Company Registration No. 4051797

Opodo Limited

Report and Financial Statements

31 March 2015

Opodo Limited

Report and financial statements 2015

Contents **Page**

Officers and professional advisers	1
Directors' report	2 – 4
Strategic report	5 - 7
Statement of director's responsibilities	8
Independent auditor's report	9 - 10
Statement of profit and loss	11
Statement of changes in equity	12
Statement of financial position	13
Cash flow statement	14
Notes to the financial statements	15 - 48

Opodo Limited

Report and financial statements 2015

Officers and professional advisers

Directors

C Mallo Alvarez	(resigned 4 April 2014)
B Vauchy	(resigned 4 April 2014)
F de Mojana di Cologna	(resigned 4 April 2014)
P Poletti	(resigned 4 April 2014)
L Fauconnier	(resigned 4 April 2014)
Y Bak	(resigned 4 April 2014)
D Setton	(resigned 4 April 2014)
J Perez-Tenessa de Block	(resigned 4 April 2014)
C Da Silva	(resigned 4 April 2014)
P Lopez de Guzman	(resigned 4 April 2014)
S Mion	(resigned 4 April 2014)
M Prieto	(resigned 4 April 2014)
S Uhlig	(appointed 4 April 2014)
D Dunne	(appointed 4 April 2014)
D Elizaga	(appointed 11 February 2015)

Secretary

M Prieto	(resigned 4 April 2014)

Registered Office

Waterfront Building
Hammersmith Embankment
Chancellors Road
London
W6 9RU

Bankers

Barclays Bank PLC
Deutsche Bank AG

Solicitors

Rawlison Butler LLP
London

Auditor

Deloitte LLP
London

Opodo Limited

Director's report

The directors present their annual report and the audited financial statements for the year ended 31 March 2015, along with comparative information for the year ended 31 March 2014.

Financial position

The statement of financial position, on page 13 of the financial statements, shows the Company's financial position at the end of the period. The net asset position of the Company has improved from €188.9 million at 31 March 2014 to €255.5 million at 31 March 2015 due to positive trading results in a difficult economic climate, allowing the company to invest further in its subsidiaries.

Current assets have risen from €182.3 million to €185.0 million, due primarily to an increase in trade and other receivables. Non-current assets have increased from €332.2 million at 31 March 2014 to €399.1 million at 31 March 2015 due to additional loans granted to fellow group companies in combination with further investments in subsidiaries.

Current liabilities have increased from €158.3 million at 31 March 2014 to €166.6 million at 31 March 2015. This increase in trade and other payables can be attributed to the increase in trading activity. This increase has been partially offset by the continued synergies achieved across the group in combination with the negotiation of better trading terms with our existing supplier base.

The Company had net unrestricted cash of €41.0 million at 31 March 2015 (2014: €53.4 million). The Company continues to manage its working capital by way of its existing cash resources.

Based on the information set out above the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements. Please refer to note 1 for further details.

Capital structure

Details of the authorised and issued share capital are shown in note 17. The Company has one class of ordinary shares which carry no right to fixed income. Each share carries the right to one vote at general meetings of the Company.

There are no specific restrictions on the size of a holding nor on the transfer of shares, which are both governed by the general provisions of the Articles of Association and prevailing legislation. The directors are not aware of any agreements between holders of the Company's shares that may result in restrictions on the transfer of securities or on voting rights.

No person has any special rights of control over the Company's share capital and all issued shares are fully paid.

During the current year the company issued 504,403,140 additional shares at a par value of €0.10 per share.

During the prior year the Company performed a equity restructure which utilised €198 million of the Company's retained losses and the entirety of the Company's €88.8 milliom of Share Premium to redeem €1,095.3m issued ordinary shares. See note 17 for further details.

With regard to the appointment and replacement of directors, the Company is governed by its Articles of Association, the Companies Act and related legislation. The Articles themselves may be amended by special resolution of the shareholders.

Financial risk management policies and objectives

Use of financial instruments

The Company's policy is to have no speculative trading in financial instruments. During the year, the Company has not entered into any derivative financial instruments for hedging purposes. See note 10 to the financial statements.

The other main risks faced by the Company are interest rate risk, liquidity risk and foreign exchange risk.

(a) Interest rate risk

The Company's deposits attract interest at floating rates. The Company does not hedge against the risk of movements in interest rates.

Directors' report (continued)

Financial risk management policies and objectives (continued)

Use of financial instruments (continued)

(b) Liquidity risk

The Company's policy is to maintain flexibility with respect to its liquidity position through the use of short-term or overnight deposits of its surplus cash balance. The directors' assessment of going concern, which has been applied in the preparation of the accompanying financial statements, is provided in note 1 to the financial statements.

(c) Foreign exchange risk

The Company's UK operations receive income and pay certain expenses in sterling and United States dollars. As a result, the Company is subject to translation risk on these transactions and translation of resulting monetary assets and liabilities.

The Company's principal transaction currency is the euro through its branch operations in France and Germany, with sterling also an important currency as a result of the UK's operations. Whilst the uncertainty in the Eurozone regarding the future of the euro appears to have diminished compared to the prior period, it does present additional risks to the Company, both operational and financial. In the event of a major devaluation of the euro against other currencies, the cost to the Company of settling non-euro denominated liabilities and expenses would increase and the Company may suffer translation losses if its own foreign currency denominated assets were insufficient to cover such foreign currency liabilities. Information in respect of the foreign currency denominated assets and liabilities of the Company held at the balance sheet date are provided in note 10.

The Company does not enter into any hedging transactions in respect of such foreign exchange risks.

Research and development activities

The Company's research and development activities principally relate to the development of its website operating platform and related back office systems.

At 31 March 2015, the Company had €5.4 million of capitalised software development costs (31 March 2014: €4.3 million), associated with a number of initiatives to both enhance and add to the Company's existing product offering.

Donations

The Company made no charitable or political donations during the year ended 31 March 2015 (31 March 2014 : €nil).

Directors and their interests

The directors during the year were as follows:

C Mallo Alvarez	- resigned 04/04/2014
L Fauconnier	- resigned 04/04/2014
C Da Silva	- resigned 04/04/2014
B Vauchy	- resigned 04/04/2014
Y Bak	- resigned 04/04/2014
P Lopez de Guzman	- resigned 04/04/2014
F de Mojana di Cologna	- resigned 04/04/2014
D Setton	- resigned 04/04/2014
S Mion	- resigned 04/04/2014
J Perez-Tenessa de Block	- resigned 04/04/2014
P Poletti	- resigned 04/04/2014
M Prieto	- resigned 04/04/2014
D Dunne	- appointed 04/04/2014
S Uhlig	- appointed 04/04/2014
D Elizaga	- appointed 11/02/2015

Directors' report (continued)

Directors and their interests (continued)

Where stated, the above directors resigned following the IPO of the ultimate Group holding company eDreams Odigeo on the 4th April 2014. At the same date both Stephanie Uhlig and Dana Dunne were appointed as Company directors. David Elizaga was appointed at a later date on 11 February 2015.

None of the directors have any interest in the shares of the Company that are required to be disclosed in accordance with the Companies Act 2006.

Directors' indemnities

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

Employees

The Company values highly the contribution made to its business by its employees across all areas of its operations.

The average number of persons employed by the Company during the period was 181 (2014: 210). This drop in the average number of employees can largely be attributed to the closure of the Company's UK based call centre, this service has now been outsourced due to the economic benefits achieved through this change.

In considering applications for employment from disabled people, the Company seeks to ensure that full and fair consideration is given to the abilities and aptitudes of the applicant against the requirements of the job for which he or she has applied. Employees who become temporarily or permanently disabled are given individual consideration, and where possible equal opportunities for training, career development and promotions are given to disabled persons.

Within the bounds of commercial confidentiality, information is disseminated to all levels of staff about matters that affect the progress of the Company and are of interest and concern to them as employees. The Company also encourages employees, where relevant, to meet on a regular basis to discuss matters affecting them.

Auditor

Deloitte LLP have expressed their willingness to continue in office as auditor and a resolution to re-appoint them will be proposed at the forthcoming Annual General Meeting.

Disclosure of information to auditor

Each of the persons who is a director at the date of approval of this annual report confirms 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 he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved by the Board of Directors and signed on behalf of the Board

David Elizaga
Director
27 August 2015

Opodo Limited

Strategic report

The directors present their strategic report for the year ended 31 March 2015, along with comparative information for the year ended 31 March 2014. The directors, in preparing the Strategic report, have complied with s414 of the Companies Act 2006.

Principal activity

The principal activity of Opodo Limited ("the Company") continues to be the operation of online travel websites, providing travel agency services including the marketing and distribution of airline seats, hotel bookings, car hire and travel insurance. The Company operates websites in the United Kingdom, France, Germany, Austria, Portugal and Spain.

Review of developments

On March 18, 2014 the Board of Directors of eDreams ODIGEO, the Company's ultimate parent, approved starting the process of the admission to trading process for the eDreams ODIGEO shares on the Madrid, Barcelona, Bilbao and Valencia stock exchanges (the "Spanish Stock Exchanges") for the quotation on the Automated Quotation System ("AQS") of the Spanish Stock Exchanges.

On April 8, 2014, eDreams ODIGEO completed its IPO on the Spanish Stock Exchange at a price of €10.25 per share. The over-allotment option to purchase additional offer shares was exercised at the level of 3,370,690 shares.

Results

The Company has performed well in an increasingly competitive market place under tough economic conditions. The Group has focussed heavily on re-developing its trading platform which will be rolled out over the coming months. This is expected to both improve performance and also be a proponent to gain additional market share. The Company prepares its results in euros.

