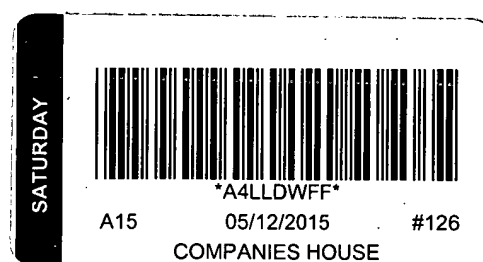


**Accelya UK Limited**

**Director's report and financial  
statements**

**Registered number 6217837**

**Year ended 30 June 2015**



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## Strategic report for the year ended 30<sup>th</sup> June 2015

### Business review

#### Principal activities

The principal activity of the company is the provision of data processing services for the travel and transportation industry, in addition to User Acceptance Testing for a major airline and sales audit for airlines tariffs. These services are to improve the overall business performance for its clients.

#### Results and Performance

The company's results for the year and the financial position at the end of the year are shown in the attached financial statements. The results show a profit on ordinary activities before tax of £3,214 (2014 £2,647). The performance of the company during the financial year, has produced encouraging results. External revenue of £8,104 (2014 £7,324) was achieved against a plan figure of £7,544 (2014 £7,346). Costs narrowly exceeded plan by 2% (2014 1.7%) but debtors over 60 days was kept to a monthly average of £6 (2014 £7) and three additional customers were converted to payment through the IATA Clearing House thereby improving cash flow.

New sales exceeded the plan by 18% resulting in an expansion of existing customer accounts across the product lines and new customers. Card revenue exceeded plan by 23%, Fare Control revenue by 9% whilst User Acceptance Testing saw a decrease in revenue of 7% due to lower staffing levels.

#### Key performance indicators (KPI)

We have made significant progress throughout the year in relation to key elements of our financial KPIs against the results of the previous financial year. The key indicators for understanding the company's situation are duly reflected in the financial statements and no additional references or explanations are required.

	2015 £000	2014 £000
External Revenue	£8,104	£7,324
Profit before tax	£3,214	£2,647
Trade Debtors – Average monthly balance	£6	£7

#### Business Environment

Despite the current global financial climate which has had a negative impact on passenger numbers, management expects to see favourable performance in the company's financial position and equity.

#### Strategy

The aviation industry and companies associated with it, are engaged in a highly competitive market. Many companies offer similar products and services giving rise to aggressive pricing structures with limited margins. Accelya UK Ltd aims to be at the cutting edge of technology in relation to all matters associated with an airline's back office requirements. Service diversification is expected for Accelya UK thanks to its strong position within the sector and there are no known specific risks or uncertainties which could affect the performance.

The company will continue to consolidate its position and concentrate its efforts on delivering superior service to its customer base.

## Risks

The principal risks and uncertainties facing the company are:

- **Contracts may not be profitable**

The pricing and other terms of our contracts require us to make estimates and assumptions at the time of entering into these contracts which could differ from actual results. Any increased or unexpected costs, however caused, could make these contracts less profitable and this could affect our margin. Failure to meet a client's contract Service Level Agreement may result in an unprofitable contract. The company monitors contracts for unprofitability in order to identify and mitigate risk. Currently there are no contracts in this situation.

- **Credit Risk**

The company transacts mainly with established Airlines, building on commercial relationships that have existed for many years which assists in minimising credit risk. Invoicing is agreed with the customer in advance and the company does not offer extended credit terms. In addition, trade debtor balances are monitored on an ongoing basis with the result that the company's exposure to bad debts is minimised.

- **Loss of Clients**

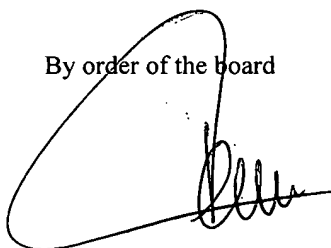
The company may lose contracts and/or clients due to their merger or acquisition, business failure, contract expiration or conversion to a competing service provider or a strategic reassessment by the customer to take the services 'in-house'. Such losses may have a material impact on its profitability. The company prioritises the maintenance of good relationships with their customers in order to mitigate any risk. Currently, the company is not aware of any potential loss of clients.

