

Registered No: 07581191

Holiday Extras Investments Limited

**Annual report and financial statements
For the Year Ended 31 March 2019**



Holiday Extras Investments Limited

Company Information

Directors	D T Kelly D C Norris (Appointed 11 July 2019) J C Pack M G Pack A M M Parker (Resigned 11 July 2019) M F Rice-Jones (Appointed 13 Sept 2018) M W Smith
Registered number	07581191
Registered office	Ashford Road Newingreen Hythe Kent CT21 4JF
Independent auditors	KPMG LLP 1 Forest Gate Brighton Road Crawley RH11 9PT
Bankers	The Royal Bank of Scotland plc 2nd Floor, Turnpike House 123 High Street Crawley West Sussex RH10 1DQ Barclays Bank plc 66 High Street Ashford Kent TN24 8TL

Holiday Extras Investments Limited
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Holiday Extras Investments Limited
Strategic Report
For the Year Ended 31 March 2019

Introduction

Directors' responsibilities statement

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 £14,291,000 (2018: £12,447,000). The Group made a loss before tax of £5,238,000 (2018: Profit £3,835,000) primarily as a result of an impairment in the value of investment property of £5,423,000 and leasehold property of £3,815,000. Revenue increased to £342,899,000 (2018: £327,503,000). The group has net liabilities of £851,000 (2018: net assets £16,838,000). The significant change in the results is mainly due to the Group undertaking a capital restructuring exercise as explained below. Net cash outflows for 2019 were £3,148,000 (2018: £9,215,000 inflow).

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. Despite tough trading conditions, with UK outbound travel in decline year on year, the company continued to grow revenues and profits.

The group's German subsidiary continues to show steady growth, moving into profit during the year, with continued investment to develop the European opportunities around parking and holiday ancillary products. The group's car parking operations produced strong results aided by an increase in capacity.

In April 2018 the Group completed a transaction that acquired a significant shareholding from the ordinary shareholders. To enable the share capital restructuring, the Company gifted £15m to the Employee Benefit Trust which in turn acquired the shares from Ordinary Shareholders. This was funded by a 5 year bank loan of £10m, and £5m from existing cash and distributable reserves. The purpose of the re-structure was to align shareholders and employees to improve long term shareholder value. Further details can be found in notes 26, 31 and 32.

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 diversified and enhanced risk management and contingency planning procedures appropriate for the business to mitigate these risks.

Holiday Extras Investments Limited
Strategic Report (continued)
For the Year Ended 31 March 2019

Principal risks and uncertainties (continued)

The impact of uncertainties due to the UK exiting the European Union

Following the referendum decision in 2016, the Group established a Brexit steering committee which consists of a small dedicated team which worked with all the businesses to assess the risks and opportunities arising from the UK's decision to leave the EU. It concluded there are two primary risks to the Group:

- overall demand for overseas travel is delayed or diminished due to reduced consumer confidence
- travel disruption affecting the Group's headquarters in Kent

The Group has considered sensitivities taking account of reasonably possible adverse effects of Brexit and has concluded that the level of available financial resources is adequate for its needs. The Group has dedicated homeworkers and all staff have the capability to work remotely, with this being tested on a regular basis.

The committee's conclusions are unchanged following the December general election result but this will hopefully facilitate more certainty on the practical implications of Brexit.

Financial key performance indicators

The group uses a range of performance indicators to monitor performance of which the following are considered key:

	2019	2018
	£000	£000
Revenue	342,899	327,503
Operating profit before property write down	5,819	5,964
EBITDA	14,291	12,447
Cash inflow from operating activities	10,400	22,107

Reconciliation of statutory performance measures to alternative performance measures

Operating (loss)/profit	(3,419)	5,964
Movement in fair value of investment property	5,423	0
Amortisation of intangible assets, including goodwill	4,621	4,447
Depreciation of tangible fixed assets	1,890	2,120
Impairment of fixed assets	3,815	(84)
Share based payments charge	1,961	0
EBITDA	14,291	12,447

Holiday Extras Investments Limited
Strategic Report (continued)
For the Year Ended 31 March 2019

The average number of employees during the year, including directors, was 972 (2018: 965). Full-time and part-time staff were employed by the group, generating an average turnover of £353,000 each (2018: £339,000).

Future Developments

The group has continued to make significant investments in its team, specifically marketing and technology, to leverage the opportunity it sees in delivering the vision of "Less Hassle, More Holiday" to its customers and becoming the no.1 brand associated with travel ancillaries.

This report was approved by the Board on 23rd December 2019 and signed on its behalf.



M G Black
Director

Registered office:
Ashford Road
Newingreen
Hythe
Kent
CT21 4JF

Holiday Extras Investments Limited
Directors' Report
For the Year Ended 31 March 2019

The directors present their report and the financial statements for the year ended 31 March 2019.

Directors' responsibilities statement

The directors are responsible for preparing the Annual Report, the 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 they have elected to prepare the group and parent company financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in Directors' reports may differ from legislation in other jurisdictions.

Principal activity

The group's principal activities are that of selling and marketing travel ancillary products and services across both in UK and in Europe. The group distributes short break leisure packages, operates off airport car parking facilities and owns a property portfolio.

Holiday Extras Investments Limited
Directors' Report (continued)
For the Year Ended 31 March 2019

Results and Dividends

The performance of the group is set out in the enclosed financial statements and a review of the results is set out in the strategic report.

The directors do not recommend the payment of a dividend (2018: £NIL).

Directors

The directors who served during the year were:

D T Kelly
D C Norris (Appointed 11 July 2019)
J C Pack
M G Pack
A M M Parker (Resigned 11 July 2019)
M F Rice-Jones (Appointed 13 Sept 2018)
M W Smith

Environmental reporting

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

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.

The directors consider the provision of detailed information on such matters is not necessary in order to gain an understanding of the business, and no detailed disclosures regarding environmental performance have been provided.

Financial instruments

The group 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 group during the year there is no exposure to price risk.

The group's approach to managing other risks applicable to the financial instruments concerned is shown below.

The group ensures its liquidity is maintained by entering into short term financial instruments to support operational and other funding requirements. The group's liquidity management processes include projecting cashflows and considering the level of liquid assets.

Holiday Extras Investments Limited
Directors' Report (continued)
For the Year Ended 31 March 2019

Financial instruments (continued)

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 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 of the group are involved in generating the group's value statements, which underpin its culture, performance management and rewards.

A reflection of the above is that a wholly owned subsidiary, Holiday Extras Limited, has been included on The Sunday Times 100 Best Companies to Work For list 12 times and has previously been awarded a Wellbeing award that recognises the group's focus on health, home and community. In addition the group 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.

Employment policies

The group's employment policies have been designed to guarantee that everyone is treated in a fair and consistent manner. The policies 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 group 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.

Matters covered in the strategic report

Disclosures in respect of future developments have been included as part of the strategic report.

