

Booking.com Limited

Registered number: 03512889

Annual report

For the year ended 31 December 2017

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BOOKING.COM LIMITED

COMPANY INFORMATION

Directors	A D'Amico P P Verhoeven K J D Mollat
Company secretary	Taylor Vinters Directors Limited
Registered number	03512889
Registered office	Block 3 Westbrook Centre Milton Road Cambridge CB4 1YG
Independent auditor	Deloitte LLP Statutory Auditor St. Albans United Kingdom
Bankers	Deutsche Bank AG 10 Bishops Square (10BS/04/FB161) London E1 6AO

BOOKING.COM LIMITED

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BOOKING.COM LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2017**

Introduction

The Directors, in preparing this strategic report, have complied with S414C of the Companies Act 2006.

Fair review of the company's business

Booking.com Limited's principal business activity is to provide support services to Booking.com BV.

These services include: promoting of Booking.com BV, informing accommodations and affiliates about Booking.com BV (and vice versa), informing the accommodations about how they may improve their performance on the website of Booking.com BV based on guidelines and information provided by Booking.com BV, promoting of Booking.com's feature "Business bookers" to companies in the territory on how to manage its company's hotel reservations via Booking.com's website, informing Booking.com about accommodations and strategic partners in the territory.

On March 1 2015, Booking.com Limited entered in a service agreement with BookingSuite BV. These services include: promoting of BookingSuite BV (including its services and products) amongst accommodations in Territory, informing accommodations (and Strategic partners) in the territory about BookingSuite BV (including its services and products) and informing BookingSuite BV about (potential) accommodations in the Territory.

The directors foresee a growth in support services offered by Booking.com Limited to Booking.com BV in line with the growth anticipated in Booking.com BV.

Key performance indicators

For the financial performance of the company in the year ended 31 December 2017, revenue increased by 26% to £68.9 million (2016: £54.7 million) and gross profit margin remained relatively flat at 27.77% (2016: 30.44%).

The increase in earnings before interest, tax, depreciation and amortisation ("EBITDA") of 32.8% to £34.46 million (2016: £25.94 million) was mainly due to the fact that there was an increase of the service fee, and depreciation increased by additional acquisition of computer equipment in 2017. The net book value of fixed assets grew by £12.9 million, to £39.8 million (2016: £26.9 million). The current assets decreased to £19.3 million in 2017 (2016: £21.7 million). The working capital ratio, current assets/current liabilities, remained the same as prior year at 2.3 (2016: 2.3).

The average number of employees increased to 170 (2016: 142) as per note 6.

Principal risks and uncertainties

The healthy financial position and the cost-plus structure ensure that the risks to stakeholders of Booking.com Limited are minimised. The limited risks are explained below.

Financial risk management objectives and policies*Foreign currency risk*

Booking.com Limited records its transactions and prepares its financial statements in pounds sterling. However, a substantial proportion of Booking.com Limited's expenditure is paid in Euros and US dollars. As a result, cash balances are held in Euros and US dollars. Fluctuations in exchange rates between pounds sterling and both the Euro and US dollar may result in realised and unrealised exchange gains and losses.

BOOKING.COM LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017**

Financial risk management objectives and policies (continued)*Interest rate risk*

Interest rate risk is the risk that the future cash flows of financial instruments will fluctuate because of changes in market interest rates. This is monitored on an ongoing basis.

As all trade creditors are non interest bearing, they do not expose the company to interest rate risk. The company does not use derivative instruments to hedge against interest rate risk.

Liquidity risk

The company has no long term liabilities and is not financed by external parties, therefore this risk can be considered as low.

Credit risk

The company's principal financial assets are bank balances and cash, trade and other receivables, and investments.

The company's credit risk is primarily attributable to its trade receivables. The amounts presented in the statement of financial position are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The company has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Disabled employees

Applications for employment by disabled persons are always fully considered, bearing in mind the abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the company continues and that the appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employee consultation

The company places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the company. This is achieved through formal and informal meetings and mailings. Employee representatives are consulted regularly on a wide range of matters affecting their current and future interests. Employees are eligible for various benefits (e.g. target related bonuses, pension plan, staff discount).