Additional risks and uncertainties not currently known to us or that we currently believe to be immaterial also may materially adversely affect our business, financial condition and/or results of operations in the future.

## Development

The company continues to actively seek new clients within the travel and transportation industry for its products and services using a variety of sales and marketing techniques.

By order of the board



**Philippe Lesueur**  
Director  
23rd October 2015

Avenue Court, Victoria Avenue, Camberley, Surrey GU15 3HX

## **Director's report**

The director presents his annual report and the audited financial statements for the year ended 30 June 2015.

### **Proposed dividend**

Dividends totalling £2,350,000 were paid during the year ended 30 June 2015 (2014: £450,000).

### **Director**

The director who held office during the period was as follows:

Philippe Lesueur

### **Political and charitable contributions**

During the period, the Company made charitable donations of nil (2014: nil) and no political donations (2014: nil).

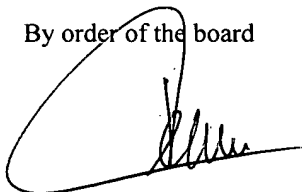
### **Disclosure of information to auditor**

The director who held office at the date of approval of this director's report confirms that, so far as he is aware, there is no relevant audit information of which the company's auditor is aware; and the director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

### **Auditor**

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board

A handwritten signature in black ink, appearing to be 'Philippe Lesueur', written over a large, loopy circular flourish.

**Philippe Lesueur**  
*Director*  
23rd October 2015

Avenue Court, Victoria Avenue, Camberley, Surrey GU15 3HX

## **STATEMENT OF DIRECTOR'S RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT AND THE DIRECTOR'S REPORT AND THE FINANCIAL STATEMENTS**

The director is responsible for preparing the Strategic Report and the Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law he has elected to prepare the financial statements in accordance with IFRSs as adopted by the EU and applicable law.

Under company law the director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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. He has general responsibility for taking such steps as are reasonably open to him to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

KPMG LLP  
1 Forest Gate  
Brighton Road  
Crawley  
West Sussex  
RH11 9PT

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACCELYA UK LIMITED**

We have audited the financial statements of Accelya UK Limited for the year ended 30 June 2015 set out on pages 7 to 24. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU.

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 director and auditor***

As explained more fully in the Director's Responsibilities Statement set out on page 4, the director is 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**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate)

### ***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 June 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the EU; 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 Director's 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 ACCELYA UK LIMITED**  
(Continued)

**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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

T.S. 

**Timothy Rush (Senior Statutory Auditor)**

**For and on behalf of KPMG LLP, Statutory Auditor**

*Chartered Accountants*

1 Forest Gate  
Brighton Road  
Crawley  
West Sussex  
RH11 9PT

Date 29<sup>th</sup> October 2015



**Statement of Profit and Loss and Other Comprehensive Income**  
*for year ended 30th June 2015*

	Note	2015 £000	2014 £000
<b>Revenue</b>	2	<b>8,104</b>	7,324
Cost of sales		(3,672)	(3,511)
		<hr/>	<hr/>
<b>Gross profit</b>		<b>4,432</b>	3,813
Administrative expenses	3	(1,178)	(1,152)
		<hr/>	<hr/>
<b>Operating profit</b>		<b>3,254</b>	2,661
Financial expenses	6	(40)	(14)
		<hr/>	<hr/>
<b>Net financing expense</b>		<b>(40)</b>	(14)
		<hr/>	<hr/>
<b>Profit before tax</b>		<b>3,214</b>	2,647
Taxation	7	(669)	(595)
		<hr/>	<hr/>
<b>Profit for the year</b>		<b>2,545</b>	2,052
		<hr/>	<hr/>
<b>Other comprehensive income for the period, net of income tax</b>		-	-
		<hr/>	<hr/>
<b>Total comprehensive income for the period</b>		<b>2,545</b>	2,052
		<hr/>	<hr/>

The profits for the year shown above are derived entirely from continuing activities.