**Holiday Extras Investments Limited
Directors' Report (continued)
For the Year Ended 31 March 2019**

Disclosure of information to auditors

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

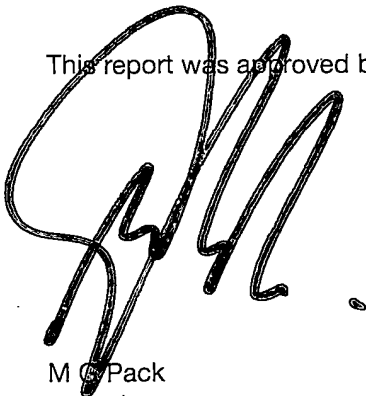
- so far as the director is aware, there is no relevant audit information of which the group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the group's auditors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

Post balance sheet events

On 17th October 2019 Holiday Extras Investments Limited acquired the entire share capital of City Hotel Reservations Ltd, an independent airport parking specialist, for total consideration of £4,723,000 (including all deferred elements).

On 10th July 2019 Holiday Extras Investments Limited acquired 95,084 'A' shares from shareholders, for total consideration of £1,580,446. On 10th December 2019 Holiday Extras Investments Limited acquired a further 95,084 'A' shares from shareholders, for total consideration of £1,608,731.

This report was approved by the board on 23rd December 2019 and signed on its behalf.



M G Pack
Director

Registered office:
Ashford Road
Newingreen
Hythe
Kent
CT21 4JF

Independent auditor's report to the shareholders of Holiday Extras Investments Limited

Opinion

We have audited the financial statements of Holiday Extras Investments Limited ("the company") for the year ended 31 March 2019 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Consolidated Statement of Changes in Equity, Consolidated Cash Flows, Company Balance Sheet, Company Statement of Changes in Equity and related notes, including the accounting policies.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2019 and of the group's loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, such as recoverability of certain assets and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

Independent auditor's report to the shareholders of Holiday Extras Investments Limited (continued)

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the group or the company or to cease their operations, and as they have concluded that the group and the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the group's business model, including the impact of Brexit, and analysed how those risks might affect the group and company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the group or the company will continue in operation.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Independent auditor's report to the shareholders of Holiday Extras Investments Limited (continued)

Matters on which we are required to report by exception

Under the Companies Act 2006, we are required 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
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Responsibilities of directors

As explained more fully in their statement set out on pages 4-7, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at:
www.frc.org.uk/auditorsresponsibilities.

Independent auditor's report to the shareholders of Holiday Extras Investments Limited (continued)

The purpose of our audit work and to whom we owe our responsibilities

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

1.5. ~~19/10~~

Timothy Rush (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

1 Forest Gate
Brighton Road
Crawley
RH11 9PT

23rd December 2019

Holiday Extras Investments Limited
Consolidated statement of comprehensive income
For the Year Ended 31 March 2019

	Note	2019 £000	2018 £000
Turnover	5	342,899	327,503
Cost of sales		(278,981)	(269,129)
Gross profit		63,918	58,374
Administrative expenses		(58,577)	(53,087)
Other operating income	6	478	677
Operating profit before property write down		5,819	5,964
Movement in fair value of investment property	20	(5,423)	0
Impairment of tangible fixed assets	18	(3,815)	0
Operating (loss)/profit	7	(3,419)	5,964
Share of operating loss in associates	19	(1,388)	(723)
Total operating (loss)/profit		(4,807)	5,241
Exceptional items	15	0	(1,245)
(Loss)/profit on ordinary activities before interest		(4,807)	3,996
Interest receivable and similar income	12	79	24
Interest payable and expenses	13	(510)	(185)
(Loss)/profit before taxation		(5,238)	3,835
Tax on (loss)/profit	14	229	(1,283)
(Loss)/profit for the financial year		(5,009)	2,552
Movement on foreign exchange		(14)	5
Other comprehensive income for the year		(14)	5
Total comprehensive income for the year		(5,023)	2,557

The notes on pages 18 to 49 form part of these financial statements.

Holiday Extras Investments Limited

Registered No: 07581191

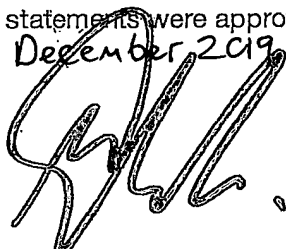
Consolidated Balance Sheet

As at 31 March 2019

	Note	2019 £000	As restated 2018 £000
Fixed assets			
Intangible assets	17	29,110	31,242
Tangible assets	18	22,593	23,932
Investments	19	335	1,422
Investment property	20	8,495	13,917
		<u>60,533</u>	<u>70,513</u>
Current assets			
Stocks	21	22	94
Debtors	22	7,211	9,772
Cash at bank and in hand	23	41,026	44,174
		<u>48,259</u>	<u>54,040</u>
Creditors: amounts falling due within one year	24	(38,231)	(43,056)
Net current assets		<u>10,028</u>	<u>10,984</u>
Total assets less current liabilities		<u>70,561</u>	<u>81,497</u>
Creditors: amounts falling due after one year	25	(8,028)	(632)
Provisions for liabilities			
Deferred tax	29	(836)	(2,799)
Accruals and deferred income	30	(62,548)	(61,228)
Net (liabilities)/assets		<u>(851)</u>	<u>16,838</u>
Capital and reserves			
Called up share capital	31	600	600
Share premium account	32	52	52
Capital redemption reserve	32	4	4
Foreign exchange reserve	32	43	57
Merger reserve	32	(5,998)	20,875
Own shares reserve	32	(20,625)	(7,312)
Share based payments reserve	32	555	0
Profit and loss account	32	24,518	2,562
Shareholder's (deficit)/funds		<u>(851)</u>	<u>16,838</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 23rd December 2019.

M G Pack
Director



The notes on pages 18 to 49 form part of these financial statements.

Holiday Extras Investments Limited

Registered No: 07581191

Company Balance Sheet

As at 31 March 2019

	Note	2019 £000	As restated 2018 £000
Fixed assets			
Investments	19	63,327	65,461
		<u>63,327</u>	<u>65,461</u>
Current assets			
Debtors	22	19,363	26,353
Cash at bank and in hand	23	219	257
		<u>19,582</u>	<u>26,610</u>
Creditors: amounts falling due within one year	24	(65,768)	(58,086)
Net current liabilities		<u>(46,186)</u>	<u>(31,476)</u>
Total assets less current liabilities		<u>17,141</u>	<u>33,985</u>
Creditors: amounts falling due after one year	25	(7,906)	(355)
Net assets		<u>9,235</u>	<u>33,630</u>
Capital and reserves			
Called up share capital	31	600	600
Share premium account	32	52	52
Capital redemption reserve	32	4	4
Merger reserve	32	9,202	33,202
Own shares reserve	32	(20,625)	(7,312)
Share based payments reserve	32	555	0
Profit and loss account	32	19,447	7,084
Shareholder's funds		<u>9,235</u>	<u>33,630</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 23rd December 2019.


M G Pack
Director

The notes on pages 18 to 49 form part of these financial statements.

