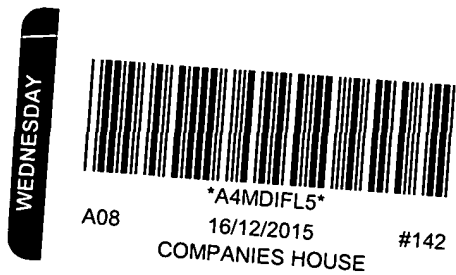


**Registered number: 07581191**

## **Holiday Extras Investments Limited**

**Directors' report and financial statements**

**For the year ended 31 March 2015**



## **Holiday Extras Investments Limited**

### **Company Information**

<b>Executive directors</b>	M G Pack (appointed 17 June 2014) C M Beare S P Hagger (appointed 17 June 2014)
<b>Non-executive directors</b>	M W Smith - Chairman G N Pack C A Pack J C Pack (appointed 10 December 2014) D R Walter D T Kelly S D Lawrence
<b>Company secretary</b>	M G Daly
<b>Registered number</b>	07581191
<b>Registered office</b>	Ashford Road Newingreen Hythe Kent CT21 4JF
<b>Independent auditors</b>	Kreston Reeves LLP Statutory Auditor & Chartered Accountants 37 St Margaret's Street Canterbury Kent CT1 2TU
<b>Bankers</b>	<div>The Royal Bank of Scotland plc 2nd Floor, Turnpike House 123 High Street Crawley West Sussex RH10 1DQ</div> <div>Barclays Bank plc 66 High Street Ashford Kent TN24 8TL</div>

## **Holiday Extras Investments Limited**

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## **Holiday Extras Investments Limited**

### **Directors' report For the year ended 31 March 2015**

The directors present their report and the financial statements for the year ended 31 March 2015.

#### **Directors' responsibilities statement**

The directors are responsible for preparing the Group strategic report, 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 the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Principal activities**

The group's principal activities are that of the selling and marketing across Europe travel-related services that are required in addition to a holiday or flight. The group also distributed short break leisure packages, operates off airport car parking facilities and owns a property portfolio.

#### **Results and dividends**

The performance of the group is set out in the enclosed financial statements. The directors are pleased with the group's financial performance with strong growth to Revenue and EBITDA seen during the year.

Operating profit amounted to £6,047,000 (2014: £1,715,000).

The profit for the year, after taxation and minority interests, amounted to £3,138,000 (2014 - loss £604,000).

A review of the results is set out in the group strategic report.

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

## **Holiday Extras Investments Limited**

### **Directors' report For the year ended 31 March 2015**

#### **Directors**

The directors who served during the year were:

M G Pack (appointed 17 June 2014)  
C M Beare  
S P Hagger (appointed 17 June 2014)  
M W Smith  
G N Pack  
C A Pack  
J C Pack (appointed 10 December 2014)  
D R Walter  
D T Kelly  
S D Lawrence

#### **Financial instruments**

The group finances its operation through various financial instruments comprising: bank balances, trade debtors, trade creditors and long term bank borrowings.

The group ensures its liquidity is maintained by entering into long and short term financial instruments to support operational and other funding requirements. The group's liquidity management process includes projecting cashflows and considering the level of liquid assets. Liquid assets surplus to immediate operating requirements of the group are generally invested in money market facilities.

The group is exposed to cash flow interest rate risk on floating rate borrowings on bank loans. The group regularly reviews forecast debt and interest rates to monitor this risk.

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.

Although a proportion of the group's revenue is earned outside of the UK, subsidiaries generally only trade in their own currency. The group is therefore not subject to any significant foreign exchange transactional exposure. The group's principal exposure to foreign currency, therefore, lies in the translation of overseas profits and losses into Sterling.

#### **Employee benefit trust**

The "Holiday Extras Investment Employee Benefit Trust" was established to ensure that all employees of the group benefited from the continued development of the group. It is a discretionary trust with an independent trustee, Appleby Trust (Jersey) Limited, and is currently funded by advances from the group. The costs of administering the Employee Benefit Trust are charged to the profit and loss account as incurred.

At the balance sheet date, the Employee Benefit Trust holds 902,917 (2014: 1,162,921) shares in this company, 15.04% (2014: 19.38%) of the total shares in issue.

Certain staff have been granted share options totalling 130,640 (2014: 130,640) from the Employee Benefit Trust over ordinary shares of £0.10 each in Holiday Extras Investments Limited.

No share options have lapsed in the year. None of the share options have been exercised.

During the year ended 31 March 2015 the group has made an advance of £385,000 (2014: £251,000), received repayments of £1,395,000 (2014: £NIL) and expended £17,000 (2014: £11,000) on behalf of the trust.

## **Holiday Extras Investments Limited**

### **Directors' report For the year ended 31 March 2015**

#### **Employee involvement**

The group 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 across the group are involved in generating the group's value statement, which underpin its culture, performance management and rewards.

A reflection of the above is that a wholly owned subsidiary, Holiday Extras Limited, is regularly named as one of The Sunday Times 100 Best Companies to Work For and achieved number 5 on the list in 2015. Inclusion in the list reflects the core values held by the company and acknowledges the company as one of the best employers in the UK. In addition the company has been accredited by Investors in People and recognised as one of the leading companies in delivering a work life balance.

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

#### **Disabled employees**

The group's policy is to give all applications for employment from disabled persons full consideration in relation to the vacancy concerned and their own aptitude and abilities. In the event of existing staff members becoming disabled, every effort is made to enable them to maintain their present position or to provide appropriate training and employ them in suitable work within another department.

#### **Environmental reporting**

The group takes seriously its responsibility to the environment, and is committed to minimising its' impact on the environment.

This is apparent in the construction of the group's headquarters. Built on a brown-field site, the offices have been constructed with water recycling systems and high-efficiency plant in order to minimise the long-term environmental impact of the building. A tree planting programme has helped enhance the buildings' visual impact.

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.

#### **Research and development**

The group carries out research and development to improve the delivery of products and services to its customers. Where available the group takes advantage of R&D tax credit incentives.

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

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

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

## **Holiday Extras Investments Limited**

### **Directors' report For the year ended 31 March 2015**

#### **Auditors**

Under section 487(2) of the Companies Act 2006, Kreston Reeves 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 23 September 2015 and signed on its behalf.

