

Financial Statements Online Travel Corporation Limited

For the year ended 31 December 2013



Registered number: 03907266

Online Travel Corporation Limited

Company Information

Directors	J Donaldson M Crummack (appointed 22 September 2014) C Nelson
Company secretary	B Lakhani
Registered number	03907266
Registered office	77 Hatton Garden London EC1N 8JS
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 1020 Eskdale Road IQ Winnersh Wokingham Berkshire RG41 5TS

Online Travel Corporation Limited

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Online Travel Corporation Limited

Directors' Report

For the year ended 31 December 2013

The directors present their report and the financial statements for the year ended 31 December 2013.

Directors

The directors who served during the year were:

J Donaldson
C Nelson

Principal risks and uncertainties

The key business risks affecting the Company are technological stability and the ability to provide reliable, real-time access to our systems for our customers and suppliers.

Events since the balance sheet date

On 17 April 2014, Sabre Corporation (formerly Sovereign Holdings, Inc.) the ultimate parent company, became a publicly traded company on NASDAQ.

On 27 August 2014, Sabre Corporation announced it was exploring strategic options, including a potential sale, for its lastminute.com business unit. Online Travel Corporation Limited is a subsidiary within the lastminute.com group of entities.

No other matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations or the state of affairs of the company since the balance sheet date.

Directors' responsibilities statement

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

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

Directors' Report

For the year ended 31 December 2013

Disclosure of information to auditor

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

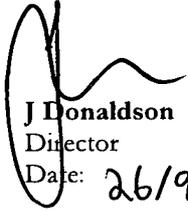
- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor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

Auditor

Under section 487(2) of the Companies Act 2006, Grant Thornton UK LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

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



J Donaldson
Director

Date: 26/9/2014

Independent Auditor's Report to the Members of Online Travel Corporation Limited

We have audited the financial statements of Online Travel Corporation Limited for the year ended 31 December 2013, which comprise the Profit and loss account, the Balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 auditor

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

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/apb/scope/private.cfm.

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 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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



Independent Auditor's Report to the Members of Online Travel Corporation Limited

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirements to prepare a strategic report or in preparing the Directors' report.

Grant Thornton UK LLP

Paul Creasey (Senior statutory auditor)

for and on behalf of

Grant Thornton UK LLP

Statutory Auditor

Chartered Accountants

Reading

Date: *26 September 2014*

Profit and Loss Account

For the year ended 31 December 2013

	Note	2013 £000	2012 £000
Turnover	1	450	450
Administrative expenses		-	(379)
Operating profit		<u>450</u>	<u>71</u>
Income from other fixed asset investments		-	237
Profit on ordinary activities before taxation		<u>450</u>	<u>308</u>
Tax on profit on ordinary activities	5	-	-
Profit for the financial year	9	<u><u>450</u></u>	<u><u>308</u></u>

The notes on pages 7 to 11 form part of these financial statements.

Balance Sheet

As at 31 December 2013

	Note	2013 £000	2012 £000
Current assets			
Debtors	7	1,663	1,213
Net assets		<u>1,663</u>	<u>1,213</u>
Capital and reserves			
Called up share capital	8	1,824	1,824
Share premium account	9	25,810	25,810
Profit and loss account	9	(25,971)	(26,421)
Shareholders' funds	10	<u>1,663</u>	<u>1,213</u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

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


J Donaldson
Director
Date: 26/9/2014

The notes on pages 7 to 11 form part of these financial statements.

Notes to the Financial Statements

For the year ended 31 December 2013

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The principal accounting policies of the Company are set out below and have remained unchanged from the prior year.

The directors have reviewed the principal accounting policies of the Company and consider that they remain the most appropriate for the Company.

The company is the parent undertaking of a small group and as such is not required by the Companies Act 2006 to prepare group accounts. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.2 Going concern

The directors have made enquiries and formed the view that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, the directors continue to adopt the going concern basis in preparing the accounts.

1.3 Deferred taxation

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

1.4 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 ruling at the balance sheet date. All gains and losses arising as a result are taken to the profit and loss account.

1.5 Cash flow statement

In accordance with Financial Reporting Standard (FRS) No.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.

1.6 Group financial statements

The Company is a wholly owned subsidiary of Sabre Corporation and has taken advantage of the exemption afforded by s401 of the Companies Act 2006 and hence the financial statements contain information about Online Travel Corporation Limited as an individual company and do not contain consolidated financial information as the parent of a group.

Notes to the Financial Statements

For the year ended 31 December 2013

1. Accounting Policies (continued)

1.7 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

2. Turnover

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, Value Added Tax and other sales taxes or duty.

Turnover and pre-tax profit are attributable to the principal activity and are earned predominantly within the United Kingdom.