Holiday Extras Investments Limited Consolidated Statement of Changes in Equity For the Year Ended 31 March 2019	Called Up Share Capital £000	Share Premium Account £000	Capital Redemption Reserve £000	Foreign Exchange Reserve £000	Merger Reserve £000	Own Shares Reserve £000	Share Based Payments Reserve £000	Profit and Loss Account £000	Total Equity £000
At 1 April 2017 (restated)	600	52	4	52	20,875	(4,879)	0	10	16,714
Profit for the year	0	0	0	0	0	0	0	2,552	2,552
Own shares purchased	0	0	0	0	0	(2,433)	0	0	(2,433)
Movement on foreign exchange	0	0	0	5	0	0	0	0	5
At 31 March 2018 restated	600	52	4	57	20,875	(7,312)	0	2,562	16,838
Total comprehensive loss for the year ended 31 March 2019	0	0	0	0	0	0	0	(5,023)	(5,023)
Share based payments charge	0	0	0	0	0	0	555	0	555
Own shares purchased	0	0	0	0	0	(13,313)	0	0	(13,313)
Issue of deferred shares	24,000	0	0	0	(24,000)	0	0	0	0
Cancellation of deferred shares	(24,000)	0	0	0	0	0	0	24,000	0
Other equity movements	0	0	0	0	67	0	0	39	106
Crystallisation of historical unrealised gain	0	0	0	0	(2,940)	0	0	2,940	0
Movement on foreign exchange	0	0	0	(14)	0	0	0	0	(14)
At 31 March 2019	600	52	4	43	(5,998)	(20,625)	555	24,518	(851)

The notes on pages 18 to 49 form part of these financial statements.

Holiday Extras Investments Limited
Company Statement of Changes in Equity
For the Year Ended 31 March 2019

	Called Up Share Capital £000	Share Premium Account £000	Capital Redemption Reserve £000	Merger Reserve £000	Own Shares Reserve £000	Share Based Payments Reserve £000	Profit and Loss Account £000	Total Equity £000
At 1 April 2017 (restated)	600	52	4	33,202	(4,879)	0	4,891	33,870
Profit for the year	0	0	0	0	0	0	2,194	2,194
Own shares purchased	0	0	0	0	(2,433)	0	0	(2,433)
Other movements	0	0	0	0	0	0	(1)	(1)
At 31 March 2018 restated	600	52	4	33,202	(7,312)	0	7,084	33,630
Total comprehensive loss for the year ended								
31 March 2019	0	0	0	0	0	0	(11,637)	(11,637)
Own shares purchased	0	0	0	0	(13,313)	0	0	(13,313)
Share based payments charge	0	0	0	0	0	555	0	555
Issue of deferred shares	24,000	0	0	(24,000)	0	0	0	0
Cancellation of deferred shares	(24,000)	0	0	0	0	0	24,000	0
At 31 March 2019	600	52	4	9,202	(20,625)	555	19,447	9,235

The notes on pages 18 to 49 form part of these financial statements.

Holiday Extras Investments Limited
Consolidated Statement of Cashflows
For the Year Ended 31 March 2019

	2019	As restated 2018
	£000	£000
Cash flows from operating activities		
(Loss)/profit for the financial year	(5,009)	2,552
Adjustments for		
Amortisation of intangible assets	4,621	4,447
Depreciation of tangible assets	1,890	2,120
Impairment of fixed assets	3,815	(84)
Loss/(Profit) on disposal of intangible and tangible assets	32	175
Government grants	(4)	(4)
Interest paid	510	185
Interest received	(79)	(24)
Taxation charge	(229)	1,283
Decrease/(Increase) in stocks	72	(42)
Decrease/(Increase) in debtors	2,561	479
Increase/(decrease) in creditors	(3,474)	12,513
Share based payments charge	555	0
Movement in fair value of investment property	5,423	0
Share of operating loss in associates	1,388	723
Corporation tax paid	(1,672)	(2,216)
Net cash generated from operating activities	10,400	22,107
Cash flows from investing activities		
Expenditure on intangible fixed assets	(2,489)	(4,336)
Purchase of tangible fixed assets	(4,477)	(4,121)
Purchase of share in associate	(300)	0
Sale of tangible fixed assets	143	18
Acquisition of business combinations (net of cash acquired)	(1,000)	(2,146)
Interest received	79	24
Net cash from investing activities	(8,044)	(10,561)
Cash flows from financing activities		
Buy back of company shares	(13,292)	(2,401)
Bank loans received	10,000	0
Repayment of bank loans	(1,500)	0
Repayment of finance leases	(202)	255
Interest paid	(510)	(185)
Net cash used in financing activities	(5,504)	(2,331)
Net (decrease)/increase in cash and cash equivalents	(3,148)	9,215
Cash and cash equivalents at beginning of year	44,174	34,959
Cash and cash equivalents at the end of year	41,026	44,174
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	41,026	44,174

The notes on pages 18 to 49 form part of these financial statements.

Holiday Extras Investments Limited
Notes to the Financial Statements
For the Year Ended 31 March 2019

1 General information

Holiday Extras Investments Limited ('the company') is a private company limited by shares incorporated in England with the registration number 07581191. The address of the registered office is Ashford Road, Newingreen, Hythe, Kent, CT21 4JF.

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

2 Accounting Policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires group management to exercise judgement in applying the group's accounting policies (see note 3).

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

The group's functional and presentational currency is Pounds Sterling. The group's financial statements are presented to the nearest £000. The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The parent company is included in the consolidated financial statements, and is considered to be a qualifying entity under FRS 102 paragraphs 1.8 to 1.12. The following exemptions available under FRS 102 in respect of certain disclosures for the parent company financial statements have been applied:

- The reconciliation of the number of shares outstanding from the beginning to the end of the period has not been included a second time;
- No separate parent company Cash Flow Statement with related notes is included; and
- Key Management Personnel compensation has not been included a second time.

2 Accounting Policies (continued)

2.2 Financial reporting standard 102 - reduced disclosure exemptions (continued)

- Certain disclosures required by FRS 102.26 Share Based Payments; and,
- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

2.3 Basis of consolidation

The consolidated financial statements present the results of the group and its own subsidiaries ('the group') as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The Company has an established Employee Benefit Trust ("EBT") to which it is the sponsoring entity. Notwithstanding the legal duties of the trustees, the Company considers that it has 'de facto' control. The EBT is therefore accounted for as assets and liabilities of the Company itself and is included in the consolidated financial statements. The Company's equity instruments held by the EBT are accounted for as if they were the Company's own equity and are treated as treasury shares. No gain or loss is recognised in the statement of comprehensive income or other comprehensive income on the purchase, sale or cancellation of the Company's own equity held by the EBT.

The group was required to prepare accounts under merger accounting principles 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 principles.

Therefore, the group continued to recognise a merger reserve which arose on a past business combination that was accounted for as a merger in accordance with UK GAAP as applied at that time. During the year the company carried out a capital reduction of its merger reserve, by means of the solvency statement procedure under section 642 of the Companies Act 2006, which was subsequently transferred to distributable reserves.

For acquisitions subsequent to the group reorganisation, the consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

2 Accounting Policies (continued)

2.4 Going concern

Notwithstanding the loss for the year of £5,009,000 and a net liability position of £851,000 the directors have prepared the financial statements on a going concern basis for the following reasons:

The Group meets its day-to-day working capital and financing requirements through the net cash generated from operations. Having assessed the Group's financial position, and cashflow forecasts for the period ending 31 May 2021, including stress testing these projections, the directors have a reasonable expectation that the group has adequate resources including access to financing to continue in operational existence and to continue to meet all financial commitments and ensuring liabilities are settled when due for more than one year from the signing of these accounts.

Having considered the above, the Directors conclude that it is appropriate to adopt the going concern basis of accounting because there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the company to continue as a going concern.

2.5 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 sustainable 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 statement of comprehensive income for stay dates commencing during the accounting period.

(b) Travel insurance

Credit is taken to the statement of comprehensive income for the commission arising on insurance policies returned to the group during the accounting period.

2.6 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.