This report was approved by the Board of Directors and signed on its behalf.

K J D Mollat
Director



Date:

31/08/18

BOOKING.COM LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2017**

The directors present their report and the audited financial statements for the year ended 31 December 2017.

Principal activity

The principal activity of the company is to provide support services to Booking.com BV.

Results and dividends

The profit for the year, after taxation, amounted to £11,673,382 (2016:£10,239,020).

Directors

The directors who served during the year were:

M V Otten (resigned 16 April 2018)
A D'Amico
P P Verhoeven
K J D Mollat (appointed 16 April 2018)

Charitable contributions

During the year the company made charitable donations totaling £685 (2016: £530).

Political donations

No political donations were made during the year (2016: £nil).

Going concern

The directors have considered the principal risks and uncertainties, which include the current economic downturn and the potential adverse effect on sales and the increased inherent credit risk resulting from the downturn. The directors do not consider there to be any material uncertainties.

The directors have reviewed the latest financial position of the company and prepared a cash flow forecast for the following 24 months post year end which they consider makes appropriate allowance for these uncertainties. This shows that the company is expected to be debt free and cash generative for the foreseeable future.

Based upon the above, the directors have a reasonable expectation that the company can continue to operate for a period of at least 12 months from the date of approval of these financial statements and have therefore adopted the going concern basis of preparation.

Future developments

The directors foresee a growth in support services offered by Booking.com Limited to Booking.com BV in line with the growth anticipated in Booking.com BV.

Qualifying third party indemnity provisions

The company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

BOOKING.COM LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2017**

Matters covered in the strategic report

The company has chosen in accordance with companies Act 2006, s414C(11) to set out in the company's strategic report in formation required by Schedule 7 to the Large and Medium-sized Companies and Groups (Accounts and reports) Regulations 2008 certain matters which are required to be disclosed in the directors' report have been omitted as they are included in the strategic report on pages 1 to 2. These matters relate to the objectives and policies for financial risk management, disabled employees, and employee consultation.

Disclosure of information to auditor

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 company's auditor is 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 company's auditor is aware of that information.

Post balance sheet events

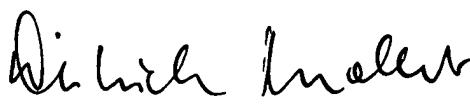
Subsequent to year end, the Company entered into a credit agreement with Booking.com BV. In July 2018, the Company drew on the loan in the amount of £8,000,000. The loan bears an interest rate of 1.125% per annum above LIBOR GBP 1M rate and is due on demand.

Auditor

The auditor, Deloitte LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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

K J D Mollat
Director


31/08/18

Date:

BOOKING.COM LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2017**

The directors are responsible for preparing the annual 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), 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 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
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

BOOKING.COM LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BOOKING.COM LIMITED

Opinion

In our opinion the financial statements of Booking.com Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 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 have audited the financial statements which comprise:

- the statement of comprehensive income;
- the statement of financial position;
- the statement of changes in equity;
- the statement of accounting policies; and
- the related notes 1 to 27.

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

BOOKING.COM LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BOOKING.COM LIMITED (CONTINUED)

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report on these matters.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

BOOKING.COM LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BOOKING.COM LIMITED (CONTINUED)

Report on other legal and regulatory requirements

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

Use of the audit 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.



Heather Bygrave FCA (senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory auditor
St. Albans
United Kingdom

Date: 3/8/18 31 AUG 2018

BOOKING.COM LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	2017 £	2016 £
Turnover	3	68,896,840	54,708,233
Cost of sales		(49,762,942)	(38,054,431)
Gross profit		19,133,898	16,653,802
Administrative expenses		(4,636,333)	(4,570,856)
Operating profit	4	14,497,565	12,082,946
Interest receivable and similar income	8	2,258	12,743
Interest payable and similar expenses	9	(139,599)	(1,970)
Profit before tax		14,360,224	12,093,719
Tax on profit	10	(2,686,842)	(1,854,699)
Profit for the year		11,673,382	10,239,020

All amounts relates to continuing activities.