The Company uses, amongst others, Gross Bookings, EDITDA and Profit attributable to equity holders as Key Performance Indicators. These represent the total transaction value of all products sold. Under IFRS, net revenue recognisable represents only the revenue directly attributable to the Company. Like-for-like Booked Gross Bookings for the year to 31 March 2015 for all products has decreased by 7%. The Company's EBITDA has decreased from €41.9 million in the year to 31 March 2014 to €30.5 million in the year to 31 March 2015. The Company's Profit attributable to equity holders has also decreased in the year to 31 March 2015 to €16.1 million (2014: €26.5m).

Company revenue was €127.5 million (31 March 2014: €141.2 million). Part of this year on year decrease is attributable to the change in terms and conditions in relation to the sale of Dynamic packages. During the prior period the company changed its terms and conditions of sale on Dynamic packages. This means that the company is no longer acting as principal in these transactions. This is evidenced by a corresponding decrease in cost of sales from €9.8 million in 2014 to € nil in 2015. This also accounts for the drop in Product sales revenue from €12.7 million in 2014 to €1.8 million in 2015.

The Company generated a profit before tax for the year of €19.8 million. The Company generated a profit from continuing operations of €16.1 million (2014: profit of €26.5 million). This shows a drop in profits for the current year €10.4 million. This drop is primarily due to the challenging economic trading conditions as well as market factors influencing the online travel industry as a whole. Management have taken steps to ensure that the company remains a strong performer within the markets in which it operates. The directors do not recommend a dividend for the period ended 31 March 2015 (2014: €nil).

During the current financial year the Company changed the accounting policy of Revenue Recognition for some products (Hotels, Cars and Dynamic packages). This change will result in the financial statements providing reliable and more relevant information about the effects of transactions, other events or conditions on the entity's financial position, financial performance or cash flows. The net impact of this change on the prior year reported results was an increase in profits for the prior year of €482,000. Further details disclosing the impact of this change can be found in note 24.

Strategic report (continued)

Cash flow

Net cash outflow for 2015 from operating activities before tax was €10.3 million (31 March 2014 inflow: €18.2 million). Investing activities resulted in a net cash outflow of €63.4 million, this is largely due to the significant additional investment made in Lyeurope SAS during the year.

Principal risks and uncertainties

The following factors may affect the Company's operating results, financial condition and the value of the Company's shares. The risk factors described below are those which the directors believe are potentially significant, but this should not be regarded as a complete and comprehensive statement of all potential risks and uncertainties.

Trading risks

The trading performance of the Company may be affected by a number of factors outside its control, including:

- wars or international unrest;
- acts of terrorism in key tourist destinations or epidemics such as swine flu or the threat of either which may materially restrict international travel;
- earthquakes or other natural disasters in key tourist destinations;
- disruption to air travel caused by natural disasters or industrial action by employees in the aviation sector;
- weather conditions, both in places where the Company's customers live and in key tourist destinations;
- rising aviation fuel costs and increasing government taxes on air travel may increase the costs of air travel, affecting consumer demand;
- general economic conditions in the Company's key markets of the United Kingdom, France and Germany;
- slowing of growth of internet penetration within the online travel industry;
- additional security requirements affecting travel; and
- airline bankruptcies.

These factors may affect the Company by reducing demand, as its potential customers choose not to, or become unable to, travel. Reductions in demand in an industry with capacity, that in the short-term is fixed, leads to overcapacity with associated pressure on margins.

These factors may also affect booking patterns, as increased political and economic uncertainty may lead to an increased propensity for customers to book closer to departure, which as a result of relative inflexibility of capacity, increases the risk that unsold holidays will have to be sold at significantly reduced margins or at a loss.

There are a number of potential trading risks that could potentially affect the Company that are largely within our control, management have implemented procedures and taken steps to mitigate these factors where applicable, however such risks may including:

- failure of continued innovation of products and trading platforms (including mobile and tablet) to keep providing customers with what they want;
- we are heavily reliant on information technology, a failure within this environment could adversely affect the Company;
- failure to continue to adapt to changes within the travel industry, for example a potential shift from short haul flights to high speed rail within Europe, could adversely affect the Company;
- A decline in product availability through key suppliers may adversely affect the product offering of the Company;
- An inability to sign or renew contracts with suppliers supporting the existing and/or future product offerings;
- Failure to maintain and enhance awareness of our brands may result decreased booking volumes;
- Exposure to payment fraud;

Opodo Limited

Strategic report (continued)

Principal risks and uncertainties (continued)

Competition

In its principal markets, the Company faces competition from many sources including, but not limited to, other online travel agents, traditional offline travel agents, tour operators, meta search companies, online portals, search engines and direct suppliers (scheduled, charter and low cost airlines, hotels, car hire and insurance companies). Competitive pressures could affect the ability of the Company to achieve bookings at satisfactory margins.

Regulatory risks

Throughout its operations, the Company requires regulatory licences and approvals. These regulatory requirements vary depending on the area of operation and the specific activity. Failure to continue to satisfy the necessary regulatory criteria (whether financial or operational) could result in the suspension, revocation or non-renewal of one or more necessary licence(s) which, in certain cases, depending on the particular licence or approval concerned, could result in the cessation of that operation.

Operational risks

Operational risks, which are inherent in all business activities, include those which mainly result from a potential breakdown in individual business units of the Company's control of its human, physical and operating resources. The potential financial or reputational loss arising from failures in internal controls, flaws or malfunctions in computer systems and poor product design or delivery all fall within this category. In particular, the Company's ability to generate revenue is dependent upon the continued availability of its websites to customers and any interruption to service may lead to lost revenues.

Working capital management

The Company's working capital requires careful management. This involves the management of the timing and amount of significant payments and receipts. The Company has limited ability to influence the timing of these cash flows. Payments generally arise from commitments which are contracted in advance or which are necessary to enable the business to continue operating. Receipts are dependent on the quantum and timing of sales to customers. The Company manages this risk by managing existing cash resources.

Future developments

The directors anticipate that the shift from traditional booking methods to the internet will continue in the forthcoming year with further convergence of the activities of traditional offline travel agents, tour operators and direct suppliers. The Company expects to continue to benefit from its geographic presence through branches in France and Germany, as well as it's growing presence in multiple international markets. At the date of signing this report the company had expanded into Switzerland, Australia, Netherlands in addition to its core markets of Germany, Austria, France and the UK. The Company expects further cost savings to result from the synergies brought about through rationalisation of platforms and partners across the OdigeO Group, including the Company, as well as improvement in conversion ratios as a result of more efficient booking engines, and the ongoing re-development of various trading platforms on which the group operates.

Approved by the Board of Directors and signed on behalf of the Board

David Elizaga
Director
27 August 2015

Opodo Limited

Statement of directors' responsibilities

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 International Financial Reporting Standards (IFRS) as adopted by the European Union. Under company law the directors must not approve the accounts 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, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Company's ability to continue as 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 Opodo Limited

We have audited the financial statements of Opodo Limited for the year ended 31 March 2015 which comprise the Statement of profit and loss, the Statement of financial position, the Cash flow statement, the Statement of changes in equity and the related notes 1 to 25. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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 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 annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge required 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 March 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; 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 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 Opodo Limited (continued)

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.

James A Bates

James Bates (Senior Statutory Auditor)

for and on behalf of Deloitte LLP

Chartered Accountants and Statutory Auditor

London, United Kingdom

27 August 2015

Opodo Limited

Statement of profit and loss
Year ended 31 March 2015

	Notes	31 Mar 2015 €'000	*Restated 31 Mar 2014 €'000
Revenue	3	127,464	141,218
Cost of sales		-	(9,787)
Gross profit		127,464	131,431
Selling, general and administrative expenses		(96,967)	(89,523)
Operating profit	4	30,497	41,908
Finance income	5	5,791	5,730
Finance costs	5	(16,509)	(14,806)
Profit before taxation		19,779	32,832
Taxation	6	(3,674)	(6,296)
Profit attributable to equity holders of the parent		16,105	26,536

* –See note 24 for details regarding the change in accounting policy

All profits arise from continuing operations of the Company.

There were no other gains and losses affecting comprehensive income other than as set out in the income statement presented above and, therefore, a separate statement of comprehensive income has not been presented.

Opodo Limited

Statement of changes in equity
Year ended 31 March 2015

	Share capital	Share premium	Retained losses	Share-based payment reserve	Total
	€'000	€'000	€'000	€'000	€'000
Balance as at 31 March 2013	275,113	88,846	(202,610)	53	161,402
Change in revenue recognition policy impact at 1 April 2013*	-	-	1,031	-	1,031
Restated opening balance 1 April 2013	275,113	88,846	(201,579)	53	162,433
Reduction in share capital	(109,535)	(88,846)	198,381	-	-
Debit to equity for equity-settled share-based payments	-	-	-	(10)	(10)
Total comprehensive income for the year	-	-	26,536	-	26,536
Balance as at 31 March 2014	165,578	-	23,338	43	188,959
Increase in share capital	50,440	-	-	-	50,440
Credit to equity for equity-settled share-based payments	-	-	-	9	9
Total comprehensive income for the year	-	-	16,105	-	16,105
Balance as at 31 March 2015	216,018	-	39,443	52	255,513

* - See note 24 for details regarding the change in accounting policy

Opodo Limited

Statement of financial position
Year ended 31 March 2015

	Notes	31 March 2015 €'000	*Restated 31 March 2014 €'000	*Restated 31 March 2013 €'000
Non-current assets				
Investments	9	312,325	252,567	251,222
Financial assets	11	55,763	45,993	2,622
Intangible assets	7	5,406	4,346	2,363
Property, plant and equipment	8	682	764	365
Deferred tax asset	6	24,918	28,540	34,811
		399,094	332,210	291,383
Current assets				
Trade and other receivables	12	143,126	128,340	135,507
Cash and cash equivalents	10	40,950	53,352	40,777
Restricted cash deposits	10	841	656	930
		184,917	182,348	177,214
Total assets		584,011	514,558	468,597
Non-current liabilities				
Financial loans	14	(161,930)	(167,275)	(166,681)
Current liabilities				
Trade and other payables	13	(162,012)	(153,568)	(133,862)
Financial loans	14	(4,556)	(4,756)	(5,621)
Total liabilities		(328,498)	(325,599)	(306,164)
Net current assets		18,349	24,024	37,731
		255,513	**188,959**	**162,433**
Equity				
Share capital	17	216,018	165,578	275,113
Share premium	17	-	-	88,846
Share-based payment reserve	18	52	43	53
Retained profits / (losses)	19	39,443	23,338	(201,579)
Total equity		**255,513**	**188,959**	**162,433**

* –See note 24 for details regarding the change in accounting policy

The financial statements of Opodo Limited, registered number 4051797, were approved by the Board of Directors and authorised for issue on 27 August 2015.

