

Registered number. 06380462

## **Airparks Management Limited**

**Directors' report and financial statements**

**for the year ended 31 March 2012**

FRIDAY



\*A1095DN4\*

A57

21/12/2012

#107

COMPANIES HOUSE

## **Airparks Management Limited**

### **Company Information**

#### **Directors**

S D Lawrence  
C M Beare  
M G Pack (resigned 26 May 2011)  
H Dove

#### **Company secretary**

C M Beare

#### **Company number**

06380462

#### **Registered office**

Willow House  
Pinewood Business Park  
Marston Greed  
Solihull  
B37 7HG

#### **Auditors**

Reeves & Co LLP  
Statutory Auditor & Chartered Accountants  
37 St Margaret's Street  
Canterbury  
Kent  
CT1 2TU

#### **Bankers**

Barclays Bank Plc  
66 High Street  
Ashford  
Kent  
TN24 8TL

# **Airparks Management Limited**

## **Contents**

	<b>Page</b>
<b>Directors' report</b>	<b>1 - 3</b>
<b>Independent auditors' report</b>	<b>4 - 5</b>
<b>Profit and loss account</b>	<b>6</b>
<b>Balance sheet</b>	<b>7</b>
<b>Notes to the financial statements</b>	<b>8 - 15</b>

## **Airparks Management Limited**

### **Directors' report for the year ended 31 March 2012**

The directors present their report and the financial statements for the year ended 31 March 2012

#### **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 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. Whilst there has been some recovery in the number of people flying, numbers are still down on the levels achieved in 2008. The competition, in particular the airports, are trialling alternative pricing and distribution strategies leading to the business having to adopt a more agile pricing. There has been an increase in costs which has been necessary to maintain levels of customer service that ensure customers will return.

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.

#### **Results and dividends**

The loss for the year, after taxation, amounted to £2,008,000 (2011 - loss £1,449,000).

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

## **Airparks Management Limited**

### **Directors' report for the year ended 31 March 2012**

#### **Directors**

The directors who served during the year were

S D Lawrence  
C M Beare  
M G Pack (resigned 26 May 2011)  
H Dove

#### **Financial instruments**

The company finances its operations through various financial instruments comprising bank balances, trade debtors and trade creditors

Due to the nature of the financial instruments used by the company during the period there is no exposure to price risk

The company's approach to managing other risks applicable to the financial instruments 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

The company communicates and consults with all employees via regular business briefings, staff forum and its Intranet

During the year, 212 full-time and part-time staff were employed by the company, generating an average turnover of £37,000 each

#### **Employment policies**

The company's employment policies have been designed to guarantee that everyone is treated in a fair and consistent manner. They have been developed to ensure that everyone is aware of what is expected of him or her and what the employer offers in return

The company is an equal opportunities employer and is committed to achieving and maintaining a workforce which is representative of the local community in terms of race, colour, nationality, sex, age sexual orientation, marital status and disability

In the event of existing staff members becoming disabled, every effort is made to enable them to maintain their present position or to provide appropriate training and employ them in suitable work within another department

## **Airparks Management Limited**

### **Directors' report for the year ended 31 March 2012**

#### **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

#### **Provision of information to auditors**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information

#### **Auditors**

Under section 487(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 14 September 2012 and signed on its behalf



**C M Beare**  
Director

## **Airparks Management Limited**

### **Independent auditors' report to the shareholders of Airparks Management Limited**

We have audited the financial statements of Airparks Management Limited for the year ended 31 March 2012, set out on pages 6 to 15. 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 2012 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 Management Limited**

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

14 September 2012



# Airparks Management Limited

## Profit and loss account for the year ended 31 March 2012

	Note	2012 £000	2011 £000
<b>Turnover</b>	1,2	<b>7,747</b>	7,962
Cost of sales		<u>(9,023)</u>	<u>(8,540)</u>
<b>Gross loss</b>		<b>(1,276)</b>	(578)
Administrative expenses		(919)	(655)
Other operating income		<u>78</u>	<u>126</u>
<b>Operating loss</b>	3	<b>(2,117)</b>	(1,107)
Interest receivable and similar income		18	18
Interest payable and similar charges	5	<u>(265)</u>	<u>(360)</u>
<b>Loss on ordinary activities before taxation</b>		<b>(2,364)</b>	(1,449)
Tax on loss on ordinary activities	6	<u>356</u>	<u>-</u>
<b>Loss for the financial year</b>	14	<b><u>(2,008)</u></b>	<b><u>(1,449)</u></b>

All amounts relate to continuing operations

There were no recognised gains and losses for 2012 or 2011 other than those included in the Profit and loss account