The notes on pages 12 to 32 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	12	39,734,826	26,875,153
Investments	13	18,250	18,250
		<u>39,753,076</u>	<u>26,893,403</u>
Current assets			
Debtors: amounts falling due within one year	14	19,101,904	15,842,352
Cash at bank and in hand	15	166,055	5,822,397
		<u>19,267,959</u>	<u>21,664,749</u>
Creditors: amounts falling due within one year	16	(8,503,894)	(9,412,331)
Net current assets		<u>10,764,065</u>	<u>12,252,418</u>
Total assets less current liabilities		<u>50,517,141</u>	<u>39,145,821</u>
Net assets		<u>50,517,141</u>	<u>39,145,821</u>
Capital and reserves			
Called up share capital	19	5,507	5,507
Share premium account	20	6,108,008	6,108,008
Profit and loss account	20	44,403,626	33,032,306
Shareholders' funds		<u>50,517,141</u>	<u>39,145,821</u>

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

K J D Mollat
Director



Date:

31/08/18

The notes on pages 12 to 32 form part of these financial statements.

BOOKING.COM LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 January 2016	5,507	6,108,008	30,056,830	36,170,345
Comprehensive income for the year				
Profit for the year	-	-	10,239,020	10,239,020
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	10,239,020	10,239,020
Dividends: equity capital	-	-	(6,500,000)	(6,500,000)
Share based payment reserve	-	-	(763,544)	(763,544)
Total transactions with owners	-	-	(7,263,544)	(7,263,544)
At 1 January 2017	5,507	6,108,008	33,032,306	39,145,821
Comprehensive income for the year				
Profit for the year	-	-	11,673,382	11,673,382
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	11,673,382	11,673,382
Dividends received	-	-	29,784	29,784
Share based payment reserve	-	-	(331,846)	(331,846)
Total transactions with owners	-	-	(302,062)	(302,062)
At 31 December 2017	5,507	6,108,008	44,403,626	50,517,141

The notes on pages 12 to 32 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

1. Accounting policies

1.1 General Information

Booking.com Limited ('the Company') is a private company limited by shares incorporated in England and Wales. The address of its registered office and principal place of business is Block 3, Westbrook Centre, Milton Road, Cambridge, CB4 1YG.

The principal activity of the company is to provide support services to Booking.com BV.

The financial statements have been presented in Pound Sterling as this is the currency of the primary economic environment in which the company operates and is rounded to the nearest pound.

1.2 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 management to exercise judgment in applying the company's accounting policies (see note 2).

The following principal accounting policies have been applied:

1.3 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 'Statement of Financial Position' to present a reconciliation of the number of shares outstanding at the beginning and at the end of the period;
- the requirements of Section 7 'Statement of Cash Flows' and Section 3 'Financial Statement Presentation' to present a cash flow and related notes;
- the disclosure requirements of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues'; and
- the requirement of Section 33 'Related Party Disclosures' Paragraph to disclose the total remuneration of key management personnel.

For the disclosure exemption in Section 11 and Section 12, the equivalent disclosures are included are included in the consolidated financial statements of The Priceline Group Inc. as at 31 December 2017 and these financial statements may be obtained from 800 Connecticut Avenue, Norwalk, Connecticut 06854, USA.

BOOKING.COM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

1. Accounting policies (continued)**1.4 Basis of consolidation**

The company is a wholly-owned subsidiary of Priceline.com International Limited, a company incorporated in England and Wales, which itself is a wholly-owned subsidiary of The Priceline Group Inc., a company incorporated in the United States of America. The Priceline Group Inc. is the controlling party and the parent undertaking of the smallest and largest group which consolidates the financial information of the company. Therefore the company has taken advantage of the exemption available under Section 400 Act 2006 not to prepare consolidated financial statements itself.

Copies of the group's financial statements may be obtained from The Priceline Group Inc., at their registered office and principal place of business which is 800 Connecticut Avenue, Norwalk, Connecticut 06854, USA.

1.5 Going concern

The directors have considered the principal risks and uncertainties, which include the current economic downturn and the potential adverse effect on sales and the increased inherent credit risk resulting from the downturn. The directors do not consider there to be any material uncertainties.