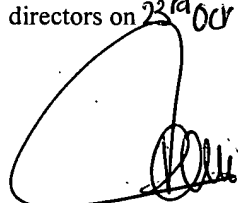
The notes on pages 11 to 24 form an integral part of these financial statements.

**Balance Sheet**  
**at 30th June 2015**

	Note	2015 £000	2014 £000
<b>Non-current assets</b>			
Property, plant and equipment	8	1,682	1,714
Intangible assets	9	3,614	3,614
		<u>5,296</u>	<u>5,328</u>
<b>Current assets</b>			
Trade and other receivables	11	1,540	1,531
Cash and cash equivalents	12	1,186	871
		<u>2,726</u>	<u>2,402</u>
<b>Total assets</b>		<u>8,022</u>	<u>7,730</u>
<b>Current liabilities</b>			
Trade and other payables	13	1,732	1,636
		<u>1,732</u>	<u>1,636</u>
<b>Non-current liabilities</b>			
Deferred Tax	10	64	63
		<u>64</u>	<u>63</u>
<b>Total liabilities</b>		<u>1,796</u>	<u>1,699</u>
<b>Net assets</b>		<u>6,226</u>	<u>6,031</u>
<b>Equity</b>			
Share capital	14	1,116	1,116
Retained earnings		5,110	4,915
<b>Total equity</b>		<u>6,226</u>	<u>6,031</u>

The notes on pages 11 to 24 form part of these financial statements.

These financial statements of this company (registered number: 6217827) were approved by the board of directors on 23<sup>rd</sup> Oct 2015 and were signed on its behalf by:



Philippe Lesueur  
**Director**

## Statement of changes in equity

	Share capital £000	Retained earnings £000	Total equity £000
Balance at 1 July 2011	4,366	1,525	5,891
<b>Total comprehensive income for the period</b>			
Profit for the year	-	251	251
Own shares acquired	(550)	-	(550)
<b>Balance at 30 June 2012</b>	<b>3,816</b>	<b>1,776</b>	<b>5,592</b>
Balance at 1 July 2012	3,816	1,776	5,592
<b>Total comprehensive income for the period</b>			
Profit for the year	-	1,537	1,537
Own shares acquired	(550)	-	(550)
<b>Balance at 30 June 2013</b>	<b>3,266</b>	<b>3,313</b>	<b>6,579</b>
Balance at 1 July 2013	3,266	3,313	6,579
<b>Total comprehensive income for the period</b>			
Profit for the year	-	2,052	2,052
Own shares acquired	(2,150)	-	(2,150)
Dividends paid	-	(450)	(450)
<b>Balance at 30 June 2014</b>	<b>1,116</b>	<b>4,915</b>	<b>6,031</b>
Balance at 1 July 2014	1,116	4,915	6,031
<b>Total comprehensive income for the period</b>			
Profit for the year	-	2,545	2,545
Own shares acquired	-	-	-
Dividends paid	-	(2,350)	(2,350)
<b>Balance at 30 June 2015</b>	<b>1,116</b>	<b>5,110</b>	<b>6,226</b>

The notes on pages 11 to 24 form part of these financial statements.

