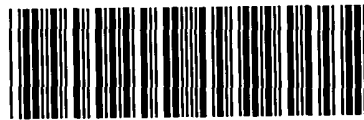


Registered number  
03292373

Leisure Cars U.K. & Ireland Limited  
Report and financial statements  
for the year ended 31 December 2014

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**Leisure Cars U.K. & Ireland Limited**  
**Report and financial statements**  
**Contents**

	<b>Page</b>
Company information	1
Strategic report	2
Directors' report	3
Directors' responsibilities statement	4
Independent auditor's report	5
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8 - 12

**Leisure Cars U.K. & Ireland Limited**  
**Company information**

**Directors**

I Lindsay  
C Nester

**Secretary**

B Lakhani

**Auditors**

Ernst & Young LLP  
1 More London Place  
London  
SE1 2AF

**Registered office**

3rd Floor  
1 Church Road  
Richmond  
Surrey  
TW9 2QE

**Registered number**

03292373

## **Leisure Cars U.K. & Ireland Limited**

### **Strategic report**

The directors present their strategic report for the year ended 31 December 2014.

#### **Review of the business**

Until June 2013 the Company's principal activities was the provision of car rentals to the leisure traveller.

The Company's key financial and other performance indicators during the year were as follows:

	<b>2014</b>	<b>2013</b>
	<b>£000</b>	<b>£000</b>
Turnover	-	21,232
(Loss)/profit after tax	(31,815)	707
Shareholders' funds	816	32,631
Average number of employees	-	7

On 25 June 2013 the Holiday Autos group entities entered into a sale agreement with CarTrawler Limited ("CarTrawler") whereby CarTrawler acquired the intellectual property rights, goodwill, and other business assets of the Holiday Autos businesses. The consideration due to the Company included non-contingent consideration of £2.2m which was recognised in the 2013 financial results. There was also contingent consideration of £1.5m attributable to the Company. This has been recognised in full in the 2014 financial results as the criteria for recognition had been fulfilled during the year. The net loss in 2014 is mainly attributable to a £34.4m exceptional provision against an intercompany receivable balance that is deemed irrecoverable. This provision is recognised in the profit and loss account in 2014.

Following the sale of the business in 2013 the directors intend that the Company will be wound down at some point in the future once all liabilities have been settled and the remaining assets have been recovered. For this reason the directors have prepared the financial statements on a basis other than that of a going concern.

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

Since the sale of the business in 2013, the main risks facing the Company are currency, credit, and liquidity risk. These risks, and the associated policies adopted to mitigate these risks, are explained in more detail as follows:

##### **Currency risk**

The Company activities expose it substantially to the financial risks of changes in foreign currency exchange rates. This risk is managed at group level on a net basis, and if required uses forward exchange contracts to reduce the exposure. The Company does not enter into any speculative derivatives or hedges.


##### **Credit risk**

The Company's credit risk is primarily attributable to its receivable balances with other group companies. These balances are supported by a parent letter of support in so far as there is any doubt as to the financial capability of the individual company to repay these.

##### **Liquidity risk**

The funding of the Company is managed centrally by the group treasury function through a cash pooling arrangement. The availability of the cash pooling arrangement increases the flexibility of cash asset management and strengthens the liquidity position for both the subsidiary and the group as a whole. As a result of the central management of the group's funds and the strong relationship with its bankers, significant banking facilities are available to the Company. Under the cash pooling arrangement it is expected that the group will meet the liquidity requirements of the Company, if or when required.

On behalf of the board



I Lindsay  
Director  
Date: 26 October 2015

**Leisure Cars U.K. & Ireland Limited**  
**Directors' report**

The directors present their report and financial statements for the year ended 31 December 2014.

**Results for the year**

The results for the Company show turnover of £Nil due to the sale of the business in the prior year (2013: turnover £21.2m). Net loss after tax was £31.8m (2013: profit £0.7m).

The net loss in 2014 is mainly attributable to a £34.4m exceptional provision against an intercompany receivable balance that is deemed irrecoverable. This provision is recognised in the profit and loss account in 2014.

**Events since the balance sheet date**

There are no subsequent events impacting the financial year ended 31 December 2014.