A handwritten signature in black ink, appearing to read 'C M Beare', is written over the printed name.

**C M Beare**  
Director

## **Holiday Extras Investments Limited**

### **Group strategic report For the year ended 31 March 2015**

#### **Introduction**

The directors present their Strategic report together with the audited financial statements.

#### **Business review**

The results for the group show an increase in EBITDA to £12,495,000 (2014: £8,852,000). Profit before tax was £4,924,000 (2014: £324,000). Revenue increased to £247,239,000 (2014: £210,273,000). The group has net assets of £23,585,000 (2014: £17,424,000). Net cash inflow from operating activities for 2014/15 was £20,852,000 (2014: £17,939,000).

The group's principal trading subsidiary Holiday Extras Limited operates in the UK travel and leisure market selling ancillary travel services mainly to outbound travellers and selling packages to customers taking UK based short stay breaks. The company acquired the Essential Travel business from Thomas Cook Group in December 2013 and the full benefit of this acquisition was seen in the year to 31 March 2015. The demand for leisure travel has remained strong and with improvements to economic indicators trends in the sector continue to be encouraging.

The group's domestic short breaks business showed continued strong growth delivering significant volume uplift via the partnerships with key UK theme parks and enhancements in online booking capability.

The group's German subsidiary continues to show steady growth and during the year continued to expand into other European markets.

The group's car parking operations saw significant improvement in trading conditions.

In September 2014 the company entered into an arrangement to acquire a Joint Venture interest in miDrive Limited. The effect of the transaction was to dispose of the company's 95.05% interest in PassSmart Limited in return for a 60.67% interest in miDrive Limited. Under the terms of the agreement MBM Capital Investments Limited subscribed for £950,000 in the share capital of miDrive resulting in a pre investment valuation of the PassSmart business of £3,500,000. This has given rise to an unrealised gain to the group on the disposal of a subsidiary of £2,940,000.

The group continues to generate strong cash flows and during the year repaid £13,846,000 due under loan note arrangements to GN Pack, CA Pack and the CA Pack Settlement Trust.

In April 2015 the group entered into a new 5 year bank financing arrangement with Royal Bank of Scotland replacing a previous financing arrangement with Clydesdale Bank.

Continued strong cash flow generation together with support from the group's bankers gives the Board confidence of the group's ability to meet all operational cash flow needs.

#### **Principal risks and uncertainties**

The group has identified a number of principal risks and uncertainties that could potentially damage the current business model and future growth opportunities:

- Downturn in the UK and European economies leading to a reduction in demand for our products and services.
- Any significant damage to reputation or brands.
- Loss of, or difficulty in replacing, senior talent.
- Natural catastrophe including closure of airspace.
- Disruption to information technology systems or infrastructure, premises or business processes.

The group has developed risk management and contingency planning procedures appropriate for the business so as to mitigate these risks.

## Holiday Extras Investments Limited

### Group strategic report (continued) For the year ended 31 March 2015

#### Key performance indicators

A key performance measure for the group is earnings before interest, tax, depreciation and amortisation (EBITDA). The group's EBITDA for the year from continuing operations was as follows:

	2014/15 £000	2013/14 £000
EBITDA		
Operating Profit	6,566	1,715
Discontinued Operations	274	-
Amortisation	2,519	1,982
Exceptional administrative expenses	-	2,259
Depreciation	3,136	2,896
EBITDA	12,495	8,852

The directors of the group manage the group's operations on a segmental basis. For this reason, the directors believe that analysis using key performance indicators for the group as a whole is not necessary or appropriate for an understanding of the development, performance or position of the business.

During the year, an average of 736 (2014: 681) full-time and part-time staff were employed by the group, generating an average turnover of £336,000 each (2014: £309,000).

This report was approved by the board on 23 September 2015 and signed on its behalf.



**C M Beare**  
Director

## **Holiday Extras Investments Limited**

### **Independent auditors' report to the shareholders of Holiday Extras Investments Limited**

We have audited the financial statements of Holiday Extras Investments Limited for the year ended 31 March 2015, set out on pages 9 to 36. 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 group's and the parent 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 Group strategic report and the Directors' 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.

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 March 2015 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Group strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## **Holiday Extras Investments Limited**

### **Independent auditors' report to the shareholders of Holiday Extras Investments 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

*Kreston Reeves LP*

Peter Manser FCA DChA (Senior statutory auditor)

for and on behalf of  
**Kreston Reeves LLP**

Statutory Auditor  
Chartered Accountants

Canterbury

23 September 2015

# Holiday Extras Investments Limited

## Consolidated profit and loss account For the year ended 31 March 2015

		2015 £000	2014 £000
	<b>Note</b>		
<b>Turnover</b>	1, 2		
Continuing operations		247,239	209,595
Acquisitions		-	678
		<u>247,239</u>	<u>210,273</u>
Cost of sales		<u>(201,094)</u>	<u>(171,985)</u>
<b>Gross profit</b>		46,145	38,288
Administrative expenses		(40,115)	(35,145)
Exceptional administrative expenses	6	-	(2,259)
Total administrative expenses		(40,115)	(37,404)
Other operating income	3	536	831
		<u>536</u>	<u>831</u>
<b>Operating profit</b>	4, 5		
Continuing operations		6,840	4,130
Acquisitions		-	(156)
Discontinued operations		(274)	0
Exceptional administrative expenses	6	-	(2,259)
		<u>6,566</u>	<u>1,715</u>
Share of operating loss in joint ventures		<u>(519)</u>	<u>-</u>
<b>Total operating profit</b>		6,047	1,715
Interest receivable and similar income		74	61
Interest payable and similar charges	10	(1,197)	(1,452)
		<u>(1,197)</u>	<u>(1,452)</u>
<b>Profit on ordinary activities before taxation</b>		4,924	324
Tax on profit on ordinary activities	11	(1,874)	(981)
		<u>(1,874)</u>	<u>(981)</u>
<b>Profit/(loss) on ordinary activities after taxation</b>		3,050	(657)
Minority interests		88	53
		<u>88</u>	<u>53</u>
<b>Profit/(loss) for the financial year</b>		<u>3,138</u>	<u>(604)</u>

The notes on pages 15 to 36 form part of these financial statements.