The directors have reviewed the latest financial position of the company and prepared a cash flow forecast for the following 24 months post year end which they consider makes appropriate allowance for these uncertainties. This shows that the company is expected to be debt free and cash generative for the foreseeable future.

Based upon the above, the directors have a reasonable expectation that the company can continue to operate for a period of at least 12 months from the date of approval of these financial statements and have therefore adopted the going concern basis of preparation.

1.6 Turnover

Turnover is based on the service agreement with Booking.com BV and BookingSuite BV and recognised in the year that the service is provided.

1.7 Tangible fixed 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

1. Accounting policies (continued)

1.7 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office equipment	-	10% - 20% per annum
Computer equipment	-	33% per annum

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 in the statement of comprehensive income.

1.8 Operating leases - lessee

Rentals paid under operating leases are charged to the statement of comprehensive income on a straight line basis over the period of the lease.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the term of the lease.

1.9 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.

Investments in unlisted company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each statement of financial position date. Gains and losses on remeasurement are recognised in the statement of comprehensive income for the period.

1.10 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.

1.11 Financial instruments

The company 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

1. Accounting policies (continued)

1.11 Financial instruments (continued)

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

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 company would receive for the asset if it were to be sold at the reporting date.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

1. Accounting policies (continued)

1.12 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is Pound Sterling.

Transactions and balances

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

At each year 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.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the statement of comprehensive income within 'other operating income'.

1.13 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.

1.14 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

1. Accounting policies (continued)

1.15 Share based payments

The company has applied the requirements of section 26 'Share-based payment' in these financial statements.

The company's ultimate parent company issues equity-settled share-based payments to certain of the company's employees. Equity-settled share-based payments are measured at fair value (excluding the effect of non market based vesting conditions) at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight line basis over the vesting period, based on the company's estimate of shares that will eventually vest and adjusted for the effect of non market based vesting conditions.

Fair value is measured by use of the Black Scholes pricing model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

The company reimburses Booking Holdings Inc. for share based payments provided to its employees pursuant to reimbursement agreements. Share-based payments are reimbursed based on its fair value at the date of vesting and is netted off against share based payments charge in the statements of changes in equity.

1.16 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company 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 statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

1.17 Interest income

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

1. Accounting policies (continued)

1.18 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of comprehensive income, 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 reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the statement of financial position 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.

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 reporting date.

2. Judgements in applying accounting policies and key sources of estimation uncertainty

In applying the company's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

2.1 Critical judgements in applying the company's accounting policies

The critical judgements that the directors have made in the process of applying the company's accounting policies and that have the most significant effect on the amounts recognised in the statutory financial statements are discussed below.

BOOKING.COM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

**2. Judgements in applying accounting policies and key sources of estimation uncertainty
(continued)**

Management does not consider there to be any critical judgments in applying accounting policies.

2.2 Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Provision for contingent liabilities

Judgement is applied by management when determining the likelihood of any liability arising from the outcome of the ongoing matter with the French tax authorities (see Note 22).

(ii) Determining residual values and useful economic lives of property, plant and equipment and intangible assets

The company depreciates tangible and intangible assets over their estimated useful lives. The estimation of the useful lives of assets is based on historic performance as well as expectations about future use and therefore requires estimates and assumptions to be applied by management. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, product life cycles and maintenance programmers.

Judgement is applied by management when determining the residual values for plant, machinery and equipment. When determining the residual value management aim to assess the amount that the company would currently obtain for the disposal of the asset, if it were already of the condition expected at the end of its useful economic life. Where possible this is done with reference to external market prices.

3. Turnover

The company's turnover arises from the service agreement with Booking.com BV and BookingSuite BV. Booking.com Limited's principal activity is to provide support services to these companies.