Signed on behalf of the Board of Directors:

David Elizaga

Opodo Limited

Cash Flow statement
Year ended 31 March 2015

	31 Mar 2015 €'000	*Restated 31 Mar 2014 €'000
Cash generated from operating activities		
Operating profit	30,497	41,908
Adjusted for:		
Share-based payments	9	(10)
Depreciation of property plant and equipment	297	250
Impairment of tangible and intangible assets	365	89
Amortisation of intangible assets	1,819	964
Amortisation of capitalised finance costs	-	173
Impairment of loans receivable	41	1,456
Impairment of interest receivable	-	65
Operating cash flows before movements in working capital	**33,028**	**44,896**
Trade and other receivables	(24,533)	(37,899)
Trade and other payables	(18,840)	11,178
Cash generated from operating activities before tax	(10,345)	18,175
Taxes paid	(52)	(27)
Cash generated from operating activities after tax	(10,396)	18,148
Movements in restricted cash deposits	(185)	276
Investment in subsidiaries	(59,758)	(1,345)
Purchase of property, plant and equipment	(216)	(648)
Interest received	3	12
Expenditure on intangible assets	(3,245)	(3,035)
Net cash used in investing activities	(63,401)	(4,740)
Additional share capital issued	50,440	-
Loans received from group companies	16,436	593
Finance costs paid	(5,481)	(1,426)
Net cash from financing activities	61,395	(833)
Net (decrease)/increase in cash and cash equivalents	(12,402)	12,575
Cash and cash equivalents at the beginning of year	53,352	40,777
Cash and cash equivalents at the end of year	40,950	53,352

* –See note 24 for details regarding the change in accounting policy

Notes to the financial statements
Year ended ended 31 March 2015

1. Statement of compliance and going concern

The financial statements of Opodo Limited for the year ended 31 March 2015 were authorised for issue by the Board of the Directors on 27 August 2015 and the balance sheet was signed on the Board's behalf by Dana Dunne.

Opodo Limited is a private limited company incorporated in the United Kingdom under the Companies Act and registered in England and Wales. The registered office is given on page 1, and its principal activities are listed on page 5.

Statement of compliance

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) adopted by the European Union.

Going concern

The Company's business activities, together with factors likely to affect its future development, performance and financial position, and commentary on the Company's financial results, its cash flows and liquidity requirements are set out on pages 2 to 7 and elsewhere within the financial statements, along with a summary of the Company's principal risks and uncertainties. In addition, note 10 to the financial statements includes the Company's policies and processes for managing its capital, its financial risk management objectives, details of its financial instruments, and its exposures to liquidity risk and credit risk.

The financial statements at 31 March 2015 show that the Company generated a profit of €16.1 million for the year ended 31 March 2015 (31 March 2014: profit of €26.5 million) with cash utilised from operating activities before tax for the year ended 31 March 2015 of €10.3 million (31 March 2014 cash generated: €18.2 million). At 31 March 2015, the Company was in a net asset position of €255.5 million (31 March 2014: €189.0 million) with net current assets of €18.4 million (31 March 2014: €24.0 million).

The Company's forecasts and projections, taking account of reasonably possible changes in trading performance, indicate that the Company has sufficient funding to operate within the level of its available resources for the foreseeable future. As a consequence, the directors believe that the Company is well placed to manage its business risks successfully.

Based on the information set out above the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

2. Significant accounting policies

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 March 2015.

Basis of accounting

The financial statements have been prepared on the historical cost basis, except for the revaluation of certain assets and liabilities which are measured at fair value in accordance with applicable IFRS. The principal accounting policies adopted are set out below.

These financial statements present information solely on the Company and not its group. The Company has taken advantage of the exemption from preparing consolidated financial statements afforded by section 400 of the Companies Act 2006 as it is a wholly-owned subsidiary of eDreams OdigeO which publishes audited consolidated financial statements, prepared in accordance with International Financial Reporting Standards as adopted for use in European Union, which are up to the same date.

Notes to the financial statements
Year ended ended 31 March 2015

2. Significant accounting policies (continued)

eDreams Odigeo is a limited liability company, publicly traded on the Madrid stock exchange, which is the sole shareholder of the Company's immediate parent company LuxGEO S.à r.l.

(a) Critical accounting judgements and key sources of estimation and uncertainty

In the application of the Company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The following are the critical judgements, apart from those involving estimates (which are dealt with separately below) 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 financial statements.

Revenue recognition

When deciding the most appropriate basis for presenting revenue and cost of sales, both the legal form and the substance of the agreement between the Company and its business partners and customers, are reviewed to determine each party's respective role in the transaction. Factors taken into consideration include whether the Company is the primary obligor with the customer and whether the Company has latitude in determining pricing.

Where the Company's role in a transaction is that of principal, revenue is recognised on a gross basis. The revenue comprises the gross value of the transaction billed to the customer, net of VAT, cancellations and other associated taxes, with any related expenditure charged as a cost of sale.

Where the Company's role in a transaction is that of a disclosed agent, revenue is recognised on a net basis, with revenue representing the margin earned.

Estimation of useful economic lives of fixed assets

The economic life used to amortise intangible fixed assets and depreciate property, plant and equipment relates to the future performance of the assets in question and management's judgement of the period over which the economic benefit will be derived from the asset.

As at 31 March 2015, the amount of property, plant and equipment included in the Company balance sheet was €0.7 million (2014: €0.8 million). These assets are depreciated over periods ranging between four and five years.

As at 31 March 2015, the amount of intangible fixed assets included in the Company balance sheet was €5.4 million (2014: €4.3 million). These assets are amortised over periods ranging between two and five years.

Key sources of estimation and uncertainty

The key assumptions concerning the future and other key sources of estimation and uncertainty at the balance sheet date 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.

2. **Significant accounting policies (continued)**

(a) **Critical accounting judgements and key sources of estimation and uncertainty (continued)**

Key sources of estimation and uncertainty (continued)

Recoverability of investments in subsidiaries

Determining the recoverability of investments in subsidiaries requires estimation as to whether the investment could be realised for consideration at or in excess of the carrying value. In making such estimations, management has regard to the value in use calculations of those investments. As at 31 March 2015, the investments in the Company balance sheet totalled €312.3 million (2014: €252.6 million).

Deferred tax

The recognition of deferred tax assets requires judgement as to the probability of taxable profits being available in the future and the quantum and location of taxable profits that are forecast to arise. This requires the directors to exercise judgement in forecasting future results, including assumptions and estimates of growth in revenue and changes in operating margins. Changing the assumptions selected by the directors could significantly affect the Company's forecast results and the amount of deferred taxation included in the Company's results.

(b) **Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of VAT, cancellations and other associated taxes.

Product sales

Where the Company acts as principal in the transaction with the customer, revenue is recognised when the significant risks and benefits of ownership of the product have been transferred to the customer, which is taken to be the booking date for flight-only sales and the departure date for non-flight related products including dynamic packages. In determining whether the Company acts as principal, judgement is required. Where the Company has latitude in determining the price of the dynamic package and has responsibility for ensuring the dynamic package holiday is supplied as described, revenue represents the consideration earned for the holiday sold to the customer. During the current year the Company changed the revenue recognition policy in relation to dynamic packages, car rentals and hotels from a departure date basis to a booking date basis. See note 24 for further details.

Commission

Where the Company acts as an agent and does not take ownership of the products being sold, revenue represents commissions earned. Such revenue comprises passenger ticket sales in respect of flights, hotels, car hire, package holidays and insurance. Revenue is recognised on the date of booking for all products with the exception of package tours.

Booking fees

Where the Company acts as an agent and issues or amends tickets to customers, revenues represent fees earned. Such revenue comprises fees on ticket sales of flights. Revenue is recognised at the date of ticketing.

Incentive income

Where the Company acts as an agent and receives commissions, additional income may accrue to the Company based on the achievement of certain gross sales values over a specified period. The Company accrues for such income where it is considered probable that the gross sales values will be met and the amount to be received is estimable. Where it is probable that the gross sales value will be met, revenue is recognised based on the percentage of gross sales value achieved by the reporting date.

2. **Significant accounting policies (continued)**

(b) Revenue recognition (continued)

Advertising

Revenue from advertising is recognised over the period to which it relates.

Finance income

Finance income is recognised on a time proportion basis by reference to the principal outstanding and the effective interest rate applicable, which is the rate that discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

(c) Leasing

Rentals payable under operating leases are charged against income on a straight-line basis over the term of the relevant lease.