The notes on pages 8 to 15 form part of these financial statements


**Airparks Management Limited**  
**Registered number: 06380462**

**Balance sheet**  
**as at 31 March 2012**

	Note	£000	2012 £000	£000	2011 £000
<b>Fixed assets</b>					
Intangible assets	7		96		-
Tangible assets	8		521		499
			<u>617</u>		<u>499</u>
<b>Current assets</b>					
Stocks	9	28		20	
Debtors	10	2,632		2,419	
Cash at bank and in hand		470		2,543	
		<u>3,130</u>		<u>4,982</u>	
<b>Creditors: amounts falling due within one year</b>	11	<u>(8,169)</u>		<u>(7,435)</u>	
<b>Net current liabilities</b>			<u>(5,039)</u>		<u>(2,453)</u>
<b>Total assets less current liabilities</b>			<u>(4,422)</u>		<u>(1,954)</u>
<b>Creditors: amounts falling due after more than one year</b>	12		<u>(3,165)</u>		<u>(3,625)</u>
<b>Net liabilities</b>			<u><u>(7,587)</u></u>		<u><u>(5,579)</u></u>
<b>Capital and reserves</b>					
Called up share capital	13		-		-
Profit and loss account	14		<u>(7,587)</u>		<u>(5,579)</u>
<b>Shareholders' deficit</b>	15		<u><u>(7,587)</u></u>		<u><u>(5,579)</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 14 September 2012

  
**C M Beare**  
 Director

  
**H Dove**  
 Director

The notes on pages 8 to 15 form part of these financial statements

**Notes to the financial statements  
for the year ended 31 March 2012**

**1. Accounting policies**

**1.1 Basis of preparation of financial statements**

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

**1.2 Going concern**

In order to meet its day to day working capital requirements the company relies 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 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 Recognition of income**

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, exclusive of VAT

The revenue recognised is measured by reference to the amounts likely to be chargeable to customers, less a suitable allowance to recognise the uncertainties remaining in the completion of the obligations. Contingent income is recognised only when the contingent element is assured

**1.5 Intangible fixed assets and amortisation**

Intangible fixed assets are stated at cost less amortisation. Amortisation is provided at rates calculated to write off the cost of the intangible fixed assets, less their estimated residual value, over their expected useful lives of 15 years

**1.6 Tangible fixed assets and depreciation**

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

Leasehold improvements	-	10-25% straight line
Motor vehicles	-	25% reducing balance
Fixtures & fittings	-	25% reducing balance

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 2012**

**1. Accounting policies (continued)**

**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

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**

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the period

**2. Turnover**

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

All turnover arose within the United Kingdom

# Airparks Management Limited

## Notes to the financial statements for the year ended 31 March 2012

### 3 Operating loss

The operating loss is stated after charging

	2012 £000	2011 £000
Depreciation of tangible fixed assets		
- owned by the company	116	93
Auditors' remuneration	7	7
Operating lease rentals		
- other operating leases	1,339	1,214
Amortisation of deferred research and development expenditure	3	-
	<u>1,465</u>	<u>1,314</u>

During the year, no director received any emoluments (2011 - £NIL)

### 4. Staff costs

Staff costs were as follows

	2012 £000	2011 £000
Wages and salaries	3,297	3,106
Social security costs	245	240
Other pension costs	9	13
	<u>3,551</u>	<u>3,359</u>

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

	2012 No	2011 No
Administration and operational staff	212	201
	<u>212</u>	<u>201</u>

### 5. Interest payable

	2012 £000	2011 £000
On other loans	85	-
On loans from group undertakings	180	360
	<u>265</u>	<u>360</u>

## Airparks Management Limited

### Notes to the financial statements for the year ended 31 March 2012

#### 6. Taxation

	2012 £000	2011 £000
UK corporation tax (credit)/charge on loss for the year	<u>(356)</u>	<u>-</u>

#### Factors affecting tax charge for the year

The tax assessed for the year is higher than (2011 - higher than) the standard rate of corporation tax in the UK of 26% (2011 - 28%) The differences are explained below

	2012 £000	2011 £000
Loss on ordinary activities before tax	<u>(2,364)</u>	<u>(1,449)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 26% (2011 - 28%)	(615)	(406)
<b>Effects of:</b>		
Expenses not deductible for tax purposes	2	4
Capital allowances for year in excess of depreciation	7	2
Unrelieved tax losses carried forward	273	-
Group relief	333	400
Payment received for group relief	(356)	-
<b>Current tax (credit)/charge for the year (see note above)</b>	<u>(356)</u>	<u>-</u>

#### Factors that may affect future tax charges

The company has unrelieved corporation tax losses of approximately £1,700,000 at 31 March 2012 which are available for relief against future trading profits

#### 7. Intangible fixed assets

	Intangible asset £000
<b>Cost</b>	
Additions	99
At 31 March 2012	<u>99</u>
<b>Amortisation</b>	
Charge for the year	3
At 31 March 2012	<u>3</u>
<b>Net book value</b>	
At 31 March 2012	<u>96</u>

# Airparks Management Limited

## Notes to the financial statements for the year ended 31 March 2012

### 8. Tangible fixed assets

	Leasehold improve- ments £000	Motor vehicles £000	Furniture, fittings and equipment £000	Total £000
<b>Cost</b>				
At 1 April 2011	191	101	519	811
Additions	30	11	97	138
At 31 March 2012	221	112	616	949
<b>Depreciation</b>				
At 1 April 2011	27	50	235	312
Charge for the year	20	15	81	116
At 31 March 2012	47	65	316	428
<b>Net book value</b>				
At 31 March 2012	174	47	300	521
At 31 March 2011	164	51	284	499