**Directors and their interests**

The directors who served during the period, and subsequently, are stated below:

I Lindsay (appointed 31/01/2015)  
C Nester (appointed 10/03/2015)  
M Crummack (resigned 02/03/2015)  
J Donaldson (resigned 31/01/2015)

None of the directors hold shares in the Company.

The company secretary who held office during the period, and subsequently, is stated below:

B Lakhani

**Directors' and officers liability insurance**

Directors' and officers liability insurance has been purchased by the group.

**Disclosure of information to the auditors**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditors in connection with preparing their report, of which the auditors are unaware. Having made enquiries of fellow directors and the Company's auditors, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditors are aware of that information.

**Re-appointment of auditors**

In accordance with s.487 of the Companies Act 2006 the company has passed a resolution electing to dispense with the obligation to appoint auditors annually. Ernst & Young LLP have expressed their willingness to continue in office as auditors.

On behalf of the board



I Lindsay  
Director

Date: 26 October 2015

**Leisure Cars U.K. & Ireland Limited**  
**Directors' responsibilities statement**

The directors are responsible for preparing the strategic report, directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- as explained in note 1 to the financial statements, the directors do not believe the going concern basis to be appropriate and these financial statements have been prepared on a basis other than that of a going concern.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Independent auditor's report to the members of Leisure Cars U.K. & Ireland Limited**

We have audited the financial statements of Leisure Cars U.K. & Ireland Limited for the year ended 31 December 2014 which comprise the profit and loss account, balance sheet and the related notes 1 to 15. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). As set out in note 1, these financial statements have been prepared on a basis other than that of a going concern.

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

### **Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2014 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

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

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

*Ernst & Young LLP*

Philip Young (Senior Statutory Auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
London

*27 October 2015*

**Leisure Cars U.K. & Ireland Limited**  
**Profit and loss account**  
**for the year ended 31 December 2014**

	Notes	2014 £000	2013 £000
Turnover		-	21,232
Cost of sales		<u>182</u>	<u>(18,196)</u>
<b>Gross profit</b>		182	3,036
Administrative expenses		1,872	(6,774)
<b>Operating profit/(loss) before exceptional items</b>		<u>2,054</u>	<u>(3,738)</u>
Operating exceptional items	3	(34,449)	2,424
<b>Total operating loss</b>		<u>(32,395)</u>	<u>(1,314)</u>
Profit on sale of trade and assets	5	1,477	2,138
<b>(Loss)/profit on ordinary activities before interest and taxation</b>		<u>(30,918)</u>	<u>824</u>
Interest receivable and similar income	6	140	149
Interest payable and similar charges	7	(1,037)	(266)
<b>(Loss)/profit on ordinary activities before taxation</b>		<u>(31,815)</u>	<u>707</u>
Tax on (loss)/profit on ordinary activities	8	-	-
<b>Retained (loss)/profit for the year</b>		<u><u>(31,815)</u></u>	<u><u>707</u></u>

All the activities of the Company are classed as discontinued.

There are no recognised gains or losses in either year other than the (loss)/profit reported for that year.

The accompanying accounting policies and notes form an integral part of these financial statements.



**Leisure Cars U.K. & Ireland Limited**  
**Balance sheet**  
**as at 31 December 2014**

	Notes	2014 £000	2013 £000
<b>Current assets</b>			
Debtors:			
amounts falling due within one year	9	1,089	439
amounts falling due after one year	9	-	729
Cash at bank and in hand		1,277	37,620
		<u>2,366</u>	<u>38,788</u>
<b>Creditors: amounts falling due within one year</b>	10	(1,550)	(6,157)
<b>Net current assets</b>		<u>816</u>	<u>32,631</u>
<b>Net assets</b>		<u>816</u>	<u>32,631</u>
<b>Capital and reserves</b>			
Called up share capital	11	0	-
Profit and loss account	12	816	32,631
<b>Equity shareholders funds</b>	12	<u>816</u>	<u>32,631</u>

The financial statements of Leisure Cars U.K. & Ireland Limited, registered number 03292373, were approved by the directors and authorised for issue on 26 October 2015, and are signed on their behalf by:

  
I Lindsay

Director

The accompanying accounting policies and notes form an integral part of these financial statements.