	2017	2016
	£	£
Intercompany revenue	68,896,840	54,708,233

BOOKING.COM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

4. Profit before tax

The profit before tax is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets	19,963,280	13,857,274
Operating lease expenses	12,377,179	10,275,959
Exchange differences	222,861	50,204
Share based payment expense	1,718,395	1,588,013
Defined contribution pension cost	232,256	200,283
	<u> </u>	<u> </u>

5. Auditor's remuneration

	2017 £	2016 £
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	50,259	41,543
	<u> </u>	<u> </u>

6. Employees

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	9,258,374	8,225,674
Social security costs	1,566,585	1,382,480
Cost of defined contribution scheme	232,256	200,283
	<u> </u>	<u> </u>
	11,057,215	9,808,437
	<u> </u>	<u> </u>

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

	2017 No.	2016 No.
Partner services	50	25
Commercial	105	106
Administration	15	11
	<u> </u>	<u> </u>
	170	142
	<u> </u>	<u> </u>

BOOKING.COM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

7. Directors' remuneration

During the year, no director received any emoluments (2016: £nil).

None of the directors participated in the company's share option scheme during the year (2016: £nil).

8. Interest receivable and similar income

	2017 £	2016 £
Bank interest	2,258	12,743

9. Interest payable and similar charges

	2017 £	2016 £
Bank charges	-	1,970
Interest on loans from group undertakings	139,599	-

10. Taxation

	2017 £	2016 £
Corporation tax		
Current tax on profits for the year	3,940,902	2,579,749
Adjustments in respect of previous years	(90,767)	81,084
	<u>3,850,135</u>	<u>2,660,833</u>
Total current tax	<u>3,850,135</u>	<u>2,660,833</u>
Deferred tax		
Origination and reversal of timing differences	(1,156,802)	(937,656)
Adjustment in respect of prior years	(6,491)	-
Effect of tax rate change on opening balance	-	131,522
	<u>(1,163,293)</u>	<u>(806,134)</u>
Total deferred tax	<u>(1,163,293)</u>	<u>(806,134)</u>
Taxation on profit on ordinary activities	<u>2,686,842</u>	<u>1,854,699</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

10. Taxation (continued)**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2016: lower than) the standard rate of corporation tax in the UK of 19.25% (2016: 20%). The differences are explained below:

	2017 £	2016 £
Profit on ordinary activities before tax	14,360,224	12,093,719
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.25% (2016: 20%)	2,763,851	2,418,744
Effects of:		
Capital allowances for the year in excess of depreciation	21,312	32,078
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	9,769	20,811
Adjustments to tax charge in respect of prior periods	(90,767)	81,084
Other timing differences leading to an increase in taxation	145,519	327,803
Deferred tax not recognised	-	(60,210)
Share scheme	330,732	317,603
Share awards	(493,574)	(474,813)
Group relief	-	(725,130)
Other adjustments	-	(83,271)
Total tax charge for the year	2,686,842	1,854,699

Factors that may affect future tax charges

The Finance (No.2) Act 2015, which provides for reductions in the main rate of corporation tax from 20% to 19% effective from 1 April 2017 and subsequently 19% to 18% from 1 April 2020, was enacted on 26 October 2015. A further reduction in the UK corporation tax rate was announced in the 2016 Finance Act to further reduce the tax rate to 17% (to be effective from 1 April 2020).

This further rate of reduction has been reflected in the calculation of deferred tax at the balance sheet date. The closing deferred tax asset as at 31 December 2017 has been calculated at 17% reflecting the tax rate at which the deferred tax asset is expected to be utilised in future period

BOOKING.COM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

11. Dividends

	2017 £	2016 £
A ordinary - dividends paid of £nil per share (2016: £310.27 per share)	-	1,650,000
B ordinary - dividends paid of £nil per share (2016: £24.94 per share)	-	4,850,000
	<u>-</u>	<u>6,500,000</u>

12. Tangible fixed assets

	Office equipment £	Computer equipment £	Total £
Cost or valuation			
At 1 January 2017	3,813,663	62,421,458	66,235,121
Additions	93,769	32,729,184	32,822,953
Disposals	(15,717)	(1,384,106)	(1,399,823)
At 31 December 2017	<u>3,891,715</u>	<u>93,766,536</u>	<u>97,658,251</u>
Depreciation			
At 1 January 2017	364,136	38,995,832	39,359,968
Charge for the year	222,318	19,740,962	19,963,280
Disposals	(15,717)	(1,384,106)	(1,399,823)
At 31 December 2017	<u>570,737</u>	<u>57,352,688</u>	<u>57,923,425</u>
Net book value			
At 31 December 2017	<u>3,320,978</u>	<u>36,413,848</u>	<u>39,734,826</u>
At 31 December 2016	<u>3,449,527</u>	<u>23,425,626</u>	<u>26,875,153</u>