**Holiday Extras Investments Limited**

**Consolidated statement of total recognised gains and losses  
For the year ended 31 March 2015**

		<b>2015</b>	<b>2014</b>
		<b>£000</b>	<b>£000</b>
<b>Profit/(loss) for the financial year</b>	<b>Note</b>	<b>3,138</b>	<b>(604)</b>
Unrealised gain on disposal of subsidiary	14	<u><b>2,940</b></u>	<u>-</u>
<b>Total recognised gains and losses relating to the year</b>		<u><u><b>6,078</b></u></u>	<u><u><b>(604)</b></u></u>

The notes on pages 15 to 36 form part of these financial statements.

**Holiday Extras Investments Limited**  
**Registered number: 07581191**

**Consolidated balance sheet**  
**As at 31 March 2015**

	<b>Note</b>	<b>£000</b>	<b>2015 £000</b>	<b>2014 £000</b>
<b>Fixed assets</b>				
Intangible assets	12		<b>30,478</b>	33,085
Tangible assets	13		<b>36,210</b>	36,849
Investments in joint ventures				
-Share of gross assets		<b>2,956</b>	-	
-Share of gross liabilities		<b>(179)</b>	-	
Share of net assets	14		<b>2,777</b>	-
			<b>69,465</b>	69,934
<b>Current assets</b>				
Stocks	16	<b>14</b>	8	
Debtors: amounts falling due after more than one year	17	<b>640</b>	1,650	
Debtors: amounts falling due within one year	17	<b>6,733</b>	6,339	
Cash at bank and in hand		<b>20,821</b>	24,295	
		<b>28,208</b>	32,292	
<b>Creditors: amounts falling due within one year</b>	18	<b>(31,933)</b>	(39,749)	
<b>Net current liabilities</b>			<b>(3,725)</b>	(7,457)
<b>Total assets less current liabilities</b>			<b>65,740</b>	62,477
<b>Creditors: amounts falling due after more than one year</b>	19		-	(5,350)
<b>Accruals and deferred income</b>	21		<b>(42,155)</b>	(39,703)
<b>Net assets</b>			<b>23,585</b>	17,424
<b>Capital and reserves</b>				
Called up share capital	22		<b>600</b>	600
Foreign exchange reserve	23		<b>1</b>	11
Other reserves	23		<b>20,875</b>	17,935
Profit and loss account	23		<b>2,109</b>	(1,029)
<b>Shareholders' funds</b>	24		<b>23,585</b>	17,517
<b>Minority interests</b>			-	(93)
			<b>23,585</b>	17,424

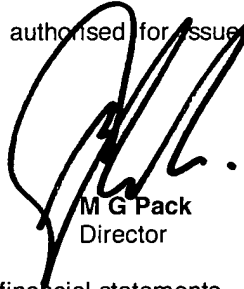
**Holiday Extras Investments Limited**

**Consolidated balance sheet (continued)**  
**As at 31 March 2015**

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 23 September 2015.



**C M Beare**  
Director



**M G Pack**  
Director

The notes on pages 15 to 36 form part of these financial statements.

**Holiday Extras Investments Limited**  
**Registered number: 07581191**

**Company balance sheet**  
**As at 31 March 2015**

	<b>Note</b>	<b>£000</b>	<b>2015 £000</b>	<b>2014 £000</b>
<b>Fixed assets</b>				
Investments	14		<b>58,824</b>	56,124
<b>Current assets</b>				
Debtors: amounts falling due after more than one year	17	<b>15</b>		1,025
Debtors: amounts falling due within one year	17	<b>21,375</b>		3,415
Cash at bank		<b>43</b>		8,520
		<b>21,433</b>		12,960
<b>Creditors: amounts falling due within one year</b>	18	<b>(41,462)</b>		(32,498)
<b>Net current liabilities</b>			<b>(20,029)</b>	(19,538)
<b>Total assets less current liabilities</b>			<b>38,795</b>	36,586
<b>Creditors: amounts falling due after more than one year</b>	19		-	(5,000)
<b>Net assets</b>			<b>38,795</b>	31,586
<b>Capital and reserves</b>				
Called up share capital	22		<b>600</b>	600
Other reserves	23		<b>33,202</b>	33,202
Profit and loss account	23		<b>4,993</b>	(2,216)
<b>Shareholders' funds</b>	24		<b>38,795</b>	31,586

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 23 September 2015.



**C M Beare**  
Director



**M G Pack**  
Director

The notes on pages 15 to 36 form part of these financial statements.

# Holiday Extras Investments Limited

## Consolidated cash flow statement For the year ended 31 March 2015

	<b>Note</b>	<b>2015 £000</b>	<b>2014 £000</b>
Net cash flow from operating activities	26	20,852	17,939
Returns on investments and servicing of finance	27	(1,123)	(2,074)
Taxation		(1,730)	(1,043)
Capital expenditure and financial investment	27	(2,627)	(2,727)
Acquisitions and disposals	27	-	(2,742)
<b>Cash inflow before financing</b>		<b>15,372</b>	<b>9,353</b>
Financing	27	(18,846)	(5,745)
<b>(Decrease)/Increase in cash in the year</b>		<b>(3,474)</b>	<b>3,608</b>

## Reconciliation of net cash flow to movement in net funds/debt For the year ended 31 March 2015

	<b>2015 £000</b>	<b>2014 £000</b>
(Decrease)/Increase in cash in the year	(3,474)	3,608
Cash outflow from decrease in debt and lease financing	18,846	5,745
<b>Movement in net debt in the year</b>	<b>15,372</b>	<b>9,353</b>
Net funds/(debt) at 1 April 2014	5,449	(3,904)
<b>Net funds at 31 March 2015</b>	<b>20,821</b>	<b>5,449</b>

The notes on pages 15 to 36 form part of these financial statements.

## **Holiday Extras Investments Limited**

### **Notes to the financial statements For the year ended 31 March 2015**

#### **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**

After making enquiries, the directors believe that the group and company will have adequate resources 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 Basis of consolidation**

The financial statements consolidate the accounts of Holiday Extras Investments Limited and all of its subsidiary undertakings ('subsidiaries') for the year ended 31 March 2015. Intragroup transactions are eliminated on consolidation. No profit and loss account is presented for Holiday Extras Investments Limited as permitted by section 408 of the Companies Act 2006.