2 Accounting Policies (continued)

2.6 Gross profit on trading activities (continued)

(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.

2.7 Foreign currency translation

Functional and presentation currency

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

2.8 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2 Accounting Policies (continued)

2.9 Operating Leases: the group as lessee

Rentals paid under operating leases are charged to the statement of income 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 lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.10 Interest Income

Interest income is recognised in the statement of comprehensive income using the effective interest method.

2.11 Finance Costs

Finance costs are charged to the statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.12 Employee Benefits

Pensions

Defined contribution pension plan

The group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the group pays fixed contributions into a separate entity. Once the contributions have been paid the group has no further payment obligations.

The contributions are recognised as an expense in the statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the group in independently administered funds.

Share Based Payments

The Group issues share options to certain employees. The fair value of equity-settled share-based payments is measured at the date of the grant. The fair value of cash-settled share-based payments is remeasured at the end of each year. The charge is based on fair value, estimated using the Black-Scholes pricing model, and is expensed on a straight line basis over the expected vesting period. Further details can be found in note 33.

2 Accounting Policies (continued)

2.13 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of income and retained earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the group operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.14 Exceptional items

Exceptional items represents items of a material nature requiring separate disclosure in the consolidated statement of comprehensive income. Materiality for exceptional items is determined by reference to its size or nature, or a combination of both.

2.15 Intangible fixed assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the statement of comprehensive income over its useful economic life of 5-20 years.

2 Accounting Policies (continued)

2.15 Intangible fixed assets (continued)

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on the following bases:

Software	- 25% straight line
Trademarks	- 10% straight line
Licences to operate	- Over the life of the licence

2.16 Tangible Assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, under both the straight line and reducing balance bases.

Depreciation is provided on the following basis:

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
Fixtures, fittings & equipment	- 20-25% straight line
Computer Hardware	- 25-50% straight line

2 Accounting policies (continued)

2.16 Tangible Assets (continued)

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'administrative expenses' in the statement of comprehensive income.

2.17 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGU's). Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.18 Investment property

Investment property is carried at fair value determined annually and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the consolidated statement of comprehensive income.

2.19 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

2.20 Associates and joint ventures

An entity is treated as a joint venture where the group is a party to a contractual agreement with one or more parties from outside the group to undertake an economic activity that is subject to joint control.

An entity is treated as an associate where the group has significant influence and that the entity is neither a subsidiary nor an interest in a joint venture.

The group's investments in joint ventures and associates 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 and associates are included in the profit and loss account using the equity accounting basis. Goodwill on investments in joint ventures and associates is the difference between the fair value of net assets acquired and the fair value of consideration given.

2 Accounting policies (continued)

2.21 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost represents the purchase price plus attributable expenditure.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.22 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.23 Cash and Cash Equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the group's cash management.

2.24 Financial Instruments

The group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the group would receive for the asset if it were to be sold at the balance sheet date.

2.25 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2 Accounting policies (continued)

2.26 Provisions for liabilities

Provisions are made where an event has taken place that gives the group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the statement of comprehensive income in the year that the group becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the balance sheet.

2.27 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3 Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires the directors to make judgements, estimates and assumptions that can affect the amounts reported for assets and liabilities, and the results for the year. The nature of estimation is such though that actual outcomes could differ significantly from those estimates. The following judgements have had the most significant impact on amounts recognised in the financial statements and are the group's key sources of estimation uncertainty:

3.1 Judgements

Share based payments

The group has recognised a share based payments charge of £1,961,000 in the year (2018: £Nil). The charge is based on fair value, estimated using the Black-Scholes pricing model. There are multiple possible vesting scenarios for the UK Joint Share Ownership Plan but the directors consider the most appropriate is a 10 year vesting period from 31 March 2019 (see note 33). This estimate is based on the best available information at the reporting date.

3 Judgements in applying accounting policies and key sources of estimation uncertainty (continued)

3.2 Estimates

Goodwill and intangible fixed assets

The group has recognised goodwill arising from business combinations and other intangible assets that are internally generated with a carrying value of £29,110,000 (2018: £31,242,000) at the reporting date (see note 17). On acquisition the group determines a reliable estimate of the useful life of goodwill and other intangible assets based upon factors such as the expected use of the acquired business, forecasts of expected future results and cash flows, and any legal, regulatory or contractual provisions that can limit useful life. At each subsequent reporting date the directors consider whether there are any factors such as technological advancements or changes in market conditions that indicate a need to reconsider the useful life of goodwill and intangible assets.

The classification of intangible assets requires the directors to consider whether the assets meet the recognition criteria in accordance with FRS102.

Tangible fixed assets

The group has recognised tangible fixed assets with a carrying value of £22,593,000 (2018: £23,932,000) at the reporting date (see note 18). These assets are stated at their cost less provision for depreciation and impairment. The group's accounting policy sets out the approach to calculating depreciation for immaterial assets acquired. For material assets such as land and buildings the company determines at acquisition reliable estimates for the useful life of the asset, its residual value and decommissioning costs. These estimates are based upon such factors as the expected use of the acquired asset and market conditions. At subsequent reporting dates the directors consider whether there are any factors such as technological advancements or changes in market conditions that indicate a need to reconsider the estimates used.

Where there are indicators that the carrying value of tangible assets may be impaired the group undertakes tests to determine the recoverable amount of assets. These tests require estimates of the fair value of assets less cost to sell and of their value in use. Wherever possible the estimate of the fair value of assets is based upon observable market prices less the incremental cost for disposing of the asset. The value in use calculation is based upon a discounted cash flow model, based upon the group's forecasts for the foreseeable future which do not include any restructuring activities that the group is not yet committed to or significant future investments that will enhance the asset's performance. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well expected future cash flows and the growth rate used for extrapolation purposes.

Investment properties

The group holds investment property with a fair value of £8,495,000 (2018: £13,917,000) at the year end (see note 20). The directors' judgement on the fair value of investment property at 31 March 2019 has been informed by independent valuation specialists with experience in the location and nature of the property being valued. They have used a valuation technique based on comparable market data. The determined fair value of the investment property is most sensitive to fluctuations in the property market.

Holiday Extras Investments Limited
Notes to the Financial Statements
For the Year Ended 31 March 2019

4 Prior year adjustment

In prior periods the Company has not treated the Employee Benefit Trust (EBT) as an intermediary payment arrangement and therefore excluded the assets and liabilities of the EBT from both the Company and Group. Previously gifts to the EBT have been treated as a reduction to retained earnings of the company and no account has been made to own share purchases made by the EBT. The cumulative difference between the gift to the EBT and the amount of own shares purchased has been recorded as a debtor in the Company and Group accounts as though it was an external party.

On subsequent review it has been concluded that the EBT is an intermediate payment arrangement and should be accounted and disclosed Under FRS 102 section 9.33 to 9.38. The effect of this is that the EBT is treated as though the transactions were undertaken by the company itself and the assets and liabilities of the EBT shall be accounted for by the sponsoring entity as an extension of its own business and recognised in its own financial statements. The EBT also holds and has purchased equity instruments of the Company and these should be treated as though the Company had purchased these directly.

As at the 31 March 2018 the Company recorded a debtor owed by the EBT of £3,328,000 (31 March 2017: £1,193,000) which is eliminated when the EBT is treated as an agent, therefore reducing opening retained earnings, with the remaining adjustments being the inclusion of assets/(liabilities) held directly in the EBT which are now assets/(liabilities) within the Group and Company.