### 9 Stocks

	2012 £000	2011 £000
Fuel-stocks	28	20

### 10. Debtors

	2012 £000	2011 £000
<b>Due after more than one year</b>		
Amounts owed by group undertakings	-	632
<b>Due within one year</b>		
Trade debtors	610	104
Amounts owed by group undertakings	540	190
Prepayments and accrued income	1,482	1,493
	2,632	2,419

# Airparks Management Limited

## Notes to the financial statements for the year ended 31 March 2012

### 11. Creditors: Amounts falling due within one year

	2012 £000	2011 £000
Trade creditors	521	1,033
Amounts owed to group undertakings	6,789	5,369
Social security and other taxes	183	140
Other creditors	82	72
Accruals and deferred income	594	821
	<u>8,169</u>	<u>7,435</u>

### 12. Creditors: Amounts falling due after more than one year

	2012 £000	2011 £000
Amounts owed to group undertakings	-	3,625
Other creditors	3,165	-
	<u>3,165</u>	<u>3,625</u>

The company has entered into an Intra-Group Loan Agreement with group undertakings of Holiday Extras Investments Limited, a group under common control. Amounts falling due in accordance with this agreement are secured by a debenture in favour of Holiday Extras Investments Limited (as security trustee for the secured parties). The debenture is secured by way of a fixed charge over the undertakings and all property and assets present and future of this company.

At 31 March 2012 an amount of £3,522,000 is due from this company to the group undertakings of Holiday Extras Investments Limited.

### 13. Share capital

	2012 £000	2011 £000
<b>Allotted, called up and fully paid</b>		
1 Ordinary share of £1	<u>-</u>	<u>-</u>

### 14. Reserves

	<b>Profit and loss account £000</b>
At 1 April 2011	(5,579)
Loss for the year	(2,008)
At 31 March 2012	<u>(7,587)</u>



## Airparks Management Limited

### Notes to the financial statements for the year ended 31 March 2012

#### 15 Reconciliation of movement in shareholders' deficit

	2012 £000	2011 £000
Opening shareholders' deficit	(5,579)	(4,130)
Loss for the year	(2,008)	(1,449)
Closing shareholders' deficit	<u>(7,587)</u>	<u>(5,579)</u>

#### 16 Contingent liabilities

To facilitate repayment of the loan notes issued by HX Properties Limited, a fellow subsidiary, the company has a joint and several intra company loan agreement with other companies under common control

At 31 March 2012, the total loan notes outstanding amounted to £18,092,000 (2011 £19,063,000) The loan notes have no fixed repayment date

#### 17. 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 in the financial statements in respect of the scheme is £9,000 (2011 £13,000)

At 31 March 2012, there were outstanding contributions of £2,000 (2011 £NIL) due to the pension scheme

#### 18 Other financial commitments

i) The company procures some of its parking facilities under management agreements and under the terms of these agreements the company has annual management fees payable totalling £3,000,000 (2011 £3,000,000)

ii) In addition, at 31 March 2012 the company had annual commitments under non-cancellable operating leases totalling £950,000 (2011 £1,107,000), of which £112,000 (2011 £191,000) relates to operating leases expiring within one year, £658,000 (2011 £78,000) relates to leases expiring between two and five years and the balance relates to leases expiring after more than five years The leases expiring within one year relates to motor vehicles and those expiring between two and five years and after more than five years relate to land

## **Airparks Management Limited**

### **Notes to the financial statements for the year ended 31 March 2012**

#### **19. Related party transactions**

A group reconstruction took place on 26 May 2011 which resulted in previous group undertakings of Holiday Extras Holdings Limited becoming group undertakings of Holiday Extras Investments Limited. Holiday Extras Holdings Limited, the company's parent undertaking, and Holiday Extras Investments Limited are under common control.

The following transactions took place during the year:

- i) At 26 May 2011, there was an outstanding loan due to Holiday Extras Limited, a group undertaking of Holiday Extras Investments Limited, in the sum of £3,748,000.
- ii) The company has paid interest on the above loan to Holiday Extras Limited in the sum of £85,000. This interest has been charged at a rate of 3% in accordance with the commercial loan agreement between the two groups.
- iii) At 31 March 2012, an amount of £3,172,000 is due to Holiday Extras Limited.
- iv) The company provided off-site airport parking facilities to Holiday Extras Limited, in the sum of £4,319,000 and to BCP Limited, a group undertaking of Holiday Extras Investments Limited, in the sum of £700,000. At 31 March 2012, an amount of £68,000 is due from BCP Limited.

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

Transactions prior to the group reconstruction have not been disclosed in accordance with FRS 8.

#### **20. Ultimate parent undertaking and controlling party**

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

The ultimate parent undertaking is Holiday Extras Holdings Limited, a company incorporated in England and Wales.

In the opinion of the directors there is no controlling party.

The company has taken advantage of the exemption 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.