

Gapdaemon Limited
Annual report and financial statements
for the year ended 31 October 2016

Registered number: 7060052

SATURDAY



A6J0DUYI

A10

11/11/2017

#296

COMPANIES HOUSE

Gapdaemon Limited

Annual report and financial statements

for the year ended 31 October 2016

Contents

Directors' report for the year ended 31 October 2016.....	1
Independent auditors' report to the members of Gapdaemon Limited	4
Income statement for the year ended 31 October 2016	7
Statement of financial position as at 31 October 2016.....	8
Statement of changes in equity for the year ended 31 October 2016.....	9
Statement of accounting policies.....	10
Notes to the financial statements for the year ended 31 October 2016	12

Gapdaemon Limited

Directors' report for the year ended 31 October 2016

The directors present their annual report together with the audited financial statements of the company for the year ended 31 October 2016.

Principal activities

The principal activity of the company is that of a travel website.

Results

The results of the year are set out on page 7.

Going concern

The company is party to group banking arrangements as part of the Red Poppy (UK) Limited Group ("the group"). Having regard to group cash flow projections and financing facilities available the directors have concluded that it is appropriate to prepare the financial statements on a going concern basis.

Directors

The directors of the company who served during the year and up to the date of signing the financial statements were:

DP Brown

DJ Horrocks

Principal risks and uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks and uncertainties.

A discussion of these risks and uncertainties on a group basis, in the context of the Red Poppy (UK) Limited group ("the group"), of which the company is a member, is provided in the directors' report of the consolidated financial statements of Red Poppy (UK) Limited.

Key performance indicators ("KPIs")

Given the straight forward nature of the business, the directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

Directors' report for the year ended 31 October 2016 (continued)

Financial risk management

The company is exposed to a variety of financial risks which result from both its operating and investing activities. The board is responsible for coordinating the company's risk management and focuses on actively securing the company's short to medium term cash flows.

The company does not actively engage in the trading of financial assets and has no financial derivatives.

The most significant financial risks to which the company is exposed to are described below:

- Liquidity risk - The company seeks to manage risks to ensure sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. Working capital requirements are met principally out of cash.
- Credit risk - Credit risk arises from cash and deposits with banks and financial institutions. For banks and financial institutions only independently rated parties with a minimum rating of 'A' are accepted.

Qualifying third party indemnity provisions

Following shareholder approval, the company has put in place an indemnity for its directors and officers, which is a qualifying third party indemnity provision for the purposes of the Companies Act 2006. This was in force during the financial year and also at the date of signing the financial statements.

Directors' report for the year ended 31 October 2016 (continued)

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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 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.

The directors 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.

In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

By order of the board



PN Blain

Company secretary

24 October 2017

Gapdaemon Limited

Independent auditors' report to the members of Gapdaemon

Report on the financial statements

Our opinion

In our opinion, Gapdaemon Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 October 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), comprise:

- the statement of financial position as at 31 October 2016;
- the income statement for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of accounting policies; and
- the notes to the financial statements, which include other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice), applicable to Smaller Entities.

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

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.

Gapdaemon Limited

Independent auditors' report to the members of Gapdaemon (continued)

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 3, 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Independent auditors' report to the members of Gapdaemon (continued)

What an audit of financial statements involves

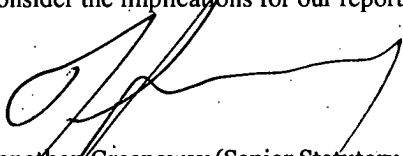
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report 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.



Jonathan Greenaway (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Newcastle upon Tyne

24 October 2017

Gapdaemon Limited

Income statement for the year ended 31 October 2016

	Note	2016 £'000	2015 £'000
Administrative expenses before exceptional items		-	-
Exceptional item:			
Intergroup balance forgiveness	2	838	-
Profit on ordinary activities before taxation	2	838	-
Tax on profit on ordinary activities	3	-	-
Profit for the financial year		838	-

All amounts relate to continuing operations.

The company has no recognised gains or losses other than those included in the results above, and therefore no statement of total recognised gains and losses has been prepared.

There is no difference between the profit on ordinary activities before taxation and the profit for the financial year stated above and their historical cost equivalents.

Gapdaemon Limited

Statement of financial position as at 31 October 2016

	Note	2016	2015
		£'000	£'000
Current assets			
Trade and other receivables	4	1	1
Cash at bank and in hand		6	6
		7	7
Creditors: amounts falling due within one year	5	(1)	(839)
Net current assets/(liabilities)		6	(832)
Capital and reserves			
Called up share capital	7	31	31
Share premium		994	994
Retained deficit		(1,019)	(1,857)
Total shareholders' funds/(deficit)		6	(832)

The financial statements on pages 7 to 15 were approved by the board of directors on 24 October 2017 and are signed on its behalf by:



DJ Horrocks
Director

Gapdaemon Limited
Registered number: 7060052

Gapdaemon Limited

Statement of changes in equity for the year ended 31 October 2016

	Called up share capital £'000	Share premium £'000	Retained deficit £'000	Total equity £'000
Balance as at 1 November 2014	31	994	(1,857)	(832)
Total comprehensive income for the year	-	-	-	-
Balance as at 31 October 2015	31	994	(1,857)	(832)
Balance as at 1 November 2015	31	994	(1,857)	(832)
Total comprehensive income for the year	-	-	838	838
Balance as at 31 October 2016	31	994	(1,019)	6

Gapdaemon Limited

Statement of accounting policies

General Information

Gapdaemon Limited ('the Company') is a company that manages a travel website.

The company is a private company limited by shares and is incorporated in England. The address of its registered office is 1A Dukesway Court, Team Valley, Gateshead, NE11 0PJ.

Statement of compliance

The financial statements have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the United Kingdom".

Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed below.

Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the Company's shareholders. The Company has taken advantage of the exemption from preparing a statement of cash flows, on the basis that it is a qualifying entity and the consolidated statement of cash flows, included in the parent company financial statements, includes the Company's cash flows.

Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The directors are of the view that there are no such judgements or uncertainties which would require disclosure in these financial statements.

Revenue

Revenue represents the receipts from the provision of travel website facilities, exclusive of value added tax, within the United Kingdom.

Going concern

The company is party to group banking arrangements as part of the Red Poppy (UK) Limited Group ("the group"). Having regard to group cash flow projections and financing facilities available the directors have concluded that it is appropriate to prepare the financial statements on a going concern basis.

Gapdaemon Limited

Statement of accounting policies (continued)

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 that results in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, 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 taxation is measured on a non-discounted basis at the tax rates that are expected to apply in the year in which timing differences reverse, based on taxation rates and laws substantively enacted at the balance sheet date.

Gapdaemon Limited

Notes to the financial statements for the year ended 31 October 2016

1 Revenue

The directors of the company consider that the company has one geographical and business segment and therefore is not required to produce additional segmental disclosure. All the activities of the company fall into the principal activity as stated within the directors' report and the activities arise wholly in the United Kingdom.

2 Profit on ordinary activities before taxation

The audit fee in the current and prior year has been borne by the parent company.

There were no employees employed by the company during the year (2015: none).

None of the directors received any emoluments for their services to the company (2015: £nil).

The exceptional item of £838,000 in the year arose on the forgiveness by members of the Red Poppy (UK) Limited group of balances owed to them by other group companies.

3 Tax on profit on ordinary activities

(a) Analysis of tax charge in the year

No tax is payable or receivable for the year (2015: £nil)

(b) Factors affect tax charge for the year

The tax assessed for the year is lower than (2015: the same as) the standard rate of corporation tax in the UK of 20% (2015: 20.41%). The differences are explained below:

	2016	2015
	£'000	£'000
Profit on ordinary activities before taxation	838	-
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015: 20.41%)	168	-
Effects of:		
Income not taxable	(168)	-
Tax charge for the year	-	-

Gapdaemon Limited

Notes to the financial statements for the year ended 31 October 2016 (continued)

3 Tax on profit on ordinary activities

(c) Factors that may affect future tax charges

The 20% standard rate of corporation tax in the UK remained in effect from 1 April 2016. Accordingly, the company's profits for this accounting year are being taxed at a rate of 20%

A further reduction to the UK corporation tax rate was substantively enacted for accounting purposes on 26 October 2015, such that the main rate reduces further to 19% from 1 April 2017 and will remain at this rate for the financial years beginning 1 April 2018 and 1 April 2019. The corporation tax rate will be further reduced to 17% for the financial year beginning 1 April 2020 and was substantively enacted on 6 September 2016.

4 Trade and other receivables

	2016	2015
	£'000	£'000
Amounts owed by related parties	1	1

Amounts owed by related parties are unsecured, interest free and repayable on demand.

5 Creditors: amounts falling due within one year

	2016	2015
	£'000	£'000
Amounts owed to group undertakings	1	839

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

Gapdaemon Limited

Notes to the financial statements for the year ended 31 October 2016 (continued)

6 Provisions for liabilities

	2016	2015
	£'000	£'000
The unprovided deferred taxation is as follows:		
Losses	177	209

7 Called up share capital

	2016	2015
	£'000	£'000
Allotted and fully paid		
3,122,501 ordinary shares of 1p each	31	31

8 Ultimate parent undertaking

The immediate parent undertaking is Red Poppy (UK) Limited, a company registered in England and Wales. The ultimate parent undertaking is RPFJ Limited, a company registered in Jersey. Red Poppy (UK) Limited, a company registered in England, is the parent undertaking of the smallest group of undertakings to consolidate these financial statements at 31 October 2016, and Red Poppy (Gibraltar) Limited is the parent company of the largest group of undertakings to consolidate these financial statements. The consolidated financial statements of Red Poppy (UK) Limited can be obtained from the Company secretary, 1A Dukesway Court, Team Valley, Gateshead NE11 0PJ and those of Red Poppy (Gibraltar) Limited from Suite 15 Watergardens 3, PO Box 1105, Gibraltar.

The ultimate controlling party is P Noble.

9 Related party transactions

Transactions with other Red Poppy (Gibraltar) Limited group companies are not disclosed as the company has taken advantage of the exemption available under Financial Reporting Standard No. 8 "Related party disclosures", as the company was a wholly owned subsidiary of Red Poppy (Gibraltar) Limited for the whole of the current and previous periods.

On 19 July 2017, Red Poppy (Gibraltar) Limited transferred its shares in Red Poppy (UK) Limited to its parent undertaking RPFJ Limited, a company incorporated in Jersey.

Gapdaemon Limited

Notes to the financial statements for the year ended 31 October 2016 (continued)

10 Transition to FRS 102

This is the first year that the company has presented its results under FRS 102. The last financial statements under old UK GAAP were for the year ended 31 October 2015. The date of transition to FRS 102 was 1 November 2014. Set out below are the changes in accounting policies which reconcile the result for the financial year ended 31 October 2015 and the total equity as at 1 November 2014 and 31 October 2015 between old UK GAAP as previously reported and FRS 102.

Reconciliation of result for the financial year

	31 October 2015 £000
Profit for the year as previously reported under UK GAAP	-
Profit for the year as reported under FRS 102	-

There were no differences in the profit previously presented in the Annual report and financial statements for year ended 31 October 2015 under UK GAAP and figures presented here under FRS 102. As such, there is no difference between previously reported equity under UK GAAP and FRS 102 as at 1 November 2014 or 31 October 2015.