BOOKING.COM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

13. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2017	18,250
At 31 December 2017	18,250
Net book value	
At 31 December 2017	18,250
At 31 December 2016	18,250

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding	Principal activity
Bookingdotcom Satis Destek Hizmetleri Limited Sirketi	ordinary	0.05 %	Support services
Priceline Booking.com Hellas Support services in the hotel market EPE	ordinary	0.1667 %	Support services
Booking.com Russia LLC	ordinary	1 %	Support services
Booking.com Brasil SdRdH LTDA	ordinary	0.00005 %	Support services
Booking.com Egypt LLC	ordinary	0.40161 %	Support services
Booking.com Saudi Arabia Limited	ordinary	5 %	Support services
Booking.com Natal Prestação de Serviços LTDA	ordinary	0.001 %	Support services
Booking.com Thailand Co Ltd	ordinary	0.005 %	Support services
Name	Registered office		
Bookingdotcom Satis Destek Hizmetleri Limited Sirketi	Ömer Avni Mah. Inebolu Sok.No:39 Haktan Is Merkezi Kat:1, 34427, Kabatas Beyoglu, Istanbul, Turkey		

BOOKING.COM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

13. Fixed asset investments (continued)

Priceline Booking.com Hellas Support services in the hotel market EPE	280, Kifissias Avenue Chalandri, P.C. 152 32, Athens, Greece 125047, Moscow, ul. Butyrsky val, 10, Russian Federation, Russia
Booking.com Russia LLC	
Booking.com Brasil SdRdH LTDA	Alameda Santos, 960, 9o andar, Sao Paulo- SP; CEP 01418-100, Brazil Building A1, Business Park A Cairo Festival City, Cairo, Egypt
Booking.com Egypt LLC	
Booking.com Saudi Arabia Limited	Level 7, Murjana Tower, Office #701 Prince Sultan Street, (corner with Kayal str), Al Rowda 233326, Jeddah, Saudi Arabia
Booking.com Natal Prestação de Serviços LTDA	Avenida Engenheiro Roberto Freire, 1962, Capim Macio, lojas 22,23 e 24 Seaway Shopping. CEP 59082-400, Brazil No. 399, Levels 34 Interchange 21 Building, Sukhumvit Road, North Klongtoey Sub-district, Wattana District, Bangkok 10110, Thailand
Booking.com Thailand Co Ltd	

14. Debtors

	2017 £	2016 £
Amounts owed by group undertakings	7,983,257	7,694,285
VAT and other debtors	720,819	1,354,397
Prepayments and accrued income	6,061,001	3,620,136
Deferred taxation (see note 18)	4,336,827	3,173,534
	<u>19,101,904</u>	<u>15,842,352</u>

The amounts owed by group undertakings are interest free and repayable on demand.

15. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	<u>166,055</u>	<u>5,822,397</u>

BOOKING.COM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

16. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	529,892	360,333
Amounts owed to group undertakings	974,989	17,425
Corporation tax	2,286,586	1,498,967
Other taxation and social security	270,474	208,673
Other creditors and accrued expenses	4,441,953	7,326,933
	<u>8,503,894</u>	<u>9,412,331</u>

The amounts owed to group undertakings are interest free and repayable on demand.

17. Financial instruments

	2017 £	2016 £
Financial assets		
Cash and cash equivalents	166,055	5,822,397
Financial assets that are debt instruments measured at amortised cost	8,704,075	9,048,682
	<u>8,870,130</u>	<u>14,871,079</u>
Financial liabilities		
Financial liabilities measured at amortised cost	(5,946,834)	(7,704,691)
	<u>(5,946,834)</u>	<u>(7,704,691)</u>

Financial assets measured at amortised cost comprise amounts owed by group undertakings and other debtors.