The group is required to prepare accounts under merger accounting principles as set out in Financial Reporting Standard number 6 as a result of a past group reconstruction. Under the principles of merger accounting, the accounts combine the results of the subsidiaries adjusted as necessary to achieve uniformity of accounting policies.

Acquisitions subsequent to the group reorganisation are required to be accounted for under acquisition accounting principles, as set out in Financial Reporting Standard number 6.

The results of subsidiaries acquired during the year are included from the effective date of acquisition, adjusted as necessary to achieve uniformity of accounting policies.

The results of subsidiaries sold are included up to the effective date of disposal.

No adjustments were considered necessary to the accounts of the combining entities in order to achieve uniformity of accounting policies.

##### **1.4 Recognition of income**

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.

Income is recognised as follows:

(a) Sale of hotel accommodation, airport parking and other travel related products

Credit is taken to the profit and loss account for stay dates commencing during the accounting period.

(b) Travel insurance

Credit is taken to the profit and loss account for the commission arising on insurance policies returned to the group during the accounting period.

**Notes to the financial statements  
For the year ended 31 March 2015**

**1. Accounting policies (continued)**

**1.5 Gross profit on trading activities**

(a) Value added tax

Where appropriate VAT on trading activities is accounted for under the Tour Operators' Margin Scheme. VAT payable under the scheme is included in cost of sales.

(b) Commissions due to agents

Commissions payable to agents on business executed in the year are included in cost of sales.

Turnover is therefore shown gross without deduction for relevant commissions.

**1.6 Intangible fixed assets and amortisation**

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the profit and loss account over its estimated economic life.

In accordance with Financial Reporting Standard number 10 the goodwill is amortised over its estimated useful life of between 5 and 20 years.

**1.7 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold land	-	0%
Freehold property	-	2 - 5% straight line
Operational leasehold land	-	Over the remainder of the lease term
Leasehold improvements	-	10 - 25% straight line
Motor vehicles	-	25% straight line
Furniture, fittings and equipment	-	20% - 25% straight line
Computer software	-	25% straight line
Computer hardware	-	25% - 50% straight line

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

**1.8 Research and development**

Development costs are capitalised within intangible assets where they can be identified with a specific project anticipated to produce future benefits, and are amortised on the straight line basis over the anticipated life of the benefits arising from the completed project.

Deferred research and development costs are reviewed annually, and where future benefits are deemed to have ceased or to be in doubt, the balance of any related research and development is written off to the profit and loss account.

## **Holiday Extras Investments Limited**

### **Notes to the financial statements For the year ended 31 March 2015**

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

##### **1.9 Investments**

###### **(i) Subsidiary undertakings**

Investments in subsidiaries are valued at cost less provision for impairment.

###### **(ii) Joint venture undertakings**

###### **Company**

Investments in joint ventures are stated at the company's share of net assets.

###### **Group**

The group's investments in joint ventures are stated at the share of net assets acquired plus associated goodwill. The group's share of the profits or losses of the joint ventures is included in the profit and loss account using the equity accounting basis. Goodwill on investments in joint ventures is the difference between the fair value of net assets acquired and the fair value of consideration given.

##### **1.10 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.

##### **1.11 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

##### **1.12 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.

**Notes to the financial statements  
For the year ended 31 March 2015**

**1. Accounting policies (continued)**

**1.13 Financial instruments**

**Recognition and derecognition of financial assets and financial liabilities**

Financial assets and financial liabilities are recognised when the group becomes party to contractual provisions of the instrument. Financial assets are derecognised when the group no longer has rights to cash flows, the risks and rewards of ownership or control of the asset. Financial liabilities are derecognised when the obligation under the liability is discharged, cancelled or expires.

**Financial assets**

**(a) Trade and other debtors**

Financial assets within trade and other debtors are initially recognised at the original invoiced amount and subsequently carried at cost less provisions made for doubtful debts.

Provisions are made specifically where there is objective evidence of a dispute or an inability to pay.

**(b) Cash and cash equivalents**

Cash and cash equivalents comprise cash in hand and current balances with banks and similar institutions, which are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value and have an original maturity of three months or less.

**Financial liabilities**

**(a) Trade and other creditors**

Financial liabilities within trade and other creditors are initially, and subsequently, recognised at the original invoiced amount.

**(b) Loans and other borrowings**

Loans and other borrowings are initially, and subsequently, recognised at cost plus directly attributable transaction costs, less any repayments made.

**(c) Share capital**

Ordinary shares are classified as equity.

**Income and expenditure arising from financial assets and financial liabilities**

Interest is recognised in the profit and loss account based on interest rates effective during the year.

## Holiday Extras Investments Limited

### Notes to the financial statements For the year ended 31 March 2015

#### 1. Accounting policies (continued)

##### 1.14 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses arising on transactions in the year are recognised in the profit and loss account.

Exchange gains and losses arising on historic balances are transferred to a foreign exchange reserve.

##### 1.15 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the profit and loss account over the expected useful lives of the assets concerned. Other grants are credited to the profit and loss account as the related expenditure is incurred.

##### 1.16 Pensions

Pension costs charged to the profit and loss account represent the amount of contributions payable to the group personal pension scheme in respect of the accounting period.

#### 2. Turnover

A geographical analysis of turnover is as follows:

	2015 £000	2014 £000
United Kingdom	237,285	200,730
Rest of European Union	9,954	9,543
	<u>247,239</u>	<u>210,273</u>

The whole of the turnover and profit before taxation from continuing activities is attributable to the selling and marketing across Europe of travel-related services that are required in addition to a holiday or flight and the operation of off airport car parking facilities.