**Leisure Cars U.K. & Ireland Limited**  
**Notes to the financial statements**  
**year ended 31 December 2014**

**1 Accounting policies**

***Basis of preparation***

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

As explained in the Strategic Report, the Company ceased trading towards the end of 2013, and intention is that it will be wound-down at some point in the near future. The financial statements have, therefore, been prepared on a basis other than that of a going concern which includes, where appropriate, adjusting the entity's assets to net realisable value.

***Revenue recognition***

Revenue is recognised to the extent that the Company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty.

***Deferred tax***

Deferred tax assets are recognised only to the extent that the assets are expected to be realised, either in cash terms or by the mitigation of future liabilities, in the foreseeable future. Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

***Foreign currencies***

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

***Pensions and other post-retirement benefits***

The Company participates in a defined contribution pension scheme. All costs for the scheme are borne by Last Minute Network Limited and recharged to the Company on a monthly basis. The scheme is available to UK Executive Directors and employees only.

**2 Auditors' remuneration**

There is a group audit fee of which £35,369 (2013: £35,321) has been allocated to the Company. No amounts were payable to Ernst & Young LLP for non-audit services during the current or previous period.

**Leisure Cars U.K. & Ireland Limited**  
**Notes to the financial statements**  
**year ended 31 December 2014**

**3 Operating exceptional items**

Operating (loss)/profit is stated after charging/(crediting) the exceptional items below:

	2014 £000	2013 £000
Release for tax reclaims	-	(4,470)
Provision for irrecoverable intercompany balances	34,449	2,046
	<u>34,449</u>	<u>(2,424)</u>

At the end of 2014 the Company re-assessed the recoverability of its intercompany debtor balances. This resulted in an additional provision of £34.4m where there is significant uncertainty that these will be recovered in full.

**4 Staff costs**

**(a) Staff costs**

	2014 £000	2013 £000
Wages and salaries	-	368
Social security costs	-	29
Other pension costs	-	7
	<u>-</u>	<u>404</u>

All employees ceased to be employed by the Company in 2013 subsequent to the sale of the business.

The average monthly number of employees (including directors) during the prior year was made up as follows:

	Year to 31 Dec 2014 No.	Year to 31 Dec 2013 No.
Sales & marketing	<u>-</u>	<u>7</u>

**(b) Directors' remuneration**

	2014 £000	2013 £000
Aggregate remuneration in respect of qualifying services	1,243	604
Aggregate pension contributions	27	27
	<u>1,270</u>	<u>631</u>

**Leisure Cars U.K. & Ireland Limited**  
**Notes to the financial statements**  
**year ended 31 December 2014**

**4 (b) Directors' remuneration (continued)**

	2014	2013
	£000	£000
In respect of the highest paid director:		
Aggregate remuneration	829	300
Aggregate pension contributions	17	17
	<u>846</u>	<u>317</u>
	No.	No.
	<u>2</u>	<u>2</u>

The above disclosed directors' remuneration includes remuneration received from other companies within the group for the provision of the qualifying services of the director. The directors believe it is not practicable to allocate this amount between their services as directors of the Company and their services as directors of the other group companies.

The directors have not received or exercised any share options in the year.

**5 Profit on sale of trade and assets**

On 25 June 2013 the Holiday Autos group entities entered into a sale agreement with CarTrawler Limited ("CarTrawler") whereby CarTrawler acquired the intellectual property rights, goodwill, and other business assets of the Holiday Autos businesses. The consideration due to the Company included £2.2m of non-contingent consideration payable in cash, of which £2.1m was recognised in 2013. There was also contingent consideration of £1.5m due to the Company. This has been recognised in full in the 2014 financial results as the criteria for recognition had been fulfilled during the year.

**6 Interest receivable and similar income**

	2014	2013
	£000	£000
Bank interest	122	131
Unwinding of discount	18	18
	<u>140</u>	<u>149</u>

**7 Interest payable and similar charges**

	2014	2013
	£000	£000
Bank overdrafts	<u>1,037</u>	<u>266</u>

**8 Tax**

**(a) Tax on (loss)/profit on ordinary activities**

Tax charge for current year is £nil (2013: £nil).

