

Company Registration No. 06326585 (England and Wales)

JAC GROUP (HOLDINGS) LIMITED
ANNUAL REPORT
FOR THE YEAR ENDED 31 OCTOBER 2014



JAC GROUP (HOLDINGS) LIMITED

COMPANY INFORMATION

| | | |
|----------------------------|--|--|
| Directors | M Bodini I Limond A Skelly | (Appointed 8 August 2014) (Appointed 8 August 2014) |
| Company number | 06326585 | |
| Registered office | 30 City Road London EC1Y 2AB | |
| Registered auditors | Arram Berlyn Gardner LLP 30 City Road London EC1Y 2AB | |
| Business address | 62-64 Chancellors Road, London W6 9RS | |

JAC GROUP (HOLDINGS) LIMITED

CONTENTS

| | Page |
|---|-------------|
| Strategic report | 1 |
| Directors' report | 2 - 3 |
| Independent auditors' report | 4 - 5 |
| Consolidated profit and loss account | 6 |
| Balance sheets | 7 |
| Consolidated cash flow statement | 8 |
| Notes to the consolidated cash flow statement | 9 |
| Notes to the financial statements | 10 - 21 |

JAC GROUP (HOLDINGS) LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 OCTOBER 2014

The directors present their annual report and financial statements of the group for the year ended 31 October 2014.

Review of the business

Trading

The Group continued to expand during the year through ongoing investment and development of our IT system, increasing the volume and variety of our product offering and entering new markets. These initiatives delivered an increase in turnover of 11.1%.

Outlook

Performance for the first four months trading of the current financial year has been broadly in line with expectations and continues to be ahead of last year. As at 1 March 2015 our booking intake (turnover) was up on the previous year with gross margins achieved broadly in line with expectations. The combination of our management team's long industry experience, our strategic initiatives and the current level of trading underpins our confidence in our prospects for the current year.

Principal risks and uncertainties

The group and company's principal financial instruments comprise intergroup loans and cash in liquid resources and various items such as trade creditors and trade debtors that arise directly from its operations. The main purpose of these instruments is to raise funds for the group's operations.

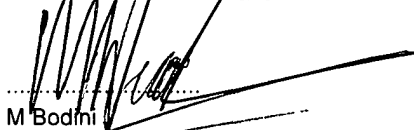
The main risks arising from the Group and Company's financial instruments are liquidity. The company finances its operations through its sales. Liquidity risk is managed by maintaining a balance between trade debtors and trade creditors.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits. Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet the amounts due.

The key financial highlights are as follows:

| | 2014 | 2013 |
|------------------|-------------|-------------|
| | £ | £ |
| Turnover | 165,722,248 | 150,181,367 |
| Gross profit | 19,575,271 | 19,213,379 |
| Operating profit | 7,274,813 | 7,376,747 |

On behalf of the board


.....
M Bodini
Director
16/03/2015

JAC GROUP (HOLDINGS) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 OCTOBER 2014

The directors present their annual report and financial statements of the group for the year ended 31 October 2014.

Principal activities and review of the business

The principal activity of the company is that of a holding company.

The principal activity of the group continued to be that of a specialist provider of travel services.

Dividends

The directors do not recommend the payment of a dividend (2013: £nil).

Directors

The following directors have held office since 1 November 2013:

| | |
|--------------|---------------------------|
| M Bodini | |
| M Salter | (Resigned 30 July 2014) |
| S Murray | (Resigned 31 July 2014) |
| I Limond | (Appointed 8 August 2014) |
| T Williamson | (Resigned 31 July 2014) |
| A Skelly | (Appointed 8 August 2014) |
| M Mayhew | (Resigned 31 July 2014) |
| D Torbet | (Resigned 30 July 2014) |

Auditors

On 1 July 2014 Arram Berlyn Gardner was incorporated as Arram Berlyn Gardner LLP. Arram Berlyn Gardner LLP are deemed to be appointed as auditors and will be proposed for reappointment at the forthcoming Annual General Meeting.

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

JAC GROUP (HOLDINGS) LIMITED

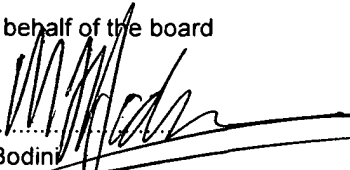
DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2014

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the group's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the group's auditors are aware of that information.

On behalf of the board


.....
M Bodini
~~Director~~
16103115.....