**Cash Flow Statement**  
*for year ended 30th June 2015*

	<i>Note</i>	<b>2015</b> <b>£000</b>	2013 £000
<b>Cash flows from operating activities</b>			
Profit for the year		<b>2,545</b>	2,052
<i>Adjustments for:</i>			
Depreciation, amortisation and impairment	8	<b>32</b>	46
Unrealised Foreign exchange losses	6	<b>40</b>	14
Taxation	7	<b>669</b>	595
		<hr/> <b>3,286</b>	<hr/> 2,707
(Increase)/Decrease in trade and other receivables		<b>(9)</b>	(287)
Increase/(Decrease) in trade and other payables		<b>98</b>	293
		<hr/> <b>3,375</b>	<hr/> 2,713
Unrealised foreign exchange losses	6	<b>(40)</b>	(14)
Tax paid	7	<b>(670)</b>	(597)
		<hr/> <b>2,665</b>	<hr/> 2,102
<b>Net cash from operating activities</b>			
<b>Cash flows from investing activities</b>			
Acquisition of property, plant and equipment	8	<b>(-)</b>	(2)
		<hr/> <b>(-)</b>	<hr/> (2)
<b>Net cash from investing activities</b>			
<b>Cash flows from financing activities</b>			
Repurchase of own shares	14	<b>(-)</b>	(2,150)
Dividends		<b>(2,350)</b>	(450)
		<hr/> <b>(2,350)</b>	<hr/> (2,600)
<b>Net cash from financing activities</b>			
Net decrease in cash and cash equivalents		<b>315</b>	(500)
Cash and cash equivalents at 1 July 2014		<b>871</b>	1,371
		<hr/> <b>1,186</b>	<hr/> 871
<b>Cash and cash equivalents at 30 June 2015</b>	12		

The notes on pages 11 to 24 form part of these financial statements.

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

Accelya UK Limited is a company incorporated and domiciled in the UK.

The company financial statements have been prepared and approved by the director in accordance with International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"). The accounting policies set out below have, unless otherwise stated, been applied consistently in these financial statements.

Judgements made by the director, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 19.

#### *Measurement convention*

The financial statements are prepared on the historical cost basis. Non-current assets are stated at the lower of previous carrying amount and fair value less costs to sell.

#### *Going concern*

The accounts have been prepared on a going concern basis. Having reviewed financial projections of the company, the Director considers it has sufficient cash resources to meet its financial obligations for the foreseeable future, and for a period of at least 12 months from the date of approval of these accounts.

#### *Foreign currency*

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement.

#### *Non-derivative financial instruments*

Non-derivative financial instruments comprise trade and other receivables, cash and cash equivalents and trade and other payables.

##### *Trade and other receivables*

Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

##### *Trade and other payables*

Trade and other payables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

##### *Cash and cash equivalents*

Cash and cash equivalents comprise cash balances.

## **Notes (continued)**

### **1 Accounting policies (continued)**

#### ***Property, plant and equipment***

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Land is not depreciated. The estimated useful lives are as follows:

- buildings 30 years
- plant and equipment 3 years
- fixtures and fittings 3 years
- staff computers 2 years

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date.

#### ***Intangible assets and goodwill***

All unincorporated business combinations are accounted for by applying the purchase method. Goodwill represents amounts arising on acquisition of businesses. In respect of business acquisitions that have occurred since 18 April 2007, goodwill represents the difference between the cost of the acquisition and the net fair value of the identifiable assets, liabilities and contingent liabilities acquired. Identifiable intangibles are those which can be sold separately or which arise from legal rights regardless of whether those rights are separable.

Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to cash-generating units and is not amortised but is tested annually for impairment.

#### ***Employee benefits***

##### ***Defined contribution plans***

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement as incurred.

##### ***Operating lease payments***

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease.

##### ***Impairment excluding inventories and deferred tax assets***

The carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment; a financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. If any such indication exists, the asset's recoverable amount is estimated.

For goodwill, assets that have an indefinite useful life and intangible assets that are not yet available for use, the recoverable amount is estimated at each balance sheet date.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement.

## **Notes (continued)**

### **1 Accounting policies (continued)**

#### ***Impairment excluding inventories and deferred tax assets (continued)***

The recoverable amount is the greater of the assets fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units and then to reduce the carrying amount of the other assets in the unit on a pro rata basis. A cash generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

An impairment loss in respect of goodwill is not reversed.