**(b) Factors affecting the current tax charge**

	2014	2013
	£000	£000
(Loss)/profit on ordinary activities before tax	<u>(31,815)</u>	<u>707</u>
(Loss)/profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 21.5% (2013 - 23.25%).	<u>(6,840)</u>	<u>164</u>
Effects of:		
Permanent differences	7,487	438
Group relief claim	(686)	(992)
Timing differences	39	390
Current tax charge for year	<u>-</u>	<u>-</u>

**Leisure Cars U.K. & Ireland Limited**  
**Notes to the financial statements**  
**year ended 31 December 2014**

**8 Tax (continued)**

	<b>2014</b>	<b>2013</b>
	<b>£000</b>	<b>£000</b>

**(c) Deferred tax**

The Company has potential deferred tax assets at the year end as follows:

Short-term timing differences	110	37
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The deferred tax assets have not been recognised as it is not sufficiently certain that the Company will have enough suitable taxable profits after group relief in the foreseeable future for these items to reverse.

**(d) Factors that may affect future tax charges**

A reduction in the UK corporation tax rate from 23% to 21% (effective from 1 April 2014) and a further reduction to 20% (effective from 1 April 2015) were substantively enacted on 3 July 2013. Deferred tax assets and liabilities on all timing differences have been calculated at 20% at the balance sheet date.

The summer budget announced on 8 July 2015 included reductions in the rate of UK corporation tax rates from 20% to 19% and 18% effective from 1 April 2017 and 1 April 2020 respectively. These changes are expected to be enacted within the Finance Bill 2015 in October 2015. The announced reductions will not give rise to a significant impact on these financial statements.

**9 Debtors**

	<b>2014</b>	<b>2013</b>
	<b>£000</b>	<b>£000</b>
Trade debtors	-	215
Amounts owed by group undertakings	-	29
Other taxes and social security costs	-	193
Other debtors	1,089	2
	<u>1,089</u>	<u>439</u>
Amounts due after more than one year:		
Deferred consideration from CarTrawler	-	729
	<u>-</u>	<u>729</u>

**10 Creditors: amounts falling due within one year**

	<b>2014</b>	<b>2013</b>
	<b>£000</b>	<b>£000</b>
Trade creditors	-	76
Amounts owed to group undertakings	851	3,264
Accruals and deferred income	699	2,817
	<u>1,550</u>	<u>6,157</u>

**Leisure Cars U.K. & Ireland Limited**  
**Notes to the financial statements**  
**year ended 31 December 2014**

11 Share capital	2014 No.	2013 No.	2014 £	2013 £
Authorised:				
Ordinary shares of £1 each	1,000	1,000	1,000	1,000
	No.	No.	£	£
Allotted, called up and fully paid:				
Ordinary shares of £1 each	100	100	100	100

**12 Reconciliation of equity shareholders' funds and movement on reserves**

	Called up share capital £000	Profit and loss account £000	Total equity shareholders funds £000
At 1 January 2013	-	31,924	31,924
Profit for the year	-	707	707
At 31 December 2013	-	32,631	32,631
Loss for the year	-	(31,815)	(31,815)
At 31 December 2014	-	816	816

**13 Cash flow statement**

In accordance with FRS 1 (Revised 1996) 'Cash flow Statements', these financial statements do not include a *Statement of Cash Flows* as the Company is a wholly owned subsidiary undertaking of Sabre Corporation whose accounts include a consolidated Statement of Cash Flows.

**14 Related party transactions**

The Company has taken advantage of the exemption available under FRS 8 'Related Party Disclosures' not to disclose transactions between entities whose voting rights are 100% controlled within the Sabre group of companies.

**15 Parent undertaking and controlling party**

The immediate parent company is Leisure Cars Group Limited, a company incorporated in England and Wales. The ultimate holding company is Sabre Corporation, a company incorporated in Delaware, United States of America.

Sabre Holdings Corporation is the smallest group in which the results of Leisure Cars U.K. and Ireland Limited are consolidated. The largest group in which the Leisure Cars U.K. and Ireland Limited results are consolidated is Sabre Corporation. Copies of the Sabre Corporation accounts are publicly available at <http://investors.sabre.com/releases.cfm>.