Benefits received and receivable as an incentive to enter into an operating lease are also spread on a straight-line basis over the lease term.

(d) Foreign currencies

The financial statements of the Company are presented in the currency of the primary economic environment in which it operates (its functional currency). For the purposes of the financial statements, the results and financial position of the Company are expressed in euros, which is the functional currency of the Company, and the presentation currency for these financial statements.

In preparing the financial statements of the Company, transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are re-translated at the rates prevailing on the balance sheet date. Non-monetary assets and liabilities that are measured at historical cost in a foreign currency are not re-translated. Gains and losses arising on retranslation are included in net profit or loss for the period.

(e) Retirement benefit costs

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

(f) Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

2. **Significant accounting policies (continued)**

(f) **Taxation (continued)**

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.
Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

(g) **Property, plant and equipment**

Property, plant and equipment is stated at cost less accumulated depreciation and any recognised impairment loss. Depreciation is charged so as to write off the cost or valuation of assets over their estimated useful lives, using the straight-line method, on the following bases:

Fixtures and fittings	20% per annum
Computer equipment	25% per annum

The carrying value of property, plant and equipment is reviewed for impairment whenever events or changes in circumstances indicate the carrying value may not be recoverable.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in income.

(h) **Internally generated intangible assets**

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally generated intangible asset arising from the Company's development of its website operating platform and related back office systems is recognised only if all of the following conditions are met:

- an asset is created that can be identified (such as software and new processes);
- it is probable that the asset created will generate future economic benefits; and
- the development cost of the asset can be measured reliably.

Internally generated intangible assets, categorised as software development in note 7, are amortised on a straight-line basis over their estimated useful lives. The useful economic life of the intangible assets range between two and five years. Where the internally generated intangible asset is not yet ready for use, it is tested for impairment at least annually by comparing its carrying value with its recoverable amount. Where no internally generated intangible asset can be recognised, development expenditure is recognised as an expense in the period in which it is incurred.

(i) **Other intangible assets**

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses. Intangible assets acquired separately from a business are carried initially at cost.

Intangible assets with a finite life are amortised on a straight-line basis over their expected useful lives, as follows:

Software licences	33% per annum
Software development	33% per annum

2. Significant accounting policies (continued)

(i) Other intangible assets (continued)

The carrying value of intangible assets is reviewed for impairment whenever events or changes in circumstances indicate the carrying value may not be recoverable.

(j) Impairment of long-lived assets

At each balance sheet date, the Company reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately.

(k) Financial instruments

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Financial assets

Financial assets are initially recorded at fair value, net of transaction costs, unless designated or classified as fair value through profit or loss in which case transaction costs are expensed.

All of the Company's financial assets are classified as 'loans and receivables', reflecting the nature and purpose of the financial assets, determined at the time of initial recognition.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period.

Loans and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

2. **Significant accounting policies (continued)**

(k) Financial instruments (continued)

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been impacted.

For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of the Company, as well as observable changes in economic conditions that correlate to default on receivables.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and short-term deposits and other short-term highly liquid investments that are readily convertible to cash and are subject to an insignificant risk of changes in value.

Derecognition of financial assets

The Company derecognises a financial asset only where the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Other financial liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method.

The interest expense is recognised on an effective yield basis. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Notes to the financial statements
Year ended ended 31 March 2015

2. Significant accounting policies (continued)

(l) Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, and it is probable that the Company will be required to settle that obligation. Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the balance sheet date, and are discounted to present value where the effect is material.

(m) Related parties

The Company considers as its related parties its significant shareholders and subsidiaries, plus key management personnel and members of the Board of Directors as well as their close family members.

(n) Share-based payments

For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At each balance sheet date until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year.

Equity-settled share-based payments are measured at the fair value of the equity instruments at the grant date. The fair value excludes the effect of non-market-based vesting conditions.

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 equity instruments that will eventually vest. At each balance sheet date, the Company revises it's estimate of the number of equity instruments expected to vest as a result of the effect of non-market-based vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share-based payment reserve.

(o) Capital contribution

Contributions received in cash or other assets from shareholders without any obligation to make repayment and for which the Company has not issued share capital are credited directly to equity and recorded in the profit and loss reserve.

(p) Investments

Investments in subsidiaries are stated at cost less, where appropriate, provision for impairment.

(q) Changes in accounting policy

Capitalised finance costs – The Company has determined that the treatment of capitalised finance costs on the RCF facility should be treated as a financial asset and not disclosed as a net reduction of financial liabilities. This brings the treatment in line with the Group policy on this item.

Change in revenue recognition – The Company changed the accounting policy of Revenue Recognition for some products (Hotels, Cars and Dynamic packages). This change will result in the financial statements providing reliable and more relevant information about the effects of transactions, other events or conditions on the entity's financial position, financial performance or cash flows. See note 24 for further details.

Opodo Limited

Notes to the financial statements
Year ended ended 31 March 2015

2. **Significant accounting policies (continued)**

(r) **New standards and interpretations not applied**

At the date of authorisation of these financial statements, the following Standards, Amendments and Interpretations which have not been applied in these financial statements were in issue but not yet effective (and in some cases had not yet been adopted by the EU):

IFRS 9 – Financial Instruments
IFRS 10 – Consolidated Financial Statements
IFRS 11 – Joint Arrangements
IFRS 12 – Disclosure of Interests in Other Entities
IFRS 14 – Regulatory Deferral Accounts
IFRS 15 – Revenue from Contracts with Customers
IAS 16 (amended) – Property, Plant and Equipment – Clarification of Acceptable Methods of Depreciation and Amortisation
IAS 27 (revised) – Separate Financial Statements
IAS 38 (amended) – Intangible Assets – Clarification of Acceptable Methods of Depreciation and Amortisation
Annual improvements 2012-2014 Cycle

The directors do not expect that the adoption of the standards listed above will have a material impact on the financial statements of the Company in future periods.

3. **Revenue**

An analysis of the Company's revenue is as follows:

	31 Mar 2015	*Restated 31 Mar 2014
	€'000	€'000
Product sales	1,834	12,747
Agency revenue	81,719	84,530
Incentive income	23,691	24,451
Other revenues	20,220	19,489
Revenue	127,464	141,218
Finance income	5,791	5,730
	133,255	146,948

* –See note 24 for details regarding the change in accounting policy

All sales are within Europe and the directors do not consider the markets in Europe in which the Company operates to be significantly different. Consequently no geographical segmentation has been provided.

During the prior year the company changed its terms and conditions of sale on Dynamic packages. This means that the company is no longer acting as principal in these transactions. This accounts for the drop in Product sales revenue of €12.1 million in 2014. Revenue is now accounted for as Agency revenue and contributed to the increase in Agency revenue to €84.5 million in 31 March 2014 year. This is evidenced by a corresponding decrease in cost of sales to €9.8 million in 31 March 2014 year.

Notes to the financial statements
Year ended ended 31 March 2015

4. Operating profit

Selling, general and administrative expenses ("SG & A") comprise infrastructure costs, marketing and business development and general and administrative costs. Infrastructure costs include IT expenses incurred by the Company to manage and operate the online travel websites. Costs incurred in developing the websites and internal use software, which meet the criteria for recognition under IFRS are capitalised as intangible assets as detailed in note 7. Costs incurred that do not meet the recognition criteria are expensed as incurred.

Marketing and promotional costs include all brand, sales and site activity and are expensed at the time the cost is incurred.

Profit is stated after charging/(crediting):

	Year ended 31 Mar 2015 €'000	Year ended 31 Mar 2014 €'000
Net foreign exchange (gains)/losses	(332)	(300)
Depreciation (Note 8)	297	250
Write off & Impairment loss on intangible assets	364	89
Impairment loss on trade and other receivables	47	-
Impairment loss on loans receivable from group companies	41	1,456
Impairment loss on interest receivable from group companies	-	65
Amortisation of intangible assets (Note 7):		
Internally generated assets - included in SG & A expenses	1,334	887
Purchased software - included in SG & A expenses	485	77
Odigeo Group IPO costs - included in SG & A expenses	-	123
Redundancy and reorganisation costs	415	14
Research and development costs expensed	1,265	2,625
Staff costs (excluding directors remuneration)	6,023	7,352
Operating lease rentals - land and buildings	626	546
Onerous lease provision	177	-
Staff costs (excluding directors remuneration)		
Wages and salaries	5,182	6,449
Social security costs	730	832
Pension costs	102	81
Equity-settled share-based payments	9	(10)
	6,023	7,352

4. Operating profit (continued)

Share-based payments

During April 2014 the Board of Directors of the Companys' ultimate parent, eDreams ODIGEO, S.A. (" Parent"), approved a new Long Term Incentive Plan ("Incentive Plan") in which certain employees of the Company (the "Participants") may participate. The purpose of this Incentive Plan was to enable the Participants to participate in the possible increase in value of the Group.

The total maximum number of shares that could be acquired by the Participants under the Incentive Plan represents 4.4% of the total issued share capital of the Companys' Parent, on a fully diluted basis.

Although the main characteristics of the Incentive Plan were approved in April 2014, the plan was granted to the Participants on September 26, 2014.

The Incentive Plan basically concerns the granting of the right to acquire a certain number of shares in the Company (called Incentive Shares) to the Participants for a price equal to the local nominal value of the Incentive Shares (€0.01 per share), provided that certain conditions are met:

- Service condition: the Participants must be employed by the Parent or any subsidiary during a certain period of time i.e. they must hold an active employment or services relationship until a certain future date.
- Market–performance condition: the target increase in value of the Parent's shares must be reached.