In respect of other assets, an impairment loss is reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

#### ***Provisions***

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

#### ***Revenue***

Revenue is recognised in the books of the company on a recurring monthly basis at the point at which the service is provided to the client. All Revenue is accounted for net of VAT.

#### ***Financing income and expenses***

Financing expenses comprise interest payable and net foreign exchange losses that are recognised in the income statement (see foreign currency accounting policy). Financing income comprise interest receivable on funds invested, dividend income, and net foreign exchange gains.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Foreign currency gains and losses are reported on a net basis.

#### ***Taxation***

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

## Notes (continued)

### 1 Accounting policies (continued)

#### *Adopted IFRS not yet applied*

The following Adopted IFRSs and IASs were available for early application but have not been applied by the Company in these financial statements. Their adoption is not expected to have a material effect on the financial statements unless otherwise indicated

IFRS 11 Joint Arrangements and Amendments to IAS 28 (2008) Investments in Associates and Joint Ventures (mandatory for year commencing on or after 1 January 2014).

IFRS 12 Disclosure of Interests in Other Entities (mandatory for year commencing on or after 1 January 2014).

Amendments to IAS 32 'Offsetting Financial Assets and Financial Liabilities' (mandatory for year commencing on or after 1 January 2014).

Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27) (mandatory for year commencing on or after 1 January 2014).

Transition Guidance (Amendments to IFRS 10, IFRS 11 and IFRS 12) (mandatory for year commencing on or after 1 January 2014).

IFRS 9 Financial Instruments (mandatory for year commencing on or after 1 January 2015).

Amendments to IAS36 'Recoverable amount disclosures for non-financial assets' (mandatory for year commencing on or after 1 January 2014)

Amendments to IAS39 'Continuing hedge accounting after derivative novation's' (mandatory for year commencing on or after 1 January 2014)

IFRIC 21 Levies (mandatory for year commencing on or after 1 January 2014)

### 2 Revenue

	2015 £000	2014 £000
Rendering of services to the airline industry	8,104	7,324
Total revenues	<u>8,104</u>	<u>7,324</u>

The Company has a single operating segment rendering services to the airline industry.

### 3 Expenses and auditor's remuneration

Administrative charges include, among others, the following costs:

	2015 £000	2014 £000
Restructuring costs expensed as incurred – included in administrative expenses	-	23
Depreciation of tangible fixed assets	32	46
Audit of these financial statements	20	19



## Notes (continued)

### 4 Staff numbers and costs

The average number of persons employed by the Company during the period, analysed by category, was as follows:

	2015	2014
Direct Labour	32	31
Office	1	1
Accounting and Finance	2	2
General and Administration	1	1
Direct Selling	2	2
	<hr/> 38 <hr/>	<hr/> 37 <hr/>

The aggregate payroll costs of these persons were as follows:

	2015 £000	2014 £000
Wages and salaries	1,291	1,150
Social security costs	164	151
Contributions to defined contribution plan	54	52
	<hr/> 1,509 <hr/>	<hr/> 1,353 <hr/>

### 5 Director's remuneration

The Director of the Company received no remuneration in respect of his services to the Company for the year ended 30 June 2015 (2014: nil). His remuneration is borne by another group company.

### 6 Financial expense

	2015 £000	2014 £000
Net foreign exchange loss	40	14
	<hr/>	<hr/>
Total financial expense	40	14
	<hr/>	<hr/>

## Notes (continued)

### 7 Taxation

#### Recognised in the income statement

	2015 £000	2014 £000
Current year tax expense	670	597
Deferred tax expense	-	-
Origination and reversal of temporary differences	(1)	(2)
	<hr/>	<hr/>
Tax expense in income statement	<b>669</b>	<b>595</b>
	<hr/>	<hr/>