Financial liabilities measured at amortised cost comprise trade creditors, amounts owed to group undertakings and other creditors.

BOOKING.COM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

18. Deferred taxation

	2017 £	2016 £
At beginning of year	3,173,534	2,367,400
Charged to profit or loss	1,163,293	806,134
At end of year	4,336,827	3,173,534

The deferred tax asset is made up as follows:

	2017 £	2016 £
Short term timing differences	2,515	15,390
Capital allowance in deficit in depreciation	4,334,312	3,158,144
	4,336,827	3,173,534

19. Called up share capital

	2017 £	2016 £
Allotted, called up and fully paid		
5,318 A ordinary shares issued of £1 each	5,318	5,318
189,161 B ordinary shares issued of £0.001 each	189	189
	5,507	5,507

A and B ordinary shares rank pari passu in all aspects except dividends whereby the A ordinary shares are entitled to the first £1,650,000 (2016: £1,650,000) of any dividends declared.

20. Reserves**Share premium account**

This reserve represents the amount above the nominal value received for issued share capital, less transaction costs.

Profit and loss account

This reserve represents cumulative profits and losses.

BOOKING.COM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

21. Share based payments**Stock option plan**

Employees of the company participate in stock option plans related to options on shares of The Priceline Group Inc. Options are exercisable at a price equal to the average quoted market price of the Priceline.com group's shares on the date of grant. The vesting period is three years. If the options remain unexercised after a period of ten years from the date of grant, the options expire. Options are forfeited if the employee leaves the Priceline.com group before the options vest. This is a group share based payment plan where the share based payment expense is allocated based on the restricted stock units and performance share units granted

Details of the share options outstanding during the year are as follows:

	Weighted average exercise price 2017 \$	Number of share options 2017	Weighted average exercise price 2016 \$	Number of share options 2016
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	-	-	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-

During 2017, no share options have been exercised, granted, forfeited or exercised, during 2016, no share options were exercised, granted or forfeited.

There were no options outstanding at 31 December 2017 (2016: nil).

BOOKING.COM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

21. Share based payments (continued)**Restricted stock units and Performance share units**

Employees of the company are also awarded restricted stock units (RSUs) and performance share units (PSUs) in The Priceline Group ("Priceline") as incentives and rewards to encourage employees to contribute to the long-term success of Priceline. The RSUs and PSUs are payable in shares of Priceline upon vesting, which is generally a period of three years. Subject to certain exceptions (a change in control, death, disability, etc) the RSUs and PSUs are forfeited if the employee leaves The Priceline Group before completing the required service period. The RSUs and PSUs are valued at fair value based on Priceline's common stock at the date of grant of the RSUs or PSUs. Stock based compensation expense for RSUs and PSUs during the vesting period includes estimated forfeitures. The PSUs are based on the attainment of certain performance targets. Stock based compensation expense for PSUs is recorded based on the estimated probable outcome at the end of the performance period.

Details of the RSUs outstanding during the year are as follows:

	Weighted average grant price 2017 \$	Number of RSUs 2017	Weighted average grant price 2016 \$	Number of RSUs 2016
Outstanding at the beginning of the year	1,296.63	4,595	1,007.95	5660
Granted during the year	1,735.10	1,372	1,303.04	1045
Vested during the year	1,338.24	(1,520)	695.62	(2,685)
Performance share units adjustments	1,735.10	251	1,303.04	575
Outstanding at the end of the year	1,432.46	4,698	1,296.63	4595

The RSUs outstanding as at 31 December 2017 had a weighted average remaining contractual life of 1.8 years (2016: 1.80 years). In 2017 1,372 RSUs, (2016: 1,045 RSUs) were granted with estimated values of the RSUs of USD 2,380,557 (2016: USD 2,312,105). The company recognised total expenses of GBP 1,718,395 net of expenses and GBP 1,588,013 related to equity-settled share-based payment transactions in 2017 and 2016, respectively.

The actual number of shares to be issued on vesting will be determined upon completion of the performance period.