The impact of the above change is to:

Reduce opening shareholders' funds as a 1 April 2017 by £1,098,000 and recognise Treasury shares of £4,879,000 directly in the Statement of equity with an increase in the profit and loss reserve of £3,781,000.

Reduce closing shareholders' funds as at 31 March 2018 by £3,531,000 and recognise Treasury shares of £7,312,000 directly in the Statement of equity with an increase in the profit and loss reserve of £3,781,000.

There is no impact on the profit and loss account for the year ended 31 March 2018.

Holiday Extras Investments Limited
Notes to the Financial Statements
For the Year Ended 31 March 2019

5 Analysis of turnover

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.

Analysis of turnover by country of destination:

	2019 £000	2018 £000
United Kingdom	333,609	318,854
Rest of Europe	9,290	8,649
	342,899	327,503

6 Other operating income

Other operating income	156	118
Government grants receivable	4	4
Sundry income	318	555
	478	677

7 Operating Profit

The operating profit is stated after charging:

Depreciation of tangible fixed assets	1,890	2,120
Impairment of tangible fixed assets	3,815	(84)
Movement in fair value of investment property	5,423	0
Amortisation of intangible assets, including goodwill	4,621	4,447
Loss/(Profit) on disposal of fixed assets	32	175
Exchange differences	(49)	100
Operating lease rentals	2,510	2,817
Share based payments charge	1,961	0
Defined contribution pension cost	806	695

Holiday Extras Investments Limited
Notes to the Financial Statements
For the Year Ended 31 March 2019

2019	2018
£000	£000

8 Auditor's remuneration

Fees payable to the group's auditor and its associates
for the audit of the group's annual accounts

10	7
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Fees payable to the group's auditor and its associates in respect of:

The auditing of accounts of associates of the group pursuant to legislation

150	121
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All taxation advisory services not included above

0	32
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All other non audit services not included above

16	22
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The audit fees in the prior year were paid to the Group's previous auditors, Kreston Reeves LLP.

9 Employees

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

	2019	2018	2019	2018
	£000	£000	£000	£000
	Group	Group	Company	Company
Wages and salaries	28,121	25,913	255	316
Social security costs	3,260	3,067	59	37
Share based payments	1,961	0	295	0
Cost of defined contribution scheme	806	695	0	0
	34,148	29,675	609	353

2019	2018
No	No

Average number of employees during the year, including directors

972	965
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Holiday Extras Investments Limited
Notes to the Financial Statements
For the Year Ended 31 March 2019

	2019 £000	2018 £000
10 Directors' remuneration		
Directors' emoluments	904	1,311
Share based payments	224	0
Group contributions to defined contribution schemes	31	41
	<u>1,159</u>	<u>1,352</u>

During the year retirement benefits were accruing to 3 directors (2018 - 5) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £442,000 (2018 - £396,000).

The value of the group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £10,000 (2018 - £10,000).

11 Share based payments

The Group provides equity and cash settled share-based payment transactions in respect of services received from certain employees. The fair value of equity-settled share-based payments is measured at the date of the grant. The fair value of cash-settled share-based payments is remeasured at the end of each year. The charge, based on fair value and the Group's estimation of shares that will eventually vest, is expensed each year on a straight line basis over the vesting period. Further details can be found in note 33.

	2019 £000	2018 £000
12 Interest receivable		
Other interest receivable	79	24
	<u>79</u>	<u>24</u>

13 Interest payable and similar expenses

Bank interest payable	497	168
Other loan interest	13	17
	<u>510</u>	<u>185</u>

Holiday Extras Investments Limited
Notes to the Financial Statements
For the Year Ended 31 March 2019

14 Taxation

Corporation Tax

Current tax on (losses)/profits for the year	1,951	1,868
Adjustments in respect of previous periods	(217)	(557)
Total Current Tax	<u>1,734</u>	<u>1,311</u>

Deferred Tax

Origination and reversal of timing differences	(1,963)	(28)
Total Deferred Tax	<u>(1,963)</u>	<u>(28)</u>
Taxation on (loss)/profit on ordinary activities	<u>(229)</u>	<u>1,283</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2018 - higher than) the standard rate of corporation tax in the UK of 19% (2018 - 19%). The differences are explained below:

	2019 £000	2018 £000
Profit/(Loss) on ordinary activities before tax	<u>(5,238)</u>	<u>3,835</u>
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	(995)	729
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	403	427
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	1,876	689
Depreciation in excess of capital allowances	0	5
Adjustments to tax charge in respect of prior periods	(217)	(557)
Adjustment in research and development tax credit leading to an increase/(decrease) in the tax charge	0	(150)
Adjust closing deferred tax to average rate	146	(5)
Chargeable gains/(losses)	(1,583)	(47)
Share of joint venture/associate loss	264	126
Entities not subject to UK corporation tax	(123)	66
Total tax (credit)/charge for the year	<u>(228)</u>	<u>1,283</u>

Holiday Extras Investments Limited
Notes to the Financial Statements
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14 Taxation (continued)

Factors that may affect future tax charges

Reductions in the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) and 18% (effective from 1 April 2020) were substantively enacted on 26 October 2015. A further reduction to the UK corporation tax rate was announced in the 2016 Budget to further reduce the tax rate to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly. The deferred tax assets and liabilities at the balance sheet date have been calculated based on the rate of 17% substantively enacted at the balance sheet date.

15 Exceptional items

Strategic planning	0	744
Reorganisation costs	0	501
	<u>0</u>	<u>1,245</u>

Strategic planning

During the prior year, the group incurred costs of £744,000 in relation to strategic planning, merger and acquisition, group restructuring and corporate finance advisory assistance.

Reorganisation costs

During the prior year Holiday Extras Acquisitions Limited, a wholly owned subsidiary, acquired certain assets of the trade of Purple Parking Holdings Limited, Purple Parking Limited and Purple Parking Business Ltd. Subsequent to the acquisition, following a reorganisation, the company incurred redundancy costs of £501,000.

16 Parent company profit for the year

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of comprehensive income in these financial statements. The loss after tax of the parent company for the year was £11,637,000 (2018 as restated: £2,194,000 profit).

Holiday Extras Investments Limited
Notes to the Financial Statements
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17 Intangible Assets

	Goodwill £000	Software £000	Licences to operate £000	Trademark £000	Negative Goodwill £000	Total £000
Cost						
At 1 April 2018	42,348	15,874	2,100	425	(227)	60,520
Additions	0	2,316	173	0	0	2,489
Disposals	0	(10)	0	0	0	(10)
Foreign exchange movement	0	3	0	0	0	3
At 31 March 2019	42,348	18,183	2,273	425	(227)	63,002
Amortisation						
At 1 April 2018	18,818	10,313	138	18	(9)	29,278
Charge for the year	2,307	1,964	330	43	(23)	4,621
On disposals	0	(10)	0	0	0	(10)
Foreign exchange movement	0	3	0	0	0	3
At 31 March 2019	21,125	12,270	468	61	(32)	33,892
Net Book Value						
At 31 March 2019	21,223	5,913	1,805	364	(195)	29,110
At 31 March 2018	23,530	5,561	1,962	407	(218)	31,242

Holiday Extras Investments Limited
Notes to the Financial Statements
For the Year Ended 31 March 2019

18 Tangible Assets

	Freehold and Leasehold Land and Buildings £000	Fixtures, Fittings and Equipment £000	Motor Vehicles £000	Total £000
Cost				
At 1 April 2018	30,073	8,788	1,855	40,716
Additions	2,789	1,432	256	4,477
Disposals	(60)	(345)	(264)	(669)
Foreign exchange movement	0	0	0	0
At 31 March 2019	32,802	9,875	1,847	44,524
Depreciation				
At 1 April 2018	8,763	7,272	749	16,784
Charge for the year	755	815	320	1,890
On disposals	(52)	(325)	(187)	(564)
Impairment	3,816	0	0	3,816
Foreign exchange movement	0	5	0	5
At 31 March 2019	13,282	7,767	882	21,931
Net Book Value				
At 31 March 2019	19,520	2,108	965	22,593
At 31 March 2018	21,310	1,516	1,106	23,932

Included in freehold land and buildings is an amount of £482,000 (2018: £482,000) attributable to land on which no depreciation has been charged.