#### Reconciliation of effective tax rate

	2015 £000	2014 £000
Profit before taxation	3,214	2,647
	<hr/>	<hr/>
Tax using the UK corporation tax rate of 21% (2014 23%)	675	609
Non-deductible expenses	1	5
Adjustment for change in tax rate	(7)	(19)
	<hr/>	<hr/>
Total tax expense	<b>669</b>	<b>595</b>
	<hr/>	<hr/>

A reduction in the UK corporation tax rate from 24% to 23% (effective 1 April 2013) was substantively enacted on 3 July 2012. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. In the Budget on 8 July 2015, the Chancellor announced additional planned reductions to 18% by 2020. This will reduce the company's future current tax charge accordingly. The deferred tax asset at 30<sup>th</sup> June 2015 has been calculated based on the rate of 20% substantively enacted at the balance sheet date."

## Notes (continued)

### 8 Property, plant and equipment

	Land and buildings £000	Plant and equipment £000	Fixtures and fittings £000	Staff Computers £000	Total £000
<b>Cost</b>					
Balance at 1 July 2014	2,000	90	20	21	2,131
Additions	-	-	-	-	-
	<u>2,000</u>	<u>90</u>	<u>20</u>	<u>21</u>	<u>2,131</u>
Balance at 30 June 2015	2,000	90	20	21	2,131
	<u>2,000</u>	<u>90</u>	<u>20</u>	<u>21</u>	<u>2,131</u>
<b>Depreciation and impairment</b>					
Balance at 1 July 2014	293	89	15	20	417
Depreciation charge for the year	27	-	4	1	32
	<u>320</u>	<u>89</u>	<u>19</u>	<u>21</u>	<u>449</u>
Balance at 30 June 2015	320	89	19	21	449
	<u>320</u>	<u>89</u>	<u>19</u>	<u>21</u>	<u>449</u>
<b>Net book value</b>					
At 1 July 2014	1,707	1	5	1	1,714
	<u>1,707</u>	<u>1</u>	<u>5</u>	<u>1</u>	<u>1,714</u>
At 30 June 2015	1,680	1	1	-	1,682
	<u>1,680</u>	<u>1</u>	<u>1</u>	<u>-</u>	<u>1,682</u>

### 9 Intangible assets

	Goodwill £000
<b>Cost</b>	
Balance at 1 July 2014 and 30 June 2015	3,614
	<u>3,614</u>
<b>Impairment</b>	
Balance at 1 July 2014 and 30 June 2015	-
	<u>-</u>
<b>Net book value</b>	
At 1 July 2014 and 30 June 2015	3,614
	<u>3,614</u>

## Notes (continued)

### 9 Intangible assets (continued)

#### Impairment testing

Goodwill considered significant in comparison to the Company's total carrying amount of such assets have been allocated to cash generating units or groups of cash generating units as follows:

	Goodwill	
	2015 £000	2014 £000
United Kingdom	3,614	3,614

The recoverable amount of the United Kingdom has been calculated with reference to its value in use. The key features of this calculation are shown below:

	2015	2014
Number of years on which management approved forecasts are based	5	5
Growth rate applied beyond approved forecast period	-	-
Discount rate	12.87%	12.87%

The calculations of value in use are based on cash flow projections from the financial budgets approved by management over a period of five years (2014: five years).

Cash flows beyond five years are extrapolated without considering a growth rate. Management determines budgeted gross margins based on past performance and market expectations. This gross margin is consistent with the one shown in the income statement in these financial statements. The discount rate used is 12.87% (2014: 12.87%) and management considers the specific risks related with the sector of activity.

As a result of the impairment tests performed, no provision for impairment losses is considered necessary. Whilst it is conceivable that a key assumption in the calculation could change, the Director believes that no reasonably foreseeable changes to key assumptions would result in an impairment of goodwill.