JAC GROUP (HOLDINGS) LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF JAC GROUP (HOLDINGS) LIMITED

We have audited the group and parent company financial statements (the "financial statements") of JAC Group (Holdings) Limited for the year ended 31 October 2014 set out on pages 6 to 21. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 2 - 3, 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 group's and the parent 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 acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

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

Opinion on other matter prescribed by the Companies Act 2006

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

JAC GROUP (HOLDINGS) LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF JAC GROUP (HOLDINGS) LIMITED

Matters on which we are required to report by exception

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

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

Arram Berlyn Gardner LLP

Julie Piper (Senior Statutory Auditor)
for and on behalf of Arram Berlyn Gardner LLP

19 March 2015
.....

Chartered Accountants
Statutory Auditor

30 City Road
London
EC1Y 2AB

JAC GROUP (HOLDINGS) LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 OCTOBER 2014

| | Notes | 2014 £ | 2013 £ |
|---|-------|---------------|---------------|
| Turnover | 2 | 165,722,248 | 150,181,367 |
| Cost of sales | | (146,146,977) | (130,967,988) |
| Gross profit | | 19,575,271 | 19,213,379 |
| Administrative expenses | | (12,604,432) | (11,836,632) |
| Other operating income | | 303,974 | - |
| Operating profit | 3 | 7,274,813 | 7,376,747 |
| Other interest receivable and similar income | 4 | 2,766 | 489 |
| Interest payable and similar charges | 5 | (2,339,204) | (2,721,846) |
| Profit on ordinary activities before taxation | | 4,938,375 | 4,655,390 |
| Tax on profit on ordinary activities | 6 | (1,413,541) | (1,540,129) |
| Profit on ordinary activities after taxation | 16 | 3,524,834 | 3,115,261 |

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

JAC GROUP (HOLDINGS) LIMITED

BALANCE SHEETS

AS AT 31 OCTOBER 2014

| | Notes | Group 2014 £ | 2013 £ | Company 2014 £ | 2013 £ |
|--|-------|--------------------|--------------------|----------------------|---------------------|
| Fixed assets | | | | | |
| Intangible assets | 8 | 20,868,259 | 22,478,898 | - | - |
| Tangible assets | 9 | 1,198,506 | 1,236,464 | - | - |
| Investments | 10 | - | - | 34,652,052 | 34,652,052 |
| | | <u>22,066,765</u> | <u>23,715,362</u> | <u>34,652,052</u> | <u>34,652,052</u> |
| Current assets | | | | | |
| Debtors | 11 | 27,286,614 | 16,772,696 | 1,586,937 | 1,081,199 |
| Cash at bank and in hand | | 11,782,295 | 19,254,870 | 1,568 | - |
| | | <u>39,068,909</u> | <u>36,027,566</u> | <u>1,588,505</u> | <u>1,081,199</u> |
| Creditors: amounts falling due within one year | 12 | (37,116,206) | (39,271,378) | (28,013,715) | (25,166,962) |
| Net current assets/(liabilities) | | <u>1,952,703</u> | <u>(3,243,812)</u> | <u>(26,425,210)</u> | <u>(24,085,763)</u> |
| Total assets less current liabilities | | <u>24,019,468</u> | <u>20,471,550</u> | <u>8,226,842</u> | <u>10,566,289</u> |
| Creditors: amounts falling due after more than one year | 13 | (22,004,119) | (21,981,035) | (21,953,808) | (21,930,724) |
| | | <u>2,015,349</u> | <u>(1,509,485)</u> | <u>(13,726,966)</u> | <u>(11,364,435)</u> |
| Capital and reserves | | | | | |
| Called up share capital | 15 | 13,158 | 13,158 | 13,158 | 13,158 |
| Share premium account | 16 | 872,775 | 872,775 | 872,775 | 872,775 |
| Profit and loss account | 16 | 1,129,416 | (2,395,418) | (14,612,899) | (12,250,368) |
| Shareholders' funds/(deficit) | 17 | <u>2,015,349</u> | <u>(1,509,485)</u> | <u>(13,726,966)</u> | <u>(11,364,435)</u> |

Approved by the Board and authorised for issue on 16/03/15.....

M Bodini
Director

Company Registration No. 06326585

JAC GROUP (HOLDINGS) LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 OCTOBER 2014

| | £ | 2014 £ | £ | 2013 £ |
|---|-------------|-------------|-------------|-------------|
| Net cash inflow from operating activities | | 6,656,999 | | 10,354,714 |
| Returns on investments and servicing of finance | | | | |
| Interest received | 2,766 | | 489 | |
| Interest paid | (70,334) | | (75,042) | |
| | | | | |
| Net cash outflow for returns on investments and servicing of finance | | (67,568) | | (74,553) |
| Taxation | | (1,544,013) | | (455,101) |
| Capital expenditure | | | | |
| Payments to acquire tangible assets | (621,043) | | (670,743) | |
| | | | | |
| Net cash outflow for capital expenditure | | (621,043) | | (670,743) |
| | | | | |
| Net cash inflow before management of liquid resources and financing | | 4,424,375 | | 9,154,317 |
| Financing | | | | |
| Repurchase of shareholder debenture loan | (2,269,545) | | (5,820,077) | |
| | | | | |
| Net cash inflow/(outflow) from financing | | (2,269,545) | | (5,820,077) |
| | | | | |
| Increase in cash in the year | | 2,154,830 | | 3,334,240 |

JAC GROUP (HOLDINGS) LIMITED

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 OCTOBER 2014

| | | | | | |
|---|---|--|--|--------------|-------------|
| 1 | Reconciliation of operating profit to net cash inflow from operating activities