The net book value of land and buildings may be further analysed

	2019 £000	2018 £000
Freehold	11,473	8,934
Long leasehold	8,047	12,376
	19,520	21,310

The net book value of assets held under finance

Motor Vehicles	607	656
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Holiday Extras Investments Limited
Notes to the Financial Statements
For the Year Ended 31 March 2019

19 Fixed asset investments

Group	Investments in associates £000
Cost	
At 1 April 2018	1,642
Additions	300
Shareholding adjustment	408
Share of operating loss	(1,388)
	<hr/>
At 31 March 2019	962
	<hr/>
Impairment	
At 1 April 2018	220
Charge for the period	407
	<hr/>
At 31 March 2019	627
	<hr/>
Net book value	
At 1 April 2018	1,422
	<hr/>
At 31 March 2019	335
	<hr/>

Participating interests

Associates

Name	Registered Office	Class of Shares	Holding	Principal Activity
miDrive Limited	Borough Studios, 131 Great Suffolk Street, London, SE1 1PP	Ordinary Preference	34.79% 2.40%	Web based learner driver service provider

Holiday Extras Investments Limited
Notes to the Financial Statements
For the Year Ended 31 March 2019

19 Fixed asset investments (continued)

Company	Investments in subsidiary companies £000	Investments in associates £000	Total £000
Cost			
At 1 April 2018	63,920	3,800	67,720
Additions	1,666	300	1,966
At 31 March 2019	65,586	4,100	69,686
Impairment			
At 1 April 2018	2,259	0	2,259
Charge for the year	0	4,100	4,100
At 31 March 2019	2,259	4,100	6,359
Net book value			
At 1 April 2018	61,661	3,800	65,461
At 31 March 2019	63,327	0	63,327

The following were subsidiary undertakings of the company:

Name	Class of Shares	Holding	Principal Activity
Holiday Extras Limited	Ordinary	100%	Travel related services
Holiday Extras Transport Limited	Ordinary	100%	Travel related services
Holiday Extras GmbH	Ordinary	100%	Travel related services
Gesellschaft Fur Touristische Dienstleistungen GmbH	Ordinary	100%	Travel related services
HX Properties Limited	Ordinary	100%	Ownership of trading property
Holiday Extras Properties Limited	Ordinary	100%	Ownership of trading property
ABC Holdings Limited	Ordinary	100%	Non-trading
Apple Barn Services Limited	Ordinary	100%	Non-trading
Apple Barn Properties Limited	Ordinary	100%	Ownership of trading property
Airparks Services Limited	Ordinary	100%	Provision of off site airport parking facilities
Airparks Services (Birmingham) Limited	Ordinary	100%	Provision of off site airport parking facilities
Parking for Flying Limited	Ordinary	100%	Ownership of trading property
Think W3 Limited	Ordinary	100%	Non-trading
Essential Travel Limited	Ordinary	100%	Travel related services
Essential Extras Limited	Ordinary	100%	Non-trading

Holiday Extras Investments Limited
Notes to the Financial Statements
For the Year Ended 31 March 2019

19 Fixed asset investments (continued)

Name	Class of Shares	Holding	Principal Activity
Park at the Airport Limited	Ordinary	100%	Non-trading
Park IT Solutions Limited	Ordinary	100%	Design, development and distribution of parking logistics software
Holiday Extras Acquisitions Limited	Ordinary	100%	Travel related services
The Chauntry Corporation Limited	Ordinary	100%	Design, development and distribution of software
Holiday Extras Shortbreaks Limited (formerly A.B.C Sure Ltd)	Ordinary	100%	Travel related services
ABC Holiday Extras Limited	Ordinary	100%	Dormant
Holiday Extras Cover Limited (formerly ABC Holiday Plus)	Ordinary	100%	Travel insurance services
Airparks Services (East Midlands) Limited	Ordinary	100%	Dormant
Oak Creative Design Limited (formerly Apple Booking Company Limited)	Ordinary	100%	Dormant
BCP Parking Limited	Ordinary	100%	Dormant
HEHA Limited	Ordinary	100%	Dormant
Holiday Xtras Limited	Ordinary	100%	Dormant

The registered office of all the above companies is Ashford Road, Newingreen, Hythe, Kent, CT21 4JF with the exception of the following:

Name	Registered Office
Holiday Extras GmbH	Aidenbachstrase 52, 81379 Munchen, Germany
Gesellschaft Fur Touristische Dienstleistungen GmbH	Augustenstrase 10, 80333 Munchen, Germany
Airparks Services Limited	100 Mackadown Lane, Birmingham, 833 0JD
Park IT Solutions Limited	100 Mackadown Lane, Birmingham, 833 0JD
The Chauntry Corporation Ltd	New Century House, Cordwallis Street, Maidenhead, SL6 7BE
BCP Parking Limited	Grove Road, Slip End, Luton, LU1 4BZ

Holiday Extras Investments Limited
Notes to the Financial Statements
For the Year Ended 31 March 2019

20 Investment Property

Group	Investment Property £000
Valuation	
At 1 April 2018	13,917
Movement in fair value	(5,423)
Other movement	1
	<u>8,495</u>
At 31 March 2019	

The group's investment properties were valued on 31 July 2018 by JLL, who have acted as an external valuer. The valuation accords with the requirements of the RICS Valuation - Professional Standards, January 2014. The valuation of the properties was on the basis of fair value. The directors have also taken into account indicators of current market value.

21 Stocks

	Group 2019 £000	Group 2018 £000
Fuel stocks	11	13
Finished goods and goods for resale	11	81
	<u>22</u>	<u>94</u>

	Group 2019 £000	Restated Group 2018 £000	Company 2019 £000	Restated Company 2018 £000
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22 Debtors

Trade debtors	2,832	3,492	0	0
Amounts owed by group undertakings	0	0	18,961	25,882
Other debtors	706	1,405	2	108
Prepayments and accrued income	3,673	4,875	400	363
	<u>7,211</u>	<u>9,772</u>	<u>19,363</u>	<u>26,353</u>

23 Cash and cash equivalents

Cash at bank and in hand	41,026	44,174	219	257
	<u>41,026</u>	<u>44,174</u>	<u>219</u>	<u>257</u>

The cash balance includes £20,060,000 (2018: £24,634,000) of restricted cash under the Package Travel Regulations.