#### 3. Other operating income

	2015 £000	2014 £000
Net rents receivable	51	-
Ground rent receivable	-	5
Government grants receivable	4	4
Sundry income	478	431
Management fee income	3	391
	<u>536</u>	<u>831</u>

## Holiday Extras Investments Limited

### Notes to the financial statements For the year ended 31 March 2015

#### 4. Analysis of operating profit

	Continuing £000	2015 Discontinued £000	Continuing £000	2014 Discontinued £000
Turnover	247,239	-	210,273	-
Cost of sales	(201,094)	-	(171,985)	-
Gross profit	46,145	-	38,288	-
Administrative expenses	(39,841)	(274)	(37,404)	-
Other operating income	536	-	831	-
	6,840	(274)	1,715	-

The following amounts were included within continuing activities in relation to acquisitions during the year:

	2015 £000	2014 £000
Turnover	-	678
Cost of sales	-	(483)
Gross profit	-	195
Administrative expenses	-	(568)
Other operating income	-	217
Operating profit/(loss)	-	(156)

On 10 December 2013, a subsidiary, Holiday Extras Limited, took control of the above acquired operations and completed formal acquisition procedures on 24 January 2014.

The prior year results above represent the trading of acquired operations from 10 December 2013. The results above represented the winter period of trading.

#### 5. Operating profit

The operating profit is stated after charging/(crediting):

	2015 £000	2014 £000
Amortisation - intangible fixed assets	2,488	1,982
Depreciation of tangible fixed assets:		
- owned by the group	3,136	2,896
Exceptional expense - Impairment of fixed assets - see note 6	-	2,259
Operating lease rentals:		
- plant and machinery	24	23
- other operating leases	2,817	3,488
Difference on foreign exchange	(267)	17
Amortisation of deferred research and development expenditure	17	11
Amortisation of goodwill on investment in joint ventures	31	-

# **Holiday Extras Investments Limited**

## **Notes to the financial statements For the year ended 31 March 2015**

### **6. Exceptional administrative expenses**

	<b>2015</b>	2014
	<b>£000</b>	£000
Impairment of tangible fixed assets	-	2,259

During the prior year, the group impaired their leasehold property at Luton.

### **7. Auditors' remuneration**

	<b>2015</b>	2014
	<b>£000</b>	£000
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	7	7
Fees payable to the company's auditor and its associates in respect of:		
The auditing of accounts of associates of the company	100	93
All taxation advisory services not included above	28	31
All other non-audit services not included above	26	44

### **8. Staff costs**

Staff costs, including directors' remuneration, were as follows:

	<b>2015</b>	2014
	<b>£000</b>	£000
Wages and salaries	19,383	16,811
Social security costs	2,043	1,785
Other pension costs	514	379
	<b>21,940</b>	18,975

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

	<b>2015</b>	2014
	<b>No.</b>	No.
Office administration, sales and marketing staff	736	681

## Holiday Extras Investments Limited

### Notes to the financial statements For the year ended 31 March 2015

#### 9. Directors' remuneration

	2015 £000	2014 £000
Remuneration	1,370	744
Company pension contributions to defined contribution pension schemes	93	39

During the year retirement benefits were accruing to 5 directors (2014 - 3) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £333,000 (2014 - £386,000).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £26,000 (2014 - £20,000).

#### 10. Interest payable and similar charges

	2015 £000	2014 £000
On bank loans and overdrafts	413	395
On other loans	784	1,057
	1,197	1,452

#### 11. Taxation

	2015 £000	2014 £000
<b>Analysis of tax charge in the year</b>		
<b>Current tax</b> (see note below)		
UK corporation tax charge on profit for the year	1,829	1,003
Adjustments in respect of prior periods	(31)	(339)
<b>Total current tax</b>	1,798	664
<b>Deferred tax</b> (see note 20)		
Origination and reversal of timing differences	76	317
<b>Tax on profit on ordinary activities</b>	1,874	981

## Holiday Extras Investments Limited

### Notes to the financial statements For the year ended 31 March 2015

#### 11. Taxation (continued)

##### Factors affecting tax charge for the year

The tax assessed for the year is higher than (2014 - higher than) the standard rate of corporation tax in the UK of 21% (2014 - 23%). The differences are explained below:

	2015 £000	2014 £000
Profit on ordinary activities before tax	4,924	324
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21% (2014 - 23%)	1,034	75
<b>Effects of:</b>		
Non-tax deductible amortisation of goodwill and impairment	313	278
Expenses not deductible for tax purposes	34	597
Depreciation in excess of capital allowances	416	396
Utilisation of tax losses	(54)	(98)
Share of joint venture loss	109	-
Effect of consortium relief	(65)	-
Adjustments to tax charge in respect of prior periods	(31)	(339)
Entities not subject to UK Corporation taxation	42	(83)
Accrued loan note interest	-	(162)
<b>Current tax charge for the year</b> (see note above)	<b>1,798</b>	<b>664</b>

##### Factors that may affect future tax charges

There were no factors that may affect future tax charges.

# Holiday Extras Investments Limited

## Notes to the financial statements For the year ended 31 March 2015

### 12. Intangible fixed assets

Group	Holding company goodwill £000	Subsidiary company goodwill £000	Develop- ment expenditure £000	Total £000
<b>Cost</b>				
At 1 April 2014	29,427	12,436	131	41,994
Additions	181	-	29	210
Disposals	(181)	-	(160)	(341)
At 31 March 2015	29,427	12,436	-	41,863
<b>Amortisation</b>				
At 1 April 2014	4,383	4,515	11	8,909
Charge for the year	1,471	1,016	17	2,504
On disposals	-	-	(28)	(28)
At 31 March 2015	5,854	5,531	-	11,385
<b>Net book value</b>				
At 31 March 2015	23,573	6,905	-	30,478
At 31 March 2014	25,044	7,921	120	33,085

### 13. Tangible fixed assets

Group	Freehold and leasehold land and buildings £000	Fixtures, fittings and equipment £000	Motor vehicles £000	Total £000
<b>Cost</b>				
At 1 April 2014	37,190	15,135	575	52,900
Additions	223	2,160	276	2,659
Disposals	-	(227)	(148)	(375)
Foreign exchange movement	-	(151)	(4)	(155)
At 31 March 2015	37,413	16,917	699	55,029
<b>Depreciation</b>				
At 1 April 2014	4,980	10,777	294	16,051
Charge for the year	1,066	1,924	146	3,136
On disposals	-	(218)	(87)	(305)
Foreign exchange movement	-	(61)	(2)	(63)
At 31 March 2015	6,046	12,422	351	18,819
<b>Net book value</b>				
At 31 March 2015	31,367	4,495	348	36,210
At 31 March 2014	32,210	4,358	281	36,849

## Holiday Extras Investments Limited

### Notes to the financial statements For the year ended 31 March 2015

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

Included in freehold land and buildings is an amount of £4,022,000 (2014: £4,022,000) attributable to land on which no depreciation has been charged.

