assets	10	341,171	417,596
Investments	11	54,880	54,880
		<u>396,051</u>	<u>529,476</u>
<b>Current Assets</b>			
Stocks	12	158,784	200,701
Debtors	13	4,229,236	3,509,724
Cash at bank and in hand		<u>23,506,126</u>	<u>19,036,667</u>
		<u>27,894,146</u>	<u>22,747,092</u>
<b>Creditors : amounts falling due within one year</b>	14	(25,555,383)	(21,142,814)
<b>Net current assets</b>		<u>2,338,763</u>	<u>1,604,278</u>
<b>Total assets less current liabilities</b>		<u>2,734,814</u>	<u>2,133,754</u>
<b>Provision for liabilities and charges</b>	15	(761,576)	(82,636)
		<u>(761,576)</u>	<u>(82,636)</u>
<b>Net assets</b>		<u>1,973,238</u>	<u>2,051,118</u>
<b>Capital and reserves</b>			
Called up share capital	16	52,500	52,500
Share premium account	18	328,375	328,375
Profit and loss account	18	1,592,363	1,670,243
<b>Shareholders' funds</b>	19	<u>1,973,238</u>	<u>2,051,118</u>

The financial statements were approved by the Board on 10 November 2014 and signed on its behalf by:



**D Mountain**  
Director

## 1 Accounting policies

### ***Basis of preparation and change in accounting policy***

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

### ***Basis of consolidation***

The Company is exempt by virtue of s400 Companies Act 2006 from the requirements to prepare group financial statements. These financial statements present information about the company as an individual undertaking and not about its group.

### ***Revenue recognition***

Turnover represents amounts received for goods and services, net of VAT and trade discounts on vouchers sold prior to 31 October 2010 but redeemed in the year.

For vouchers sold from 1 November 2010 the company changed the method with which it transacts with customers and suppliers for experience vouchers. Turnover from this date represents fees earned net of VAT on redemption of said vouchers.

The company has not changed the method with which it transacts with customers and suppliers in respect of tangible goods and similar supplies. Turnover for these transactions, which represents only a small minority of total turnover, continue to be stated at amounts received for goods and services net of VAT and trade discounts.

In all cases the company recognises its revenue at point of voucher redemption and/or point of voucher expiry, subject to a provision for customer refunds within 60 days of sale as stipulated in the terms of sale.

### ***Cash flow statement***

The Directors have taken advantage of the exemption in FRS1 (revised) from including a cash flow statement in the financial statements on the grounds that the Company is wholly owned and its parent publishes consolidated financial statements.

Included within cash is an amount of £3m deposited with HSBC Merchant Services LLP as security for the card processing facility.

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

Tangible fixed assets are stated at cost less accumulated depreciation. Such cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Software equipment	Straight line	33%
Office furniture	Straight line	20%
Main system software	Straight line	33%

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

### ***Valuation of investments***

Investments held as fixed assets are stated at cost subject to any provision for permanent diminution in value.

**1 Accounting policies (continued)**

**Stocks**

Stocks are valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

**Foreign currency**

Foreign currency transactions are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rates of exchange ruling at the balance sheet date. Any differences are taken to the profit and loss account.

**Intangible fixed assets and amortisation**

**- Research and development**

Research expenditure is written-off to the profit and loss in the year in which it is incurred. Development expenditure is written-off in the same way, unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and is amortised over 5 years.

**- Website domain expenditure**

Acquired website domain expenditure is capitalised at cost and amortised over the useful economic life of the asset, up to a maximum of 5 years.

**Provisions for liabilities**

A provision is recognised when the company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation.

In December 2010 the company introduced a long term incentive plan for certain employees. This has been accounted for in accordance with FRS12 with the estimated benefit apportioned over the anticipated life of the plan.

**Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exception:

- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

**Operating lease agreements**

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

**Pensions**

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the period in which they become payable.

**2 Turnover**

	<b>30 April 2014 £</b>	<b>30 April 2013 £</b>
Geographical locations:		
United Kingdom	14,386,412	12,347,382
Turnover by type:		
Principal - at full sales price paid by customer	2,949,188	2,989,350
Agent - at commission value	11,437,224	9,358,032
	<u>14,386,412</u>	<u>12,347,382</u>
Turnover stated at full sales price paid by customer	<u>31,149,345</u>	<u>27,463,320</u>

**3 Distribution and administrative costs**

	<b>30 April 2014 £</b>	<b>30 April 2013 £</b>
Distribution costs	154,050	172,515
Administrative expenses	8,583,827	6,928,597
	<u>8,737,877</u>	<u>7,101,112</u>

**4 Employees**

	<b>30 April 2014 £</b>	<b>30 April 2013 £</b>
Staff costs for employees, including directors, consist of:		
Wages and salaries	4,422,004	3,284,572
Social security costs	466,017	349,680
Other pension costs	35,857	34,358
	<u>4,923,878</u>	<u>3,668,610</u>

The average number of persons, including directors, employed during the period was as follows:

	<b>Number</b>	<b>Number</b>
Administration	10	10
Marketing	18	15
Information technology	10	8
Supplier relations	15	15
Sales	45	41
	<u>98</u>	<u>89</u>

**BUYAGIFT Plc****Notes forming part of the financial statements for the year ended 30 April 2014 (continued)****5 Operating profit**

	<b>30 April 2014 £</b>	<b>30 April 2013 £</b>
The following items have been included in arriving at the operating profit:		
Net foreign exchange (gain) / loss	(24,416)	5,700
Depreciation of tangible fixed assets	292,403	256,295
Amortisation of intangible assets	57,000	19,075
Operating lease rentals payable - land and buildings	126,363	120,306
Auditors' remuneration	17,500	17,500
Statutory audit	18,500	14,900
General advisory services including taxation		

**6 Interest receivable**

	<b>30 April 2014 £</b>	<b>30 April 2013 £</b>
Bank interest	269,965	226,664

**7 Directors' remuneration**

	<b>30 April 2014 £</b>	<b>30 April 2013 £</b>
Emoluments (excluding pension contributions)	852,554	659,648
Contributions to defined contribution pension schemes	18,000	17,500
Amount provided in respect of long term incentive scheme	579,302	76,835
Highest paid director:		
Emoluments (excluding pension contributions)	272,328	193,699
Contributions to defined contribution pension schemes	6,000	6,000
Amount provided in respect of long term incentive scheme	370,421	22,018
The number of directors in the pension scheme was as follows:	<b>Number</b>	<b>Number</b>
Defined contribution scheme	3	3
The number of directors in the long term incentive scheme was as follows:		
Long term incentive scheme	4	3

During 2014, £41,350 (2013: £nil) was payable to one director as compensation for loss of office.

8 Taxation on ordinary activities	30 April 2014 £	30 April 2013 £
<i>(a) Analysis of charge for the period</i>		
UK corporation tax		
UK tax	(405,052)	(12,780)
Adjustment in respect of earlier years	12,752	(2,718)
Total current tax	(392,300)	(15,498)
Deferred tax - Origination and reversal of timing differences	160,476	(111,841)
Taxation charge on ordinary activities	(231,824)	(127,339)
<i>(b) Factors affecting the taxation charge for the period</i>		
The differences are explained below.		
Profit on ordinary activities before taxation	953,944	767,844
Taxation charge at UK corporation tax rate of 22.8% (2013: 23.9%)	(217,818)	(183,642)
Effects of:		
Expenses not deductible for tax purposes	(5,708)	(8,243)
Depreciation for the period in excess of capital allowances	(694)	(16,829)
Other timing differences	(180,832)	127,491
Utilisation of tax losses	-	68,443
Adjustments to previous periods	12,752	(2,718)
Current tax charge for the period	(392,300)	(15,498)
<i>(c) Deferred tax</i>		
The deferred tax included in the balance sheet is as follows:		
Included in debtors (note 13)	173,549	13,073
Closing balance made up of;		
Accelerated capital allowances	(1,371)	(5,933)
Other timing differences	174,920	19,006
	173,549	13,073
At 1 May 2013		£ 13,073
Deferred tax credit in profit and loss account		160,476
At 30 April 2014		173,549

8 Taxation on ordinary activities (continued)

(d) Factors that may affect future tax charges

Legislation was enacted during 2013 to reduce the standard rate of UK Corporation tax to 21% from 1 April 2014 and to 20% from 1 April 2015. Since this has been substantively enacted by the balance sheet date, deferred tax has been calculated at 20%.

9 Intangible assets	Development expenditure £	Website domains £	Total £
<i>Cost</i>			
At 1 May 2013 and at 30 April 2014	264,419	95,000	359,419
<i>Amortisation</i>			
At 1 May 2013	264,419	38,000	302,419
Charge for the year	-	57,000	57,000
At 30 April 2014	264,419	95,000	359,419
<i>Net Book Value</i>			
At 30 April 2014	-	-	-
At 30 April 2013	-	57,000	57,000
10 Tangible fixed assets			Computers and office equipment £
<i>Cost</i>			
At 1 May 2013			1,310,256
Additions			215,978
At 30 April 2014			1,526,234
<i>Accumulated depreciation</i>			
At 1 May 2013			892,660
Charge for the year			292,403
At 30 April 2014			1,185,063
<i>Net Book Value</i>			
At 30 April 2014			341,171
At 30 April 2013			417,596



**BUYAGIFT Plc****Notes forming part of the financial statements for the year ended 30 April 2014 (continued)**

<b>11 Fixed asset investments</b>	<b>Subsidiary undertakings £</b>
<i>Cost</i>	
At 1 May 2013 and at 30 April 2014	54,880
<i>Net book value</i>	
At 1 May 2013 and at 30 April 2014	54,880

Details of subsidiary undertakings at 30 April 2014 are as follows:-

<i>Name of company</i>	<i>Shares held</i>		<i>Nature of business</i>	<i>Country of incorporation</i> <small>(UK unless shown)</small>
	<i>Class</i>	<i>%</i>		
Buyagift France SARL	Ordinary	100%	Provider of gift vouchers	France
Buyagift Spain SL	Ordinary	100%	Provider of gift vouchers	Spain
Buyagift Italy SRL	Ordinary	100%	Provider of gift vouchers	Italy
Buyagift Pty Limited	Ordinary	100%	Dormant	Australia
Buy365 Limited	Ordinary	100%	Dormant	
Experience More Limited	Ordinary	100%	Dormant	

<b>12 Stocks</b>	<b>30 April 2014 £</b>	<b>30 April 2013 £</b>
Finished goods and goods held for resale	158,784	200,701

The replacement cost of stock is not materially different from the figures stated above.