3. Auditors' remuneration

The auditors' remuneration has been borne by other group companies and the cost the Company was £3,350 (2012 - £3,250). Fees for non audit services are estimated to be £2,650 (2012 - £2,650).

4. Staff costs

The company has no employees other than the directors, who did not receive any remuneration (2012 - £NIL).

5. Taxation

Tax on profit on ordinary activities

The tax charge in the current year is £Nil (2012 - £Nil).

	2013	2012
	£000	£000
UK corporation tax charge on profit for the year	-	-

Notes to the Financial Statements

For the year ended 31 December 2013

5. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2012 -lower than) the standard rate of corporation tax in the UK of 23.25% (2012 -24.5%). The differences are explained below:

	2013 £000	2012 £000
Profit on ordinary activities before tax	450	308
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.25% (2012 -24.5%)	105	76
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	5	42
Utilisation of tax losses	(110)	(118)
Current tax charge for the year (see note above)	-	-

Factors that may affect future tax charges

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

	2013 £000	2012 £000
Losses	625	793
Decelerated capital allowances	1,124	1,231
Total	1,749	2,024

The deferred tax assets have not been recognised as it is not sufficiently certain that the Company will have sufficient suitable taxable profits for these items to reverse in the foreseeable future.

The Finance Act 2012 included legislation to reduce the main rate of corporation tax from 24% to 23% from 1 April 2013 resulting in a blended current tax rate of 23.25% for the period. Further reductions to 21% (effective 1 April 2014) and 20% (effective 1 April 2015) were enacted in the Finance Act 2013 which received Royal Assent on 17 July 2013.

Notes to the Financial Statements

For the year ended 31 December 2013

6. Fixed asset investments

Investments are stated at cost less provisions for diminution in value or directors' valuations.

Details of the investments in which the Company holds 20% or more of the nominal value of any class of share capital are as follows, all of which are incorporated in England and Wales unless otherwise stated.

During the previous year the Company increased its investment in Joint Venture Travel Limited by £382,519 by the issue of 382,519 Ordinary £1 shares in the subsidiary. Subsequently, Joint Venture Travel Limited was placed into liquidation and the investment has been fully impaired.

Name of company	Holding	Proportion of voting rights & shares held	Nature of business
All-Hotels Limited	Ordinary shares	100%	Non-Trading*
All-Hotels Limited	Ordinary 'A' shares	100%	Non-Trading*
Joint Venture Travel Limited	Ordinary shares	100%	Non-Trading*
Online Travel Services Limited	Ordinary shares	100%	Non-Trading
Oxford Technology Solutions Ltd	Ordinary shares	100%	Non-Trading**
TEL Holdco Limited	Ordinary shares	100%	Non-Trading***
travelstore.com Limited	Ordinary shares	100%	Non-Trading*

* Placed into liquidation in March 2013. All Hotels Limited and travelstore.com Limited were liquidated on 1 July 2014.

** Dissolved on 3 September 2013

*** Dissolved on 20 August 2013

7. Debtors

	2013 £000	2012 £000
Amounts owed by group undertakings	1,663	1,213

8. Share capital

	2013 £000	2012 £000
Allotted, called up and fully paid		
182,411,207 Ordinary shares of £0.01 each	1,824	1,824

Notes to the Financial Statements

For the year ended 31 December 2013

9. Reserves

	Share premium account £000	Profit and loss account £000
At 1 January 2013	25,810	(26,421)
Profit for the financial year	-	450
	<u>25,810</u>	<u>(25,971)</u>
At 31 December 2013	<u>25,810</u>	<u>(25,971)</u>

10. Reconciliation of movement in shareholders' funds

	2013 £000	2012 £000
Opening shareholders' funds	1,213	905
Profit for the financial year	450	308
	<u>1,663</u>	<u>1,213</u>
Closing shareholders' funds	<u>1,663</u>	<u>1,213</u>

11. Related party transactions

The Company has taken advantage of the exemption available under Financial Reporting Standard (FRS) No. 8 'Related Party Disclosures' not to disclose transactions between entities whose voting rights are 100% controlled within the Sabre Corporation group of companies.

12. Ultimate parent undertaking and controlling party

The immediate parent company is lastminute.com Limited, a company registered in England and Wales. The ultimate holding company is Sabre Corporation (formerly Sovereign Holdings, Inc.), a company incorporated in Delaware, United States of America. Sabre Holdings Corporation is the smallest group in which the results of Online Travel Corporation Limited are consolidated. The largest group in which the Online Travel Corporation Limited results are consolidated is Sabre Corporation. Copies of the Sabre Corporation accounts are publicly available at <http://investors.sabre.com/releases.cfm>.