#### 14. Fixed asset investments

	<b>Investment in joint ventures £000</b>
<b>Group</b>	
<b>Cost or valuation</b>	
At 1 April 2014	-
Additions - net assets	2,700
Additions - goodwill	627
Share of loss	(519)
At 31 March 2015	<u>2,808</u>
<b>Amortisation</b>	
At 1 April 2014	-
Charge for the year	31
At 31 March 2015	<u>31</u>
<b>Net book value</b>	
At 31 March 2015	<u><u>2,777</u></u>
At 31 March 2014	<u><u>-</u></u>

On 19 September 2014, the group entered into a joint venture agreement with MBM Capital Investments Limited to form a new company, miDrive Limited. This transaction has been accounted for in accordance with UITF 31 'Exchange of businesses or other non-monetary assets for an interest in a subsidiary, joint venture or associate'. The net effect of this transaction was to dispose of a 95.05% interest in a subsidiary, PassSmart Limited, in return for a 60.67% interest in miDrive Limited. Under the terms of the agreement, the investment has been treated as a joint venture.

The unrealised gain on disposal of the 95.05% interest was £2,940,000 and in accordance with UITF 31 has been recognised in the Consolidated Statement of Total Recognised Gains and Losses.

## Holiday Extras Investments Limited

### Notes to the financial statements For the year ended 31 March 2015

#### 14. Fixed asset investments (continued)

<b>Company</b>	<b>Investments in subsidiary companies £000</b>	<b>Investment in joint ventures £000</b>	<b>Total £000</b>
<b>Cost or valuation</b>			
At 1 April 2014	58,383	-	58,383
Additions	1,063	2,700	3,763
Disposals	(1,063)	-	(1,063)
At 31 March 2015	58,383	2,700	61,083
<b>Impairment</b>			
At 1 April 2014 and 31 March 2015	2,259	-	2,259
<b>Net book value</b>			
At 31 March 2015	56,124	2,700	58,824
At 31 March 2014	56,124	-	56,124

Details of the principal subsidiaries and joint ventures can be found in note number 15.

On 19 September 2014, the company entered into a joint venture agreement with MBM Capital Investments Limited to form a new company, miDrive Limited. The net effect of this transaction was to dispose of a 95.05% interest in a subsidiary, PassSmart Limited, in return for a 60.67% interest in miDrive Limited. Under the terms of the agreement, the investment has been treated as a joint venture.

The realised gain on disposal of the 95.05% interest was £1,637,000.

## Holiday Extras Investments Limited

### Notes to the financial statements For the year ended 31 March 2015

#### 15. Principal subsidiaries and joint ventures

##### a. Principal subsidiaries

Company name	Country	Percentage Shareholding	Description
Holiday Extras Limited	England	100 %	Travel related services
Holiday Extras Transport Limited	England	100 %	Travel related services
Holiday Extras GmbH	Germany	100 %	Travel related services
Gesellschaft Fur Touristische Dienstleistungen GmbH	Germany	100 %	Travel related services
HX Properties Limited	England	100 %	Ownership of trading property
Holiday Extras Properties Limited	England	100 %	Ownership of trading property
ABC Holdings Limited	England	100 %	Non-trading
Apple Barn Services Limited	England	100 %	Non-trading
Apple Barn Properties Limited	England	100 %	Ownership of trading property
Airparks Services Limited	England	100 %	Provision of off site airport parking facilities
Airparks Services (Birmingham) Limited	England	100 %	Provision of off site airport parking facilities
Parking for Flying Limited	England	100 %	Non trading
Think W3 Limited	England	100 %	Non trading
Essential Travel Limited	England	100 %	Travel related services
Essential Extras Limited	England	100 %	Non trading
Charlwood Parking Limited	England	100 %	Dormant
ABC Holiday Extras Limited	England	100 %	Dormant
ABC Holiday Plus Limited	England	100 %	Dormant
ABC Sure Limited	England	100 %	Dormant
Airparks Services (East Midlands) Limited	England	100 %	Dormant
Apple Booking Company Limited	England	100 %	Dormant
BCP Parking Limited	England	100 %	Dormant
HEHA Limited	England	100 %	Dormant
Holiday Xtras Limited	England	100 %	Dormant

##### b. Principal joint ventures

Company name	Country	Percentage Shareholding	Description
miDrive Limited	England	60.67 %	Web based learner driver service provider

#### 16. Stocks

	Group		Company	
	2015 £000	2014 £000	2015 £000	2014 £000
Fuel stock	14	8	-	-

# Holiday Extras Investments Limited

## Notes to the financial statements For the year ended 31 March 2015

### 17. Debtors

	Group		Company	
	2015	2014	2015	2014
	£000	£000	£000	£000
<b>Due after more than one year</b>				
Other debtors	640	1,650	15	1,025
	Group		Company	
	2015	2014	2015	2014
	£000	£000	£000	£000
<b>Due within one year</b>				
Trade debtors	2,626	1,161	-	-
Amounts owed by group undertakings	-	-	21,373	3,375
Other debtors	164	1,605	-	-
Prepayments and accrued income	3,675	3,229	2	40
Deferred tax asset (see note 20)	268	344	-	-
	6,733	6,339	21,375	3,415

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

	Group		Company	
	2015	2014	2015	2014
	£000	£000	£000	£000
Debenture loans	-	13,846	-	-
Trade creditors	24,191	21,637	-	4
Amounts owed to group undertakings	-	-	41,100	32,251
Corporation tax	96	28	-	-
Other taxation and social security	3,358	545	-	-
Other creditors	1,427	1,332	-	-
Accruals and deferred income	2,861	2,361	362	243
	31,933	39,749	41,462	32,498

## Holiday Extras Investments Limited

### Notes to the financial statements For the year ended 31 March 2015

#### 18. Creditors: Amounts falling due within one year (continued)

Holiday Extras Limited's bankers have secured a deed of charge over certain bank balances of that subsidiary.

The loans notes were fully repaid on 20 March 2015.

i) In the year under review, a capital sum of £7,889,000 was paid to G N Pack in respect of the loan notes held.

ii) In the year under review, a capital sum of £2,669,000 was paid to C A Pack in respect of the loan notes held.

iii) In the year under review, a capital sum of £3,288,000 was paid to C A Pack Settlement in respect of the loan notes held.

iv) Interest payable to G N Pack and C A Pack in respect of the year ended 31 March 2015 amounts to £53,000 (2014: £255,000) and £79,000 (2014: £91,000) respectively. In addition, interest payable in respect of the year under review amounts to £144,000 (2014: £106,000) on loan notes held non-beneficially by C A Pack.

G N Pack and C A Pack are directors of the company.

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

	Group		Company	
	2015	2014	2015	2014
	£000	£000	£000	£000
Bank loans	-	5,000	-	5,000
Other creditors	-	350	-	-
	<u>-</u>	<u>5,350</u>	<u>-</u>	<u>5,000</u>

The bank loans are secured on the assets of the group.

Bank loans comprised a revolving credit facility of up to £12,500,000, an ancillary facility of up to £7,500,000 and an overdraft facility of up to £5,000,000. Interest is charged at LIBOR plus 3.25%.

#### 20. Deferred taxation

	Group		Company	
	2015	2014	2015	2014
	£000	£000	£000	£000
At beginning of year	344	535	-	-
Movement in year	(76)	(191)	-	-
At end of year	<u>268</u>	<u>344</u>	<u>-</u>	<u>-</u>

# Holiday Extras Investments Limited

## Notes to the financial statements For the year ended 31 March 2015

### 20. Deferred taxation (continued)

The deferred taxation balance is made up as follows:

	Group		Company	
	2015	2014	2015	2014
	£000	£000	£000	£000
Depreciation in advance of capital allowances	242	284	-	-
Tax losses carried forward	4	-	-	-
Other timing differences	22	60	-	-
	<u>268</u>	<u>344</u>	<u>-</u>	<u>-</u>

### 21. Accruals and deferred income

	Group		Company	
	2015	2014	2015	2014
	£000	£000	£000	£000
Deferred income	42,007	39,551	-	-
Government grants received	148	152	-	-
	<u>42,155</u>	<u>39,703</u>	<u>-</u>	<u>-</u>

Deferred income comprises cash received in respect of bookings where stay date falls after the balance sheet date.

### 22. Share capital

	2015	2014
	£000	£000
<b>Allotted, called up and fully paid</b>		
6,000,000 Ordinary shares of £0.10 each	<u>600</u>	<u>600</u>

### 23. Reserves

	Foreign exchange reserve	Other reserves	Profit and loss account
	£000	£000	£000
<b>Group</b>			
At 1 April 2014	11	17,935	(1,029)
Profit for the financial year			3,138
Movement on foreign exchange	(10)		
Movement on other reserves		2,940	
	<u>1</u>	<u>20,875</u>	<u>2,109</u>
At 31 March 2015			

## Holiday Extras Investments Limited

### Notes to the financial statements For the year ended 31 March 2015

#### 23. Reserves (continued)

<b>Company</b>	<b>Other reserves £000</b>	<b>Profit and loss account £000</b>
At 1 April 2014	33,202	(2,216)
Profit for the financial year		7,209
	<u>33,202</u>	<u>4,993</u>
At 31 March 2015	<u>33,202</u>	<u>4,993</u>

Other reserves represents a merger relief reserve in accordance with the Companies Act 2006.

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

<b>Group</b>	<b>2015 £000</b>	<b>2014 £000</b>
Opening shareholders' funds	17,517	18,123
Profit/(loss) for the financial year	3,138	(604)
Other recognised gains and losses during the year	2,940	-
Movement on foreign exchange	(10)	(2)
	<u>23,585</u>	<u>17,517</u>
Closing shareholders' funds	<u>23,585</u>	<u>17,517</u>

<b>Company</b>	<b>2015 £000</b>	<b>2014 £000</b>
Opening shareholders' funds	31,586	33,891
Profit/(loss) for the financial year	7,209	(2,305)
	<u>38,795</u>	<u>31,586</u>
Closing shareholders' funds	<u>38,795</u>	<u>31,586</u>

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own profit and loss account.

The profit for the year in the accounts of the company was £7,209,000 (2014 - loss of £2,305,000).

**Notes to the financial statements**  
**For the year ended 31 March 2015**

On 19 September 2014, the group entered into a joint venture agreement with MBM Capital Investments Limited to form a new company, miDrive Limited. This transaction has been accounted for in accordance with UITF 31 'Exchange of businesses or other non-monetary assets for an interest in a subsidiary, joint venture or associate'. The net effect of this transaction was to dispose of a 95.05% interest in a subsidiary, PassSmart Limited in return for a 60.67% interest in miDrive Limited. Under the terms of the agreement, the investment has been treated as a joint venture.

## Disposals

	£000
<b>Assets and liabilities sold</b>	
Tangible fixed assets	4
Intangible fixed assets	133
Debtors	37
Cash at bank	195
Other creditors and provisions	(163)
	<u>206</u>
Net assets sold	181
Attributable to goodwill disposed	<u>387</u>
	<u><u>3,327</u></u>
Proceeds	<u>3,327</u>
	<u><u>3,327</u></u>
	<u><u>2,940</u></u>
Profit on disposal	
The summarised profit and loss account for PassSmart Limited for the period from 1 April 2014 to the date of disposal was as follows:	
Operating loss	(274)
Loss before tax	(274)
Loss after tax	(274)

**Holiday Extras Investments Limited**

**Notes to the financial statements  
For the year ended 31 March 2015**

**26. Net cash flow from operating activities**

	2015 £000	2014 £000
Operating profit	6,566	1,715
Amortisation of intangible fixed assets	2,536	1,993
Depreciation of tangible fixed assets	3,136	2,896
Impairments of tangible fixed assets - exceptional	-	2,259
Loss/(profit) on disposal of tangible fixed assets	9	(4)
Government grants	(4)	(4)
(Increase)/decrease in stocks	(6)	4
Decrease in debtors	540	1,175
Increase in creditors	8,075	7,905
<b>Net cash inflow from operating activities</b>	<b>20,852</b>	<b>17,939</b>

**27. Analysis of cash flows for headings netted in cash flow statement**

	2015 £000	2014 £000
<b>Returns on investments and servicing of finance</b>		
Interest received	74	61
Interest paid	(1,197)	(2,135)
<b>Net cash outflow from returns on investments and servicing of finance</b>	<b>(1,123)</b>	<b>(2,074)</b>

	2015 £000	2014 £000
<b>Capital expenditure and financial investment</b>		
Purchase of intangible fixed assets	(29)	(131)
Purchase of tangible fixed assets	(2,659)	(2,613)
Sale of tangible fixed assets	61	17
<b>Net cash outflow from capital expenditure</b>	<b>(2,627)</b>	<b>(2,727)</b>

	2015 £000	2014 £000
<b>Acquisitions and disposals</b>		
Purchase of fixed asset investments	-	(2,742)

	2015 £000	2014 £000
<b>Financing</b>		
Repayment of loans	(5,000)	(1,500)
Repayment of debenture loans	(13,846)	(4,245)
<b>Net cash outflow from financing</b>	<b>(18,846)</b>	<b>(5,745)</b>

## Holiday Extras Investments Limited

### Notes to the financial statements For the year ended 31 March 2015

#### 28. Analysis of changes in net funds

	1 April 2014 £000	Cash flow £000	31 March 2015 £000
Cash at bank and in hand	24,295	(3,474)	20,821
<b>Debt:</b>			
Debts due within one year	(13,846)	13,846	-
Debts falling due after more than one year	(5,000)	5,000	-
<b>Net funds</b>	<b>5,449</b>	<b>15,372</b>	<b>20,821</b>

#### 29. Capital commitments

At 31 March 2015 the group and company had capital commitments as follows:

	Group		Company	
	2015 £000	2014 £000	2015 £000	2014 £000
Contracted for but not provided in these financial statements	238	-	-	-

#### 30. Pension commitments

The group makes payments into the following defined contribution schemes:-

a) personal pension schemes in respect of directors. Contributions amounted to £93,000 (2014: £39,000) during the year under review.

b) a group personal pension plan in respect of certain other employees. The assets of the scheme are held separately from those of the group in independently administered funds. The pension cost included in these financial statements in respect of this scheme is £421,000 (2014: £379,000).

Unpaid contributions at 31 March 2015 amounted to £84,000 (2014: £83,000).

#### 31. Operating lease commitments

At 31 March 2015 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
Group	2015 £000	2014 £000	2015 £000	2014 £000
<b>Expiry date:</b>				
Within 1 year	401	420	27	2
Between 2 and 5 years	652	389	103	237
After more than 5 years	1,049	1,329	6	2

## **Holiday Extras Investments Limited**

### **Notes to the financial statements For the year ended 31 March 2015**

#### **32. Related party transactions**

During the year, transactions with related parties have taken place as follows:

a) Holiday Extras Limited provided working capital loans of £63,000 (2014: £NIL) to miDrive Limited, a company which is a joint venture of Holiday Extras Investments Limited. At the year end, £63,000 (2014 £NIL) was owed to Holiday Extras Limited.

b) The company sold its interest in PassSmart Limited to miDrive Limited, a joint venture entity. See note 14 for further details.

During the year, the following transactions have taken place with group undertakings of Parking Logistics Holdings Limited. The group and Parking Logistics Holdings Limited are under common control.

c) Holiday Extras Limited, a group undertaking of Holiday Extras Investments Limited has received interest from Park at the Airport Limited, a group undertaking of Parking Logistics Holdings Limited in the sum of £21,000 (2014: £21,000).

d) At 31 March 2015, there were amounts due to/(from) Holiday Extras Limited from Parking Logistics Holdings Limited of £626,000 (2014: £626,000) and due to Park at the Airport Limited of £(733,000) (2014: £(712,000)).

During the prior year, the following transactions have taken place with group undertakings of Parking Logistics Holdings Limited.

e) The company charged management fees to Parking Logistics Holdings Limited of £5,000.

f) Holiday Extras Limited charged management fees to Parking Logistics Holdings Limited of £64,000 and to Airparks Logistics Limited of £263,000.

g) Holiday Extras Limited was provided with off site airport parking facilities from Airparks Management Limited in the sum of £5,619,000.

h) The company, and the group undertakings Airparks Services Limited and Airparks Services (Birmingham) Limited were charged management fees by Airparks Logistics Limited of £5,000, £257,000 and £247,000 respectively.

i) At 31 March 2015, an amount of £NIL (2014: £33,000) was due to Airparks Services Limited from Airparks Logistics Limited.

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

## **Holiday Extras Investments Limited**

### **Notes to the financial statements For the year ended 31 March 2015**

#### **33. Employee benefit trust**

The "Holiday Extras Investments Benefit Trust" was established to ensure that all employees within the group benefited from the continued development of the business and to provide a market for those shares held by employees leaving the employment of the group.

It is a Discretionary Trust, with an independent trustee, Appleby Trust (Jersey) Limited and is currently funded by advances from the group.

The costs of administering the Employee Benefit Trust are charged to the profit and loss account as incurred.

As at 31 March 2015, the trust holds 902,917 (2014: 1,162,921) ordinary £0.10 shares in Holiday Extras Investments Limited.

Certain staff have been granted share options totalling 130,640 (2014: 130,640) from the Employee Benefit Trust over ordinary shares of £0.10 each in Holiday Extras Investments Limited.

No share options have lapsed in the year. None of the share options have been exercised.

During the year ended 31 March 2015 the group has made an advance of £385,000 (2014: £251,000), received repayments of £1,395,000 (2014: £NIL) and expended £17,000 (2014: £11,000) on behalf of the trust.

The balance due from the Employee Benefit Trust at 31 March 2015 was £15,000 (2014: £1,025,000).

#### **34. Controlling party**

The company is controlled by G Pack, C Pack, M Pack and J Pack, directors of the company, by virtue of their combined shareholding.