<b>13 Debtors</b>	<b>30 April 2014 £</b>	<b>30 April 2013 £</b>
Trade debtors	456,892	455,327
Amounts owed by subsidiary undertakings	3,164,859	2,784,735
Amounts owed by parent undertaking	31,954	-
Other debtors	70,403	9,106
Prepayments and accrued income	331,579	131,594
Corporation tax recoverable	-	115,889
Deferred tax	173,549	13,073
	<b>4,229,236</b>	<b>3,509,724</b>

**BUYAGIFT Plc****Notes forming part of the financial statements for the year ended 30 April 2014 (continued)****14 Creditors : amounts falling due within one year**

	<b>30 April 2014 £</b>	<b>30 April 2013 £</b>
Trade creditors	2,107,971	1,565,350
Amounts owed to parent undertaking	-	233,689
Tax and social security	161,770	134,957
Corporation tax payable	290,079	-
Other creditors	58,510	54,367
Accruals and deferred income	22,937,053	19,154,451
Dividends payable	0	-
	<u>25,555,383</u>	<u>21,142,814</u>

**15 Provision for liabilities and charges**

	<b>Long term incentive plan £</b>
At 1 May 2013	82,636
Arising during the year	710,064
Utilised during the year	(31,124)
At 30 April 2014	<u>761,576</u>

The long term incentive plan is based upon the company's performance and future profitability. The plan commenced in December 2010 and is valid for a period of up to 10 years. The directors have made an estimate of the likely benefits arising from the scheme using an estimated point of redemption and applying against the long term business plan. This benefit is discounted at the rate of 2.5% and recognised evenly over this time period.

**16 Share capital**

	<b>30 April 2014 £</b>	<b>30 April 2013 £</b>
<i>Allotted, called up and fully paid:</i>		
"A" shares of 1p each	2,500	2,500
Ordinary shares of 1p each	50,000	50,000
	<u>52,500</u>	<u>52,500</u>

**17 Dividends**

	<b>30 April 2014 £</b>	<b>30 April 2013 £</b>
<i>Declared and paid during the year:</i>		
Equity dividends on ordinary shares - 16p per share (2013 - 36p)	<u>800,000</u>	<u>1,800,000</u>

**BUYAGIFT Plc****Notes forming part of the financial statements for the year ended 30 April 2014 (continued)**

<b>18 Reserves</b>	<b>Share capital £</b>	<b>Share premium £</b>	<b>Profit and loss account £</b>	<b>Total shareholders' funds £</b>
At 30 April 2013	52,500	328,375	1,670,243	2,051,118
Retained profit for the year	-	-	722,120	722,120
Dividends declared and paid	-	-	(800,000)	(800,000)
At 30 April 2014	<u>52,500</u>	<u>328,375</u>	<u>1,592,363</u>	<u>1,973,238</u>

<b>19 Reconciliation of movements in shareholders' funds</b>	<b>30 April 2014 £</b>	<b>30 April 2013 £</b>
Opening shareholders' funds	2,051,118	3,210,613
Profit for the period	722,120	640,505
Dividends (note 17)	(800,000)	(1,800,000)
Closing shareholders' funds	<u>1,973,238</u>	<u>2,051,118</u>

<b>20 Defined contribution scheme</b>	<b>30 April 2014 £</b>	<b>30 April 2013 £</b>
Contributions to the defined contribution scheme	<u>35,857</u>	<u>34,358</u>

**21 Financial commitments**

As at 30 April 2014 the company had annual commitments under non-cancellable operating leases as set out below:

	<b>30 April 2014 Land and buildings £</b>	<b>30 April 2013 Land and buildings £</b>
Operating leases which expire: In two to five years	<u>126,363</u>	<u>126,363</u>

**22 Related party transactions**

The company has taken advantage of the exemptions available to subsidiary undertakings under FRS 8 by not disclosing transactions with entities that are wholly owned by the ultimate parent undertaking of the group.

There were no other related party transactions during the year.

**23 Parent undertaking and controlling party**

The ultimate parent undertaking and controlling party is Topco SAS. The parent undertaking of the largest group for which group financial statements are drawn up is Smart & Co SAS, a company incorporated in France. Copies of the financial statements of Smart & Co SAS can be obtained from 19 - 21 Avenue Dubonnet, 92400 Courbevoie, Paris, France.