The Incentive Plan refers to the ordinary shares issued by eDreams ODIGEO, S.A. . The Incentive Plan is divided in two "cycles", each comprising two test periods. The first cycle refers to 50% of the total Incentive Shares and has a specific share revaluation target for a period of two years and three years respectively, as detailed below:

1) First Cycle - First Tranche (2 years period): 40% of the Incentive Shares will be granted to the Participants, provided that there is a certain level of increase in value of the quoted price of the eDreams ODIGEO shares during a period of two years. This 2 year period starts on the First Cycle. Initial Date, the IPO date being April 8, 2014, and finishes on April 9, 2016.

2) First Cycle - Second Tranche (3 years period): 10% of the Incentive Shares will be granted to the Participants, provided that there is a certain level of increase in the quoted price of the shares during a period of three years. This 3 year period starts on the First Cycle Initial Date, the IPO date being April 8. 2014, and finishes on April 9, 2017.

The second cycle refers to the remaining 50% of the Incentive Shares and has also specific share valuation targets for a period of two, respectively three years as detailed below:

- Second Cycle - First Tranche (2 years period): 30% of the Incentive Shares will be granted to the Participants provided that there is a certain level of increase in the quoted price of the shares in the 2 year period starting one year after the start of the Incentive Plan (April 9, 2015) and finishes on April 9, 2017. If there is a partial achievement of the target price increase, the Participant receives a pro-rata part of the total shares in this Cycle/tranche.

- Second Cycle - Second Tranche (3 years period): 20% of the Incentive shares will be granted to the Participants provided that there is a certain level of increase in the quoted price of the shares in the 3 year period starting one year after the start of the Incentive Plan (April 9, 2015) finishes on April 9, 2018. If there is a partial achievement of the target price increase, the Participant employee receives a pro-rata part of the total shares re this Cycle/tranche.

Notes to the financial statements
Year ended ended 31 March 2015

4. Operating profit (continued)

Share-based payments (continued)

The Fair value of the Incentive Plan was calculated, using the Black - Scholes pricing model and based on the following assumptions:

	First Cycle Tranche 1	First Cycle Tranche 2	Second Cycle Tranche 1	Second Cycle Tranche 2
Spot price	3.04	3.04	2.90	2.90
Exercise price	2.85	2.85	3.94	4.25
Expected volatility	55.60%	55.60%	44.08%	44.08%
Interest rate	0.10%	0.10%	0.23%	0.30%
Maturity	09/04/2016	09/04/2017	09/04/2017	09/04/2018
Contractual strike price	0.1	0.1	0.1	0.1

Expected volatility was estimated based on an average of eDreams ODIGEO volatility together with the historical volatility of companies operating in the same industry.

As at March 31, 2015, 43,642 Incentive Shares had been issued to Company employees under the Incentive Plan. The grant date fair value of these Incentive Shares was €77,934. The cost regarding this new plan has been recorded in the Income Statement (Personnel expenses) and against Equity (see Note18), amounting €9,473.

During the prior year the OdigeO Group had established a share-based payment plan in which certain employees of the Company participated. The plan provided employees with conditional entitlement to interests in an entity ("SPV2") that held shares in LuxGeo Parent Sarl. A total of 9,723,932 shares were subscribed for by employees of the Company on 5 July 2012 with a grant date fair value of €115,088, of which at 31 March 2014 €42,710 has been charged to the income statement with a corresponding credit recognised under equity in the Company's balance sheet. During the prior period 7,098,500 options were redeemed by the company. The shares were subject to variable vesting conditions and vested, in April 2014, following the Initial Public Offering (IPO) of the Company's ultimate holding company eDreams Odigeo S.A.. At the prior year balance sheet date, the SPV shares were subject to a call option exercisable by another group company to enable it to purchase a variable number of SPV2 shares from employees, whilst employees held a put option under which the employee would have had the right to require another group company to re-purchase the shares.

At the prior year balance sheet date, fair value was calculated using generally accepted pricing techniques, using the Black – Scholes pricing model and based on the following assumptions, with expected volatility estimated based on the historical volatility of companies operating in the same industry:

Weighted average price	0.01184
Exercise price	0.02110
Expected volatility	59.7%
Interest rate	0.85%
Vesting period years	1.98600
Contractual strike price	0.01080

Notes to the financial statements
Year ended ended 31 March 2015

4. Operating profit (continued)

Employees

The average monthly number of employees (including executive directors) of the continuing operations of the Company during the period was as follows:

	Year ended 31 Mar 2015 No.	Year ended 31 Mar 2014 No.
Staff numbers		
Managers	1	1
Staff	180	209
	181	210

The drop in the number of employees is largely attributable to the closure of the Leicester call cantre which has now been outsourced.

Directors' remuneration

In the current year one of the directors was remunierated through the company. In the prior period, the directors were remunerated by other companies in the OdigeO group. In prior years it was not practicable to allocate the remuneration of the directors between the Group companies to which they provide services.

One of the directors is a members of the Company's defined contribution pension scheme, any applicable non cash benefits are disclosed below. No company contributions were made to money purchase schemes for directors. The directors receive reimbursement for reasonable expenses.

	1 Apr 2014 to 31 Mar 2015 €'000
Cash compensation	155
Compensation in kind	1
Contributions to Pension Plan and collective Life Insurance Policies	7
Total	162

Refer to note 21 for disclosure information on key management compensation.

Auditor's remuneration

	Year ended 31 Mar 2015 €'000	Year ended 31 Mar 2014 €'000
Fees payable to the company's auditor:		
Audit of the Company's annual accounts	206	180
Other regulatory assurance services	13	12
Other services including half year review (2014: IPO associated costs)	124	135
	343	327

Opodo Limited

Notes to the financial statements
Year ended ended 31 March 2015

5. Finance income and finance costs

	Year ended 31 Mar 2015 €'000	Year ended 31 Mar 2014 €'000
Bank interest and similar income	3	12
Interest receivable from group companies	5,788	5,718
Total finance income: loans and receivables at amortised cost	5,791	5,730
Bonding and guarantee costs	(4,011)	(1,426)
Interest on loans from other group companies	(12,497)	(13,380)
Total finance costs: financial liabilities at amortised cost	(16,509)	(14,806)

6. Tax

Tax on profit on ordinary activities

Tax charged in the income statement:

	31 Mar 2015 €'000	*Restated 31 Mar 2014 €'000
Current tax: Current year	51	26
Deferred tax: Current year	3,623	6,270
	3,674	6,296

In the 2013 Finance Act it was enacted that the UK corporation tax rate would be reduced from 24% to 23% effective from 1 April 2013 with a further 2% reduction to 21% effective from 1 April 2014. The reduction to 21% was substantively enacted by the balance sheet date and as such has been reflected in the calculation of the deferred tax asset. The Government has introduced further reductions in the main corporation tax rate to 20% effective from 1 April 2015, which had also been enacted by the balance sheet date and as such has been reflected in these financial statements.

* –See note 24 for details regarding the change in accounting policy

6. Tax (continued)

Reconciliation of the total tax charge

The effective tax rate for the year was 21%. Factors affecting the tax charge/(credit) for the year, are as follows:

	Year ended 31 Mar 2015 €'000	*Restated Year ended 31 Mar 2014 €'000
Profit before tax	19,779	32,832
Profit before tax multiplied by the standard rate of corporation tax in the UK of 21% (2014: 23%)	4,153	7,550
Foreign taxes paid	51	27
Unrecognised temparary differences	1,303	1,611
Benefit of utilisation of previously unrecognised asset	(2,023)	(2,681)
Effect of change in tax rate on deferred tax asset	345	3,845
Adjustments in respect of prior periods	(156)	(4,056)
Tax charge	3,674	6,296

Deferred tax

The following are the major deferred tax assets recognised by the Company and movements thereon during the current period and prior year:

	Tax losses €'000
At 1 April 2013	35,085
Impact of change in Revenue Recognition policy	(274)
At 1 April 2013 - restated	34,811
Charge to income	(6,270)
Restated opening balance 31 March 2014	28,540
Charge to income	(3,623)
At 31 March 2015	24,918

The following is the analysis of the deferred tax balances recognised for financial reporting purposes:

	31 Mar 2015 €'000	*Restated 31 Mar 2014 €'000
Tax losses	24,918	28,540

* –See note 24 for details regarding the change in accounting policy

The directors have assessed that it is sufficiently probable that future taxable profits will arise in order to give recognition to a deferred tax asset of €24,918,000 at 31 March 2015 (2014: €28,540,000).

Opodo Limited

Notes to the financial statements
Year ended ended 31 March 2015

6. **Tax (continued)**

In addition, at the balance sheet date the Company has unrecognised deferred tax assets of €11.1 million (2014: €13.3 million) in respect of accelerated capital allowances and other timing differences arising in the United Kingdom that are available indefinitely for offset against future taxable profits.

In the Finance Act it was enacted that the UK corporation tax rate would be reduced from 21% to 20% effective from 1 April 2015, this has been taken into account in these financial statements. There were further changes announced but not yet enacted at the balance sheet date. The announcements include a reduction to 19% effective from 1 April 2017 and then a further reduction to 18% effective on 1 April 2020. The reduction to 20% was substantively enacted by the balance sheet date and as such has been reflected in the calculation of the deferred tax asset.