The inputs into the Black Scholes model for options granted during the period are as follows:

	2017	2016	2017	2016
Weighted average share price (cents)	\$1,735.10	\$1,294.63	\$1,735.10	\$1,294.63
Exercise price (cents)	\$1,735.10	\$1,294.63	\$1,735.10	\$1,294.63
Weighted average contractual life (years)	1.80	1.80	1.80	1.80

Expected volatility is based on historical volatility of the company's stock as well as the implied volatility from publicly traded options on Booking Holdings stock. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

BOOKING.COM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

22. Contingent liabilities

French tax authorities recently concluded an audit of Booking.com that started in 2013 of the years 2003 until mid 2012. They are asserting that Booking.com has a permanent establishment in France and are seeking to recover what they claim are unpaid income taxes and value-added taxes ("VAT"). In December 2015, the French tax authorities issued Booking.com assessments for approximately 291.5 million Euros, the majority of which would represent penalties and interest.

The company believes that Booking.com has been, and continues to be, in compliance with French tax law, and the Company intends to contest the assessments. If the company is unable to resolve the matter with the French authorities, it would expect to challenge the assessments in the French courts. In order to contest the assessments in court, the company may be required to pay, upfront, the full amount or a significant part of any such assessments, though any such payment would not constitute an admission by it that it owes the tax. Booking.com engaged with local tax advisors and in the opinion of the advisors it is more likely-than-not that Booking.com would win this case. Therefore, the company has not recorded any provision for this matter.

23. Pension commitments

The company operates a defined contribution plan for all employees of the company. Contributions made into this plan are paid by the company at rates specified in the rules of the schemes. The total amount recognise in profit and loss during the year was £232,256 (2016: £200,283). As at the reporting date, amounts payable of £40,470 (2016: £33,864) had not been paid over to the plan.

24. Commitments under operating leases

At 31 December 2017 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Not later than 1 year	13,713,088	7,763,903
Later than 1 year and not later than 5 years	41,118,337	36,599,705
Later than 5 years	3,183,551	6,900,198
Total	58,014,976	51,263,806

BOOKING.COM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**

25. Related party transactions

The company is a wholly owned member of The Priceline Group Inc., and as such has taken advantage of the exemption permitted by section 33 related party disclosure, not to provide disclosures of transaction entered into with other wholly owned members of the group.

The following amounts were owed by group undertakings at year end:

	2017 £	2016 £
Booking.com BV	7,921,036	7,195,568
BookingSuite BV	10,604	7,292
Traveljigsaw Ltd	51,617	65,714
Booking.com Customer Service Center (UK) Ltd	-	425,711
	<u>7,983,257</u>	<u>7,694,285</u>

The amounts owed by group undertakings are interest free and repayable on demand.

The following amounts were owed to group undertakings at year end:

	2017 £	2016 £
Priceline Group Treasury Company B.V.	(704,693)	-
Priceline.com International Ltd	(3,590)	-
Booking.com Customer Service Center (UK) Ltd	(266,706)	-
Booking.com BV	-	(17,425)
	<u>(974,989)</u>	<u>(17,425)</u>

The amounts owed to group undertakings are interest free and repayable on demand.

26. Post balance sheet events

Subsequent to year end, the Company entered into a credit agreement with Booking.com BV. In July 2018, the Company drew on the loan in the amount of 8,000,000 GBP. The loan bears an interest rate of 1.125% per annum above LIBOR GBP 1M rate and is due on demand.

BOOKING.COM LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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27. Controlling party

100% of the issued share capital of the company is owned by Priceline.com International Limited, a company incorporated in England and Wales whose principal place of business is at 100 New Bridge Street, London EC4V 6JA. The directors consider this to be the immediate parent company.

The company's ultimate parent company and controlling party is The Priceline Group Inc, a company incorporated in the United States of America, whose principal place of business is, and whose financial statements can be obtained at 800 Connecticut Avenue, Norwalk, Connecticut 06854, USA and this is the smallest and largest group in which the results of the company are consolidated.

In January 2018 the ultimate parent company changed it's name to Booking Holdings.