Holiday Extras Investments Limited
Notes to the Financial Statements
For the Year Ended 31 March 2019

	Group	Group	Company	Company
	2019	2018	2019	2018
	£000	£000	£000	£000
24 Creditors: Amounts falling due within one year				
Trade creditors	26,320	31,237	400	363
Amounts owed to group undertakings	0	0	63,029	56,213
Corporation tax	312	255	0	0
Other taxation and social security	4,575	4,882	0	0
Obligations under finance lease and hire purchase contracts	155	202	0	0
Bank loan	2,000	0	2,000	0
Other creditors	628	1,890	203	1,000
Accruals and deferred income	4,241	4,590	136	510
	<u>38,231</u>	<u>43,056</u>	<u>65,768</u>	<u>58,086</u>

25 Creditors: Amounts falling due after more than one year

Bank loan	6,500	0	6,500	0
Share based payments	1,406	0	1,406	0
Other creditors	0	355	0	355
Net obligations under finance lease and hire purchase contracts	122	277	0	0
	<u>8,028</u>	<u>632</u>	<u>7,906</u>	<u>355</u>

26 Interest-bearing loans and borrowings

This note provides information about the contractual terms of the Group's and parent company's interest-bearing loans and borrowings, which are measured at amortised cost.

Creditors falling due more than one year

Secured bank loans	6,500	0	6,500	0
	<u>6,500</u>	<u>0</u>	<u>6,500</u>	<u>0</u>

Creditors falling due within less than one year

Secured bank loans	2,000	0	2,000	0
	<u>2,000</u>	<u>0</u>	<u>2,000</u>	<u>0</u>

Holiday Extras Investments Limited
Notes to the Financial Statements
For the Year Ended 31 March 2019

26 Interest-bearing loans and borrowings (continued)

Terms and debt repayment schedule

In April 2018 the Group took out a 5 year bank loan of £10m, repayable by 2023, at a nominal interest rate of LIBOR + 1.8%. £1.5m has been repaid in the current year.

	Group 2019 £000	Company 2019 £000
Repayment schedule		
Not later than 1 year	2,000	2,000
Later than 1 year and not later than 5 years	6,500	6,500
	8,500	8,500

27 Hire purchase and finance leases

Within one year	155	202
Between 1-5 years	122	277
	277	479

	Group 2019 £000	Group 2018 £000	Company 2019 £000	Company 2018 £000
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28 Financial instruments

Financial assets

Financial assets that are debt instruments measured at amortised cost

3,599	8,877	27,445	25,990
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Financial liabilities

Financial liabilities measured at amortised cost

33,292	(37,739)	(64,103)	(57,086)
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Financial assets measured at amortised cost comprise trade debtors, amounts owed by group undertakings, other debtors and accrued income.

Financial liabilities measured at amortised cost comprise trade creditors, amounts owed to group undertakings, net obligations under finance leases and hire purchase contracts, other creditors and accruals.

Holiday Extras Investments Limited
Notes to the Financial Statements
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	2019	2018
	£000	£000

29 Deferred Taxation

Group

At beginning of year	(2,799)	(2,827)
Released to profit and loss	1,963	28
	<u>(836)</u>	<u>(2,799)</u>

At end of year

The provision for deferred tax is made up as follows:

	Group	Group
	2019	2018
	£000	£000
Fixed asset timing differences	(863)	(2,815)
Other timing differences	27	16
	<u>(836)</u>	<u>(2,799)</u>

30 Accruals and deferred income

Deferred income	62,416	61,092
Government grants	132	136
	<u>62,548</u>	<u>61,228</u>

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

31 Share capital

Allotted, called up and fully paid

4,811,006 (2018 - 6,000,000) Ordinary shares of £0.10 each	481	600
815,940 (2018 - 0) A shares of £0.05 each	41	0
815,940 (2018 - 0) B shares of £0.05 each	41	0
373,054 (2018 - 0) C shares of £0.10 each	37	0
	<u>600</u>	<u>600</u>

Holiday Extras Investments Limited
Notes to the Financial Statements
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31 Share capital (continued)

The company carried out a capital restructuring and allotment of shares on 26th April 2018. 1,647,784 Ordinary £0.10 shares were sub-divided into 1,647,784 A shares of £0.05 each and 1,647,784 B shares of £0.05 each. 373,054 ordinary shares of £0.10 each were re-designated into 373,054 C shares of £0.10 each.

831,844 A shares and 1,647,784 B shares were then purchased by the company via its Employee Benefit Trust. 831,844 A shares and 831,844 B shares were then re-converted to 831,844 Ordinary Shares of £0.10 each.

All shares have the same rights with the exception of A shares which carry the right to a preference dividend of 4.5% of £15.77 per annum, subject to Board approval, until April 2023 and LIBOR + 4.5% per annum thereafter. A shares rank above all other classes of shares in the event of a distribution or winding up, but do not carry the right to vote at General Meetings of the company.

32 Reserves

Share premium account

This reserve records the amount above the nominal value received for shares issued by the company. Share premium may only be utilised to write-off any expenses incurred or commissions paid on the issue of those shares, or to pay up new shares to be allotted to members as fully paid bonus shares.

Capital redemption reserve

This reserve records the nominal value of shares repurchased by the company.

Foreign exchange reserve

This reserve comprises translation differences arising from the translation of financial statements of the group's foreign entities into sterling.

Merger reserve

In the prior period this was comprised of a merger reserve as a result of a past group reconstruction which was recognised in accordance with the Companies Act 2006.

On 25th April 2018 the company carried out a capital reduction of its merger reserve, by way of a bonus issue of 24,000,000 newly created deferred shares of £1 each. A capital reduction then took place through the cancellation of these shares by means of the solvency statement procedure under section 642 of the CA 2006, which was subsequently transferred to distributable reserves.

Own shares reserve

The "Holiday Extras Investments Employee 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.

Holiday Extras Investments Limited
Notes to the Financial Statements
For the Year Ended 31 March 2019

32 Reserves (continued)

Own shares reserve (continued)

It is a Discretionary Trust, with an independent trustee, Estera 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 2019, the trust holds 2,329,374 (2018: 1,902,371) ordinary £0.10 shares, 815,940 (2018: 0) £0.05 B shares and 373,054 (2018: 0) £0.10 C shares in Holiday Extras Investments Limited. The consideration paid for these shares is deducted from total shareholders' equity and classified as treasury shares on consolidation.

As per the Articles of Association, it is intended that 12.7% of the total value of the company is ringfenced to be allocated to employees, as directed by the direct holders of the ordinary shares.

Share based payments reserve

This reserve comprises all current and prior period costs for equity settled share based payments.

Profit & loss account

This reserve comprises all current and prior period retained profits and losses after deducting any distributions made to the company's shareholders.

33 Share based payments

Certain employees of the Group participate in the Group's employee share incentive schemes, namely the joint share ownership plan (the "JSOP") and the save as you earn scheme (the "SAYE").

UK Joint Share Ownership Plan

This scheme grants awards to certain executive level employees within the group consisting of a beneficial ownership interest in the shares of the parent company. Such share entitlement is in turn held jointly by the participating employees and the Employment Benefit Trust. The awards are granted for a nominal exercise price payable by the participating employee to the Company, and vest once specific events occur. Furthermore, such awards only vest provided that the employee has remained in continued employment with the Group for a period specified in the terms of the awards as from the date the awards were granted. Once awards vest, participating employees are entitled to receive an amount of cash payable by the Company equivalent to the value of their share entitlement.