7. **Intangible assets**

	Finite life intangible assets		
	Software development €'000	Purchased software €'000	Total €'000
Cost			
At 31 March 2013	5,736	883	6,619
Additions: purchased separately	-	729	729
Additions: internal development	2,307	-	2,307
At 31 March 2014	8,043	1,612	9,655
Additions: purchased separately	-	908	908
Additions: internal development	2,337	-	2,337
Write off of assets	(933)	-	(933)
At 31 March 2015	9,446	2,519	11,966
Accumulated amortisation and impairment			
At 31 March 2013	3,387	869	4,256
Charge for the year	887	77	964
Impairment of software	89	-	89
At 31 March 2014	4,363	946	5,309
Charge for the period	1,334	485	1,819
Write off of assets	(569)	-	(569)
At 31 March 2015	5,129	1,431	6,560
Net Book Value			
At 31 March 2015	4,317	1,088	5,406
At 31 March 2014	3,680	666	4,346

Notes to the financial statements
Year ended ended 31 March 2015

8. Property, plant and equipment

	Computer Equipment €'000	Fixtures and Fittings €'000	Total €'000
Cost			
At 31 March 2013	935	709	1,644
Additions	636	12	648
At 31 March 2014	1,571	721	2,292
Additions	216	-	216
At 31 March 2015	1,786	721	2,508
Accumulated depreciation			
At 31 March 2013	611	668	1,279
Charge for the period	224	26	250
At 31 March 2014	835	693	1,529
Charge for the year	287	10	297
At 31 March 2015	1,123	703	1,825
Net Book Value			
At 31 March 2015	664	18	682
At 31 March 2014	736	28	764

Notes to the financial statements
Year ended ended 31 March 2015

9. Investments

Details of the Company's significant subsidiaries at 31 March 2015 are as follows:

Subsidiary	Percentage holding of share capital	Principal activity	Share Class	Country of incorporation
Opodo GmbH	100%	Marketing	Ordinary	Germany
Opodo SL	100%	Development	Ordinary	Spain
Go Voyages SAS (formerly LyEurope SAS)	100%	Travel services	Ordinary	France
eDreams Corporate Travel SRL	100%	Corporate travel	Ordinary	Italy
eDreams Business Travel SL	100%	Corporate travel	Ordinary	Spain
Online Travel Portal Ltd	100%	Travel services	Ordinary	UK
Opodo Brazil Investment AC	100%	Travel services	Ordinary	Brazil
GEO Travel Ventures SA	100%	Travel services	Ordinary	Spain
GEO Travel Pacific Pty Ltd	100%	Travel services	Ordinary	Australia

	Shares in subsidiary undertakings €'000	Other Investments €'000	Total Investments €'000
Cost			
At 31 March 2013	251,222	200	251,422
Additions	1,345	-	1,345
At 31 March 2014	252,567	200	252,767
Additions	59,758	-	59,758
At 31 March 2015	312,325	200	312,525
Provision for impairment			
At 31 March 2013	-	200	200
Charged in the year	-	-	-
At 31 March 2014	-	200	200
Charged in the year	-	-	-
At 31 March 2015	-	200	200
Net Book Value			
At 31 March 2015	312,325	-	312,325
At 31 March 2014	252,567	-	252,567

Notes to the financial statements
Year ended ended 31 March 2015

9. **Investments (continued)**

Other investments are represented by the company's holdings in IIPIR Software Developments S.L. which had been fully impaired in the prior year. Additional investments in the current year are represented by additional contributions to eDreams Corporate Travel SRL of €0.5m, eDreams Business Travel SL of €0.9m as well as the setup of two new entities being Opodo Brazil Investments AC of €15k and GEO Travel Ventures SA of €30k.

10. **Financial instruments**

Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders. The capital structure of the Company consists of cash and cash equivalents and equity attributable to equity holders of the parent company, comprising issued capital, reserves and retained earnings.

Categories of financial instruments

Financial Instruments	31 Mar 2015 €'000	*Restated 31 Mar 2014 €'000
Loans and receivables:		
Cash and cash equivalents	40,950	53,352
Restricted cash deposits	841	656
Trade and other receivables	139,550	120,416
	181.341	174,424
Assets not meeting the definition of a financial asset		
Trade and other receivables	3,576	7,924
Total current assets	184,917	182,347
Financial liabilities at amortised cost:		
Non-current liabilities		
Long-term payables	(161,930)	(167,275)
Current liabilities		
Trade and other payables	(161,290)	(148,700)
Current liabilities not meeting the defination of financial liabilities:		
Trade and other payables	(723)	(4,868)
Total current liabilities	(162,012)	(153,568)

* –See note 24 for details regarding the change in accounting policy

10. Financial instruments (continued)

Financial risk management objectives

The Company's finance department monitors and manages the financial risks relating to the operations of the Company through internal risk reports which analyse exposure by degree and magnitude of risks. These include market risk (including currency risk), credit risk, liquidity risk and cash flow interest rate risk.

The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

Market risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates.

Foreign currency risk management

The Company undertakes certain transactions denominated in foreign currencies. Hence exposures to exchange rate fluctuations arise. Foreign exchange exposure arises where the Company transacts in a currency different from its functional currency.

The carrying amount of the Company's monetary assets and liabilities at the reporting date, denominated in currency different to the functional currency of the entity is as follows:

	Assets		Liabilities	
	2015	**2014**	**2015**	**2014**
	€'000	**€'000**	**€'000**	**€'000**
Sterling	19,391	17,083	17,375	15,151
US Dollar	40	1,535	47	-
Swedish Kroner	-	-	4,627	4,756
Australian Dollar	148	-	-	-
Swiss Franc	397	-	-	-

The following table details the Company's sensitivity to a 10 per cent change in euro against the respective foreign currencies. Ten per cent represents management's assessment of the possible change in foreign exchange rates. The sensitivity analyses of the Company's exposure to foreign currency risk at the reporting date has been determined based on the change taking place at the beginning of the financial year and held constant throughout the reporting period. A positive number indicates an increase in profit or loss and where euro strengthens against the respective currency.

	31 Mar 2015	31 Mar 2014
	€'000	**€'000**
Impact on profit or loss	389	298

There would be no impact on equity arising from foreign exchange transaction exposures.

Interest rate risk management

Cash at bank earns interest at floating rates based on daily bank deposit rates. As a result, material fluctuations in the market interest rate can have an impact on the Company's financial results. The interest rate exposure is not hedged.

The sensitivity analyses below have been determined based on the exposure to interest rates at the reporting date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period. A one per cent change is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the possible change in interest rates.

Notes to the financial statements
Year ended ended 31 March 2015

10. Financial instruments (continued)

Interest rate risk management (continued)

At the reporting date, if interest rates had been 1% higher/lower and all other variables were held constant, the Company's profit would decrease/increase by €703,185 (2014: decrease/increase by €690,640). This is mainly attributable to the Company's exposure to interest rates on its cash balances and loans received/payable from/to group companies. There is no material impact upon equity arising from interest rate changes.

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company.

Financial assets that potentially subject the Company to a concentration of credit risk consist principally of trade receivables. The Company's trade receivables are derived from commissions due to it from business partners including airlines, car hire companies, travel insurance companies, hoteliers and hotel consolidators. The Company performs ongoing credit evaluations of its customers. An allowance for doubtful accounts is determined with respect to those amounts that the Company has determined to be doubtful from collection.

Credit risk associated with the Company's cash and cash equivalents and restricted cash deposits is managed by only placing funds on deposit with internationally recognised banks with suitable credit ratings or with the Company's parent company.

Except as detailed in the following table, the carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the Company's maximum exposure to credit risk:

Maximum credit risk:

	31 Mar 2015 €'000	*Restated 31 Mar 2014 €'000
Cash and cash equivalents	40,950	53,352
Restricted cash deposits	841	656
Other financial assets	8	10
Trade and other receivables	139,550	120,416

Activities that give rise to credit risk and the associated maximum exposure include, but are not limited to, lending to other group companies, making sales and extending credit terms to business partners and placing cash deposits with banks. In these cases, the maximum exposure to credit risk is the carrying amount of the related financial assets.

For cash resources, the Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Company only transacts with entities that are rated the equivalent to investment grade or above. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

Except for the loans to other OdigeO group Companies, the Company does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The Company defines counterparties as having similar characteristics if they are connected entities. The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings or other Group companies.

* –See note 24 for details regarding the change in accounting policy

Notes to the financial statements
Year ended ended 31 March 2015

10. Financial instruments (continued)

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has built an appropriate liquidity risk management framework for the management of the Company's short-, medium-, and long-term funding and liquidity management requirements. The Company manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The following table details the Company's remaining contractual maturity for its financial liabilities. The tables below have been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will accrue to those liabilities.

Contractual maturity:

	31 Mar 2015	
	Less than 1 year €'000	**1 - 5 years €'000**
Interest bearing borrowings	4,556	160,927
Non-interest bearing liabilities	162,012	-

	31 Mar 2014	
	Less than 1 year €'000	**1 - 5 years €'000**
Interest bearing borrowings	4,756	170,526
Non-interest bearing liabilities	153,568	-

Fair value:

	31 Mar 2015	
	Less than 1 year €'000	**1 - 5 years €'000**
Interest bearing borrowings	4,556	188,861
Non-interest bearing liabilities	162,012	-

	31 Mar 2014	
	Less than 1 year €'000	**1 - 5 years €'000**
Interest bearing borrowings	4,756	172,044
Non-interest bearing liabilities	153,568	-

10. Financial instruments (continued)

Fair value of financial instruments

The fair values of financial assets and financial liabilities are determined as follows:

- The fair value of non-derivative financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.

Cash and short-term deposits

	31 Mar 2015 €'000	31 Mar 2014 €'000
Cash at bank and in hand	40,950	53,352

Cash and cash equivalents (which are presented as a single class of assets on the face of the balance sheet) comprise cash at bank and short-term highly liquid deposits. Cash at bank earns interest at floating rates based on daily bank deposit rates. The fair value of cash and cash equivalents is the same as its carrying value.