### 10 Deferred tax assets and liabilities

#### Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets 2015 £000	Liabilities 2015 £000	Net 2015 £000	Assets 2014 £000	Liabilities 2014 £000	Net 2014 £000
Property, plant and equipment	-	(64)	(64)	-	(63)	(63)
Tax (liability)/asset	-	(64)	(64)	-	(63)	(63)

Movement in deferred tax during the year

	1 July 2014 £000	Recognised in income £000	Recognised in equity £000	30 June 2015 £000
Property, plant and equipment	(63)	-	-	(64)
	(63)	1	-	(64)

## Notes (continued)

### 11 Trade and other receivables

	2015 £000	2014 £000
Trade receivables due from related parties	184	145
Other trade receivables	1,262	1,270
Prepayments	94	116
	<u>1,540</u>	<u>1,531</u>

### 12 Cash and cash equivalents

	2015 £000	2014 £000
Cash and cash equivalents per balance sheet	1,186	871
Cash and cash equivalents per cash flow statements	<u>1,186</u>	<u>871</u>

### 13 Trade and other payables

	2015 £000	2014 £000
<b>Current</b>		
Trade payables due to related parties	765	703
Other trade payables	41	70
Non-trade payables and accrued expenses	926	863
	<u>1,732</u>	<u>1,636</u>

## Notes (continued)

### 14 Share Capital

	Ordinary shares	
	2015 £000	2014 £000
At 1 July 2014	1,116	3,266
Capital reduction	-	(2,150)
At 30 June 2015	<u>1,116</u>	<u>1,116</u>
	2015 £000	2014 £000
<i>Allotted, called up and fully paid</i>		
1,116,121 Ordinary shares of £1 each	<u>1,116</u>	<u>1,116</u>

### 15 Financial instruments

#### 15 (a) Fair values of financial instruments

##### Trade and other receivables

The fair value of trade and other receivables is estimated as the present value of future cash flows, discounted at the market rate of interest at the balance sheet date if the effect is material.

##### Trade and other payables

The fair value of trade and other payables is estimated as the present value of future cash flows, discounted at the market rate of interest at the balance sheet date if the effect is material.

##### Cash and cash equivalents

The fair value of cash and cash equivalents is estimated as its carrying amount where the cash is repayable on demand.

## Notes (continued)

### 15 Financial instruments (continued)

#### Interest-bearing borrowings

Fair value, which after initial recognition is determined for disclosure purposes only, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the balance sheet date. For finance leases the market rate of interest is determined by reference to similar lease agreements.

	Carrying amount 2015 £000	Fair value 2015 £000	Carrying amount 2014 £000	Fair value 2014 £000
Cash and cash equivalents (note 12)	1,186	1,186	871	871
Other loans and receivables (note 11)	1,446	1,446	1,415	1,415
<b>Total loans and receivables</b>	<b>2,632</b>	<b>2,632</b>	<b>2,286</b>	<b>2,286</b>
<b>Total financial assets</b>	<b>2,632</b>	<b>2,632</b>	<b>2,286</b>	<b>2,286</b>

#### 15 (b) Credit risk

##### Financial risk management

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities.

The company's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowance for doubtful receivables. An allowance for impairment is made where there is an identified loss event which based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The company performs credit checks on all customers and takes steps to mitigate the risk of non-payment by securing up front payment where deemed appropriate.

There is no significant concentration of credit risk with the exposure spread over a large number of counterparties and customers.

##### Credit quality of financial assets and impairment losses

The aging of trade receivables at the balance sheet date was:

	Gross 2015 £000	Impairment 2015 £000	Gross 2014 £000	Impairment 2014 £000
Not past due	1,087	-	1,004	-
Past due (0-30 days)	319	-	410	-
Past due (31-120 days)	38	-	1	-
More than 120 days	2	-	-	-
	<b>1,446</b>	<b>-</b>	<b>1,415</b>	<b>-</b>

## Notes (continued)

### 15 Financial instruments (continued)

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	2015 £000	2014 £000
Balance at 1 July 2014	-	-
Balance at 30 June 2015	-	-

#### *Exposure to credit risk*

The carrying amount of financial assets represents the maximum credit exposure. Therefore, the maximum exposure to credit risk at the balance sheet date was £1,409,000 (2014: £1,415,000) being the total of the carrying amount of financial assets, excluding equity investments, shown in the table above.