The group recognises a cash-settled expense and a corresponding increase in share-based payment liability over the vesting period. This is assumed to be 10 years from 31 March 2019 based on the best available information at the reporting date. Such liability is remeasured at each reporting period reflecting updates in the expected payout of the awards as determined by the fair value calculation methodology described below.

Holiday Extras Investments Limited
Notes to the Financial Statements
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33 Share based payments (continued)

UK Joint Share Ownership Plan (continued)

A reconciliation of movements in awards over the year to 31 March 2019 is shown below:

	2019 No. (000)	2019 Weighted Avg Exercise Price	2018 No. (000)	2018 Weighted Avg Exercise Price
Outstanding at 1 April	891	£ 5.51	733	£ 4.71
Granted	1,127	£ 6.30	205	£ 6.30
Forfeited	0		0	
Exercised	0		(47)	£ 3.50
Expired	0		0	
Outstanding at 31 March	2,018	£ 5.95	891	£ 5.51
Exercisable at 31 March	0		0	

The fair value of the awards granted and the resulting liability at the end of each reporting period is determined using the Black-Scholes model, which is internationally recognised as an appropriate valuation of employee share schemes similar to the Group's.

No modifications were made during the year. The cumulative charge to date of £1,406,000 has been included in the current year. The total liability recognised for this scheme at the end of year was £1,406,000.

Save As You Earn Scheme

All employees in the Group with continuous employment of 1 year are given the option to opt in a saving scheme allowing them to participate in the future growth of the business. Under this scheme, participant employees contribute a monthly amount from their salaries over a period of three to five years at their own discretion. Employees are required to remain in employment with the Group until exercise, otherwise the awards lapse. At the end of this period, the participant employees have a choice to either redeem their cumulative cash paid into the scheme, or receive a number of shares in the parent company based on a pre-determined exercise value per share.

The group recognises an equity-settled expense and a corresponding increase in equity over the vesting period based on the grant date fair value of the awards. Such fair value is not remeasured at each reporting period unless the awards are modified.

Holiday Extras Investments Limited
Notes to the Financial Statements
For the Year Ended 31 March 2019

33 Share based payments (continued)

Save As You Earn Scheme (continued)

A reconciliation of the share option movements over the year to 31 March 2019 is shown below:

	2019 No. (000)	2019 Weighted Avg Exercise Price	2018 No. (000)	2018 Weighted Avg Exercise Price
Outstanding at 1 April	315	£ 3.79	346	£ 3.81
Granted	0		0	
Forfeited	(5)	£ 3.89	(27)	£ 3.93
Exercised	(113)	£ 3.37	(4)	£ 4.38
Expired	0		0	
Outstanding at 31 March	197	£ 4.03	315	£ 3.79
Exercisable at 31 March	0		0	

The Group is unable to directly measure the fair value of employee services received. Instead the fair value of the share options granted during the year is determined using the Black-Scholes model. The model is internationally recognized as being appropriate to value employee share schemes.

No modifications were made during the year. The cumulative charge to date of £435,000 has been included in the current year.

German Joint Share Ownership Plan

An award under this scheme was granted to one individual in 2016 entitling him to the exercise share options in HEIL at a pre-determined exercise price. Such options are exercisable in equal portions on two pre-determined dates, subject to continued employment of the individual and will lapse if not exercised within a period of ten years from the grant date.

A reconciliation of the share option movements over the year to 31 March 2019 is shown below:

	2019 No. (000)	2019 Weighted Avg Exercise Price	2018 No. (000)	2018 Weighted Avg Exercise Price
Outstanding at 1 April	60	£ 5.76	120	£ 5.76
Granted	0		0	
Forfeited	0		0	
Exercised	0		(60)	£ 5.76
Expired	0		0	
Outstanding at 31 March	60	£ 5.76	60	£ 5.76
Exercisable at 31 March	0		0	

Holiday Extras Investments Limited
Notes to the Financial Statements
For the Year Ended 31 March 2019

33 Share based payments (continued)

German Joint Share Ownership Plan (continued)

The Group is unable to directly measure the fair value of employee services received. Instead the fair value of the share options granted during the year is determined using the Black-Scholes model. The model is internationally recognized as being appropriate to value employee share schemes.

No modifications were made during the year. The cumulative charge to date of £120,000 has been included in the current year.

34 Business combinations

In the prior year, Holiday Extras Investments Limited acquired the entire share capital of a leading provider of parking booking systems, The Chantry Corporation Limited, for a total cost of £2,900,000 which comprised consideration of £2,843,000 and directly attributable costs of £57,000.

In the prior year, Holiday Extras Acquisitions Limited, a wholly owned subsidiary of Holiday Extras Investments Limited, acquired certain assets of Purple Parking Holdings Limited, Purple Parking Limited and Purple Parking Business Ltd for a total cost of £810,000 which comprised consideration of £450,000 and directly attributable costs of £360,000. The acquisition was on terms favourable to the company resulting in identifiable assets acquired with a fair value in excess of the consideration paid. Negative goodwill arising on the acquisition is being released to the profit and loss over a 10 year period.

35 Capital commitments

At 31 March 2019 the group and company had capital commitments as follows:

	Group	Group
	2019	2018
	£000	£000
Contracted for but not provided in these financial statements	<u>0</u>	<u>2,100</u>

36 Pension commitments

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

- a) personal pension schemes in respect of directors. Contributions amounted to £31,000 (2018: £41,000) 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 £775,000 (2018: £654,000).

Unpaid contributions at 31 March 2019 amounted to £103,000 (2018: £103,000).

Holiday Extras Investments Limited
Notes to the Financial Statements
For the Year Ended 31 March 2019

37 Commitments under operating leases

At 31 March 2019 the group and company had future minimum lease payments under non-cancellable operating leases as follows:

	Group 2019 £000	Group 2018 £000
Not later than 1 year	3,202	2,797
Later than 1 year and not later than 5 years	10,190	10,297
Later than 5 years	17,446	18,286
	<u>30,838</u>	<u>31,380</u>

38 Contingent liabilities

All assets of the group are secured by debentures in favour of The Royal Bank of Scotland plc, to support the borrowings of the group.

At 31 March 2019 the total exposure amounted to £NIL (2018 - £NIL).

39 Related party transactions

On 27 April 2018 Holiday Extras Investments Limited invested £300,000 in return for 485,580 preference shares in miDrive Limited, an associated company.

40 Key Management Personnel

Total remuneration in respect of key management personnel is comprised of directors' remuneration totalling £1,159,000 (2018: £1,352,000) and employers national insurance contributions of £38,000 (2018: £37,000).

41 Post balance sheet events

On 10th July 2019 Holiday Extras Investments Limited acquired 95,084 'A' shares from shareholders, for total consideration of £1,580,446 including a dividend of £80,972.

On 10th December 2019 Holiday Extras Investments Limited acquired a further 95,084 'A' shares from shareholders, for total consideration of £1,608,731, including a dividend of £109,256.

On 17th October 2019 Holiday Extras Investments Limited acquired the entire share capital of City Hotel Reservations Ltd, an independent airport parking specialist, for total consideration of £4,723,000 (including all deferred elements).

42 Ultimate controlling party

At 31 March 2019, there is no controlling party in the opinion of the directors.