For the purpose of the cash flow statement, cash and cash equivalents comprise the following:

	31 Mar 2015 €'000	31 Mar 2014 €'000
Cash at bank and in hand	40,950	53,352

Restricted cash deposits

Restricted cash deposits are in respect of rental deposits, cash deposits with trading partners and cash guarantees given by the Company to IATA and a number of local governmental agencies to ensure compliance with the accreditation terms for each of these organisations. The total of these guarantees and deposits is €275,080 (2014: €102,181). In the event that the Company ceased trading, the restricted cash deposits would not be returned to the Company, but would be utilised to cover any outstanding liabilities. The amount deposited is reviewed every year and is based on the Company's financial results.

€165,568 (2014: €150,104) has been placed on deposit in respect of operating rental lease agreements, and a further €400,000 (2014: €400,000) has been placed on deposit with one of the Company's major trade suppliers.

The restricted cash deposits are stated at cost which approximates fair value.

Committed facilities

As at 31 March 2015 the Company had no committed facilities available to it (2014: €nil).

Notes to the financial statements
Year ended ended 31 March 2015

11. Financial assets

Entity	Date of Repayment	Currency	31 Mar 2015	31 Mar 2014
			€'000	€'000
Go Voyages SAS	27-Oct-26	Euro	-	45,000
Axa Europe SAS	27-Oct-26	Euro	152	152
LuxGoal SAS	27-Oct-26	Euro	186	186
Vacaciones eDreams SLU	31-Aug-18	Euro	55,000	-
Odigeo Group employees	27-Oct-26	Euro	1,122	1,163
less: Impairment			(1,456)	(1,456)
			55,003	45,044
Capitalised finance costs			761	949
			55,763	45,993

All of the above loans bore interest at 4% per annum and interest was repayable on repayment of the loan. The directors calculated the fair value of this financial asset by discounting the expected future cash flows, which were deemed to be representative of similar financial assets in the current market conditions. The calculated fair value approximates the carrying value of the asset. The Axe Europe SAS, LuxGoal SAS and Odigeo Group employees loans have been fully impaired. This impairment was in line with the clause in the loan agreement with the respective holders of the loans stating that should the value of the options be less than the expected share value to be realised upon an exit then the holders of the loans will only be expected to pay back the value of the share to be realised. Leading up to the Group IPO, it became evident that the share price that would be achieved was significantly lower that the option values, an impairment was thus raised against these loans.

12. Trade and other receivables

	31 Mar 2015	* Restated 31 Mar 2014	* Restated 31 Mar 2013
	€'000	€'000	€'000
Trade receivables	3,683	9,935	4,852
Allowance for doubtful debts	(61)	(238)	(2,185)
	3,623	9,697	2,667
Amounts due from other Odigeo group companies	131,824	110,719	123,633
VAT and other tax receivable	724	491	517
Prepayments and accrued income	6,899	7,428	8,678
Other receivables	56	5	12
	143,126	128,340	135,507

The average credit period granted on receivables for revenues is 60 days (2014: 60 days), no interest is charged on the receivables outstanding. The Company has provided for trade receivables based on estimated irrecoverable amounts, determined by reference to past default experience.

Notes to the financial statements
Year ended ended 31 March 2015

12. Trade and other receivables (continued)

Included in the Company's trade receivables are debtors with a carrying value of €1,313,593 (2014: €828,013) which are past due at the reporting date for which the Company has not provided as there has not been a significant change in credit quality and the amounts are still considered recoverable. The Company does not hold any collateral over these balances. The average age of these receivables is 110 days (2014: 85 days).

	31 Mar 2015	31 Mar 2014
	€'000	€'000
Ageing of past due but not impaired receivables:		
60-90 days	225	133
90-180 days	1,089	695
	1,314	828

	31 Mar 2015	31 Mar 2014
	€'000	€'000
Movement in the allowance for doubtful debts:		
Balance at beginning of period	238	2,185
Decrease in provision	(178)	(1,947)
Balance at the end of the period	61	238

In determining the recoverability of a trade receivable the Company considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date. During the current year the provision for impairment has decreased as a result of the writing off of certain historic provisions against the specific debtors to which they relate. The concentration of credit risk is limited due to the customer base being large and unrelated. Accordingly, the directors believe there is no further credit provision required in excess of the allowance for doubtful debts. Other receivables have also been assessed in terms of creditworthiness and are considered to be recoverable. No allowance for doubtful debts has been made on these balances.

The fair value of trade receivables is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments. The directors consider that the carrying amount of trade and other receivables approximates their fair value.

Notes to the financial statements
Year ended ended 31 March 2015

13. Trade and other payables

	31 Mar 2015 €'000	*Restated 31 Mar 2014 €'000
Trade payables	75,475	78,838
Employee related accruals	162	615
Other taxes and social security cost payable	227	120
Amounts owed to OdigeO group companies	69,955	51,668
Accruals and deferred income	11,173	15,990
Other payables	474	3,415
	157,467	150,646
Financial liabilities due to OdigeO group companies	2,031	1,973
Other financial liabilities	2,514	949
	162,012	153,568

* –See note 24 for details regarding the change in accounting policy

Trade creditors and accruals principally comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 30 days (2014: 30 days). For most suppliers no interest is charged on the trade payables for the first 30 days from the date of the invoice.

Thereafter, interest is charged on the outstanding balances at various interest rates. The Company has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

14. Financial loans

	31 Mar 2015 €'000	31 Mar 2014 €'000
Non-current liabilities		
Interest bearing loans with Group company	(160,927)	(170,526)
Capitalised finance costs	2,504	3,251
Other	(3,507)	-
	(161,930)	(167,275)
Current liabilities		
Amounts due to OdigeO group companies	(4,556)	(4,756)

Notes to the financial statements
Year ended ended 31 March 2015

14. Financial loans (continued)

The non-current interest bearing loans with Group companies comprise two separate tranches of €16.4 million and €6.1 million respectively and a second loan of €138.4 million which has arisen principally in relation to the refinancing transaction (see note 21). Both of the tranches mentioned above bear interest at the rate of Euribor plus 4% and have a fixed date of repayment of 31 March 2018. The second loan of €138.4 million, mentioned above, bears interest at an effective rate of 7.77% per annum and is repayable in full on 1 August 2018.

The current interest bearing loan with Group companies is made up of a single loan of SEK 42.5 million which accrues interest at 1 month STIBOR plus 2.5%.

The fair value of long-term payables is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments. The directors have assessed the fair value of long-term payables to be:

	31 Mar 2015	31 Mar 2014
	€'000	€'000
Interest bearing loans with Group company	(188,861)	(172,044)

15. Operating lease arrangements

The Company had total commitments under non-cancellable operating leases as set out below:

	Land and buildings	
	2015	2014
	€'000	€'000
Company		
Operating leases:		
Within one year	423	374
In two to five years	526	834
	949	1,208

	2015	2014
	€'000	€'000
Minimum lease payments under operating leases charged to the income statement for the year	626	546

Operating lease payments represent rentals payable by the Company for certain of its office properties. Other than as set out above, leases are negotiated for an average term of five years and rentals are fixed for an average of three years. The above figures include the lease payments associated with the Leicester office. This office was closed in November 2014. The company has been unable to find a compromise with the landlord and has therefore accounted for an onerous lease with a total outstanding value of €177,125 at 31 March 2015. This provision is included in Accruals and deferred income. This onerous lease accrual represents discounted future lease payments associated with the lease which expires in July 2017. The discount rate applied is the weighted average cost of capital for the Group.

Onerous lease movements for the year:

	€'000
Opening balance at 1 April 2014	-
Provision booked during the year	177
Closing balance 31 March 2015	177

Notes to the financial statements
Year ended ended 31 March 2015

16. Retirement benefit schemes

The Company participates in a defined contribution group scheme. The assets of the scheme are held separately from those of the Company in independently administered funds.

The total cost charged to income of €102,251 (2014: €81,164) represents contributions payable to the scheme by the Company at rates specified in the rules of the plans. As at 31 March 2015, outstanding contributions amounting to €7,363 (2014: €7,313) were due to the scheme as these contributions are settled monthly in arrears.

17. Share capital

	31 Mar 2015	31 Mar 2014
	€	€
Authorised:		
3,030,000,000 ordinary shares of €0.1 each	303,000,000	303,000,000
30,000,000 redeemable convertible shares of €1 each	30,000,000	30,000,000
	333,000,000	333,000,000
Issued and fully paid:		
At 31 March 2014: 1,655,781,613 ordinary shares of €0.1 each		165,578,161
Shares issued during the year: 504,403,140 ordinary shares of €0.1 each		50,440,314
At 31 March 2015: 2,160,184,753 ordinary shares of €0.1 each		216,018,475

Share premium account

	€'000
Balance at 1 April 2013	88,846
Utilised in share capital redemption during the period	(88,846)
At 31 March 2014 and 31 March 2015	-

The share premium account is used to record the excess of the consideration received by the Company on issue of shares in excess of their par value. The share premium account may only be used in certain specific circumstances. The entire share premium was utilised during the prior year as part of an equity restructure.

18. Share-based payment reserve

	31 Mar 2015	31 Mar 2014
	€'000	€'000
Vested share options	52	43

Details regarding the respective plans can be found in note 4.

19. Retained profits

Balance at 1 April 2013	(202,610)
Change in revenue recognition - prior year opening balance (see note24)	1,031
Restated balance 1 April 2013	(201,579)
Losses applied to reduction in share capital	198,381
Net profit for the period	26,536
Balance at 31 March 2014	23,338
Net profit for the year	16,105
Balance at 31 March 2015	39,443

20. Commitments and contingencies

As required by industry regulators including IATA, the Company has trade bonds in place which are designed to protect consumers and airlines (IATA) in the event that an agent ceases trading. In the event that the Company ceased trading, the restricted cash deposits would not be returned to the Company, but would be utilised to cover any outstanding liabilities.