The maximum exposure to credit risk for trade receivables at the balance sheet date by geographic region was:

	2015 £000	2014 £000
Asia	276	311
Africa	98	71
Europe	1,021	973
North America	47	60
South America	4	-
	<u>1,446</u>	<u>1,415</u>

The maximum exposure to credit risk for trade receivables at the balance sheet date by type of counterparty was:

	2015 £000	2014 £000
Airline	1,446	1,415
	<u>1,446</u>	<u>1,415</u>

#### *15 (c) Liquidity risk*

##### *Financial risk management*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

The company use of financial instruments is confined to a bank account.

The company's exposure to liquidity risk is determined by the ability to collect amounts due from trade receivables.



## Notes (continued)

### 15 Financial instruments (continued)

#### 15 (d) Market risk

##### *Financial risk management*

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices, will affect the Company's income or the value of its holdings of financial instruments.

All customers are invoiced, and substantially all of our expenses are paid in the functional currency. Therefore, there is no foreign currency risk.

##### *Market risk – Interest rate risk*

The company has no borrowings and no other financial assets or financial liabilities are subject to interest rate exposure.

#### 15 (e) Capital management

For day-to-day working capital needs, the company uses funds from the UK bank accounts. If additional funding was required the company would draw on loans from group undertakings as and when necessary.

### 16 Related parties

#### *Identity of related parties with which the Company has transacted*

During the year ended 30 June 2015, the company made payments totalling £2,331,440 (2014: £2,259,961) to fellow subsidiary undertakings in respect of "fare control and eServices" charged under third party supplier contracts. In addition, an administrative expense of £370,127 (2014: £343,956) was charged to the company by its parent company of Head Office staff and resource costs allocated on a pro-rata basis across the whole company.

	Receivables outstanding 2015 £000	Payables outstanding 2015 £000	Receivables outstanding 2014 £000	Payables outstanding 2014 £000
Fellow subsidiary undertaking	184	765	145	703

The compensation of key management personnel is borne by other group companies.

### 17 Operating leases

Non-cancellable operating lease rentals are payable as follows:

	2015 £000	2014 £000
Less than one year	9	13
Between one and five years	1	10
More than five years	-	-
	<u>10</u>	<u>23</u>

The Company leases three vehicles under operating leases. During the year £13,761 was recognised as an expense in the income statement in respect of operating leases (2014 £15,960).

## **Notes (continued)**

### **18 Capital commitment and contingencies**

The Company had no capital commitments as at 30 June 2015 and 2014.

### **19 Accounting estimates and judgements**

The preparation of financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. Details of accounting estimates and judgments that have the most significant effect on the amounts recognised in the financial statements have been disclosed under the relevant note or accounting policy for each area where disclosure is required. Principally these are measurement of the recoverable amounts of cash-generating units containing goodwill.

### **20 Ultimate parent company and parent company of larger group**

The Company is a subsidiary undertaking of Accelya Holding World SLU (Spain) which is the immediate parent company incorporated in Spain. The immediate parent company of Accelya Holding World SLU is Accelya Holding Luxembourg SA (Luxembourg) incorporated in Luxembourg.

### **21 Post balance sheet events**

No post balance sheet events occurred.

### **22 Related Party Disclosure**

On the 9<sup>th</sup> September, 2013, Accelya UK Ltd entered into an agreement with Zero Octa UK Ltd, a non-wholly owned related party. Accelya UK granted permission for Zero Octa UK use and utilise part of Avenue Court, Victoria Avenue, Camberley, Surrey on a non-exclusive basis for a monthly rental charge of £3,900. At 30<sup>th</sup> June 2015, only the rental payment in respect of June 2015 was due, no other amounts were due or unpaid in respect of the financial year. The agreement made between the parties contains no guarantees, given or received.