The level of bonding required is determined on an annual basis by the regulators with reference to historical and expected future trading.

At 31 March 2015, in order to maintain the Company's various travel agency licences the Company had bank guarantees in place to travel agency regulators in the total amount of €32,735,037 (2014: €32,115,837).

21. Related party transactions

Below is a summary of balances and transactions with related parties.

(a) Trading transactions – LuxGEO S.à r.l.

The Company was charged €12.0 million (2014: €12.3 million) for the year ended 31 March 2015 by LuxGEO S.à r.l. for charges in relation to intercompany trading and interest due on the loan mentioned in note 21(b). The Company received €22.0 million (2014: €19.5 million); the majority of this income was due to the Global Distribution Systems agreement signed by the Company's parent company in the prior period. As at 31 March 2015, the total amount outstanding in respect of these transactions due from LuxGEO was €10.0 million (2014: €7.2 million).

(b) Loans and advances – LuxGEO S.à r.l.

The change in the Group debt structure gave rise to considerable flows between the Company and its parent company; these movements are what form the basis for the outstanding amount, due to LuxGEO as at 31 March 2015 of €138.4 million (2014: €144.5 million).

(c) Loans and advances – fellow Group companies

As at 31 March 2015 the Company had outstanding loans due to fellow group companies as follows:

Entity	Date of Repayment	Currency	31 Mar 2015	31 Mar 2014
			€'000	€'000
Opodo SAS	31-Mar-15	Euro	-	26,034
GoVoyages SAS	31-Mar-18	Euro	22,535	-
Travellink AB	31-Mar-18	SEK	42,500	42,500
LuxGEO Sarl	01-Aug-18	Euro	138,393	144,493

21. Related party transactions (continued)

As at 31 March 2014 the Company had outstanding loans due from fellow group companies and employees as follows:

Entity	Date of Repayment	Currency	31 Mar 2015	31 Mar 2014
			€'000	€'000
Axa Europe SAS	27-Oct-26	Euro	152	152
LuxGoal SAS	27-Oct-26	Euro	186	186
Odigeo Group employees	27-Oct-26	Euro	1,122	1,163
Go Voyages SAS	27-Oct-26	Euro	-	45,000
Vacaciones eDreams SLU	31-Aug-18	Euro	55,000	-
			56,459	46,500

These advances are interest bearing and have a fixed date of repayment as indicated above. There are no other loans receivable or payable, or advances with fellow group companies as at the balance sheet date.

(d) Trading transactions – fellow Group companies

Further agreements existed with fellow Group companies which incorporated the reinvoicing of personnel costs in relation to the hosting of call centre services on behalf of the Company and the recharge of management fees in relation to various services performed on behalf of fellow Group companies, as well as royalty fee arrangements for the use of the Opodo brand.

The Company was charged €36.5 million (2014: €42.1 million) and received €36.1 million (2014: €50.0 million) for the year ended 31 March 2015 by fellow Group companies in relation to this intercompany trading.

As at 31 March 2015 the total amount outstanding due to fellow Group companies in respect of trading transactions was €11.7 million (2014: €11.8 million) and the amount receivable from fellow Group companies in respect of trading transactions was €72. million (2014: €86.0 million).

(e) Directors and key management compensation

Directors' remuneration is set out in Note 4.

The remuneration earned by key management of the Company during the year ended 31 March 2015 and the year ended 31 March 2014 was as follows:

	1 Apr 2014 to 31 Mar 2015 €'000	1 Apr 2013 to 31 Mar 2014 €'000
Cash compensation	155	154
Compensation in kind	8	1
Contributions to Pension Plan and collective Life Insurance Policies	-	-
Total	162	155

Not all key management are on the payroll of the company and are remunerated by fellow group companies. It is impracticable to have these costs split and recharged to the company.

Opodo Limited

Notes to the financial statements
Year ended ended 31 March 2015

22. Ultimate parent company and controlling entity

The Company's immediate parent company and controlling entity is LuxGEO S.àr.l. , a company incorporated in Luxembourg.

The main holding company of LuxGEO S.à r.l. and its parent GeoTravel Finance SCA. is LuxGEO Parent S.àr.l., LuxGEO Parent is the entity which is listed on the Spanish Stock Exchanges.

23. Significant Events

Initiation of the initial public offering ("IPO") of eDreams ODIGEO

As of March 18, 2014 the Board of Directórs of eDreamsODIGEO, the Company's ultimate parent, approved starting the process of the admission to trading process for the eDreams ODIGEO shares on the Madrid, Barcelona, Bilbao and Valencia stock exchanges (the "Spanish Stock Exchanges") for the quotation on the Automated Quotation System ("AQS") of the Spanish Stock Exchanges.

On April 8, 2014, eDreams ODIGEO completed its IPO on the Spanish Stock Exchange at a price of €10.25 per share. The over-allotment option to purchase additional offer shares was exercised at the level of 3,370,690 shares.

The highlights of the offering were:

- 4,878,049 new shares to be issued by eDreams ODIGEO, raising gross proceeds of approximately €50 million.
- 31,829,264 existing shares sold by certain of eDreams ODIGEO's shareholders, including Luxgoal 3 S.à r.l., and Luxgoal 2 S.à r.l., investment vehicles controlled by the Permira funds; certain funds managed by Ardian France S.A. and its affiliates ("Ardian"); certain Ardian co-investors (the foregoing, the "Principal Selling Shareholders"); as well as certain senior and other management of eDreams ODIGEO (together, the "Selling Shareholders"); the Selling Shareholders are each selling only a portion of their shares in the Company, and eDreams ODIGEO will not receive any of the proceeds from the sale of shares by the Selling Shareholders.
- There was an over-allotment option to purchase additional offer shares of up to 5,506,097 shares, exercisable in whole or in part within 30 calendar days from the date the offer shares commence trading on the Spanish Stock Exchanges.

Additional shares issued

As part of a restructuring within the Group the Company issued a significant number of shares to its existing holding company. 504,403,140 shares were issued at par for a value of €50,440,314.

Closure of the Leicester call centre

In November 2014 the Company closed its Leicester call centre. This resulted in a reduction in employees of the Company by 55 at a cost of €0.6 million. These services have now been outsourced. The decision to outsource these services has been made based on the projected cost savings to be derived in future years.

Notes to the financial statements
Year ended ended 31 March 2015

24. Change in accounting policy

The Company changed the accounting policy of Revenue Recognition for some products (Hotels, Cars and Dynamic packages). This change will result in the financial statements providing reliable and more relevant information about the effects of transactions, other events or conditions on the entity's financial position, financial performance or cash flows.

Before the change in accounting principle, the Company recognized revenue for these products on a departure date basis. Currently, the Company recognizes revenue from our services regarding hotel stays on a net basis when the performance obligations to customers are completed, as indicated below:

	Measure	Completion of performance obligations	Revenue Recognition
Intermediation service	Base commission	For services that cannot be cancelled, when there is evidence that the booking has been registered by the supplier and the customer receives the booking confirmation	Date of booking confirmation
		For services that can be cancelled, as a reliable estimate of future cancellations/modifications can be made: when the booking confirmation has been received.	Date of booking confirmation. A provision for cancellation is recognized based on historical cancellation statistics.
	Over-commission	When the customer uses the booking, using an estimation of the target of over-commission that will be achieved.	During the year, estimation of settlement according to contract
Bookings' modification or cancellation management	Processing fee	When the cancellation/modification is completed	Date when the modification or cancellation is confirmed

Opodo Limited

Notes to the financial statements
Year ended ended 31 March 2015

24. Change in accounting policy (continued)

As required in paragraphs 19 and 22 of the IAS 8, the Company applied this change in accounting principle retrospectively, adjusting the comparative amounts as if the new accounting policy had always been applied. Please see below the impact of the change in revenue recognition:

	Restated 31 Mar 2014 €'000	31 Mar 2014 €'000	Impact €'000
Revenue	141,218	140,608	610
Gross profit	131,431	130,821	610
Operating profit	41.908	41,298	610
Profit before tax	32,832	32,222	610
Taxation	(6,296)	(6,168)	(128)
Net profit	26,536	26,054	482

Impact on statement of financial position:

The below figures include both the opening balance impact for the prior financial year as well as the in for the prior financial year:

	Restated 31 Mar 2014 €'000	31 Mar 2014 €'000	Impact €'000
Deferred taxation	28,540	28,943	(403)
Non current assets	332,210	332,613	(403)
Trade and other receivables	128,340	126,425	1,915
Current Assets	182,348	180,432	1,915
Total assets	514,558	513,045	1,513
Net current assets	24,024	22,108	1,915
Retained profits	23,338	21,825	1,513
Total equity	188,959	187,446	1,513

Impact on prior year opening balance of the statement of financial position:

	Restated 1 April 2013 €'000	31 Mar 2013 €'000	Impact €'000
Deferred taxation	34,811	35,085	(274)
Non current assets	291,383	291,657	(274)
Trade and other receivables	135,507	134,202	1,305
Current Assets	177,214	175,909	1,305
Total assets	468,597	467,566	1,031
Net current assets	37,731	36,425	1,305
Retained profits	(201,579)	(202,610)	1,031
Total equity	162,433	161,402	1,031

Opodo Limited

Notes to the financial statements
Year ended ended 31 March 2015

25. Subsequent events

At the date of signing these financial statements there were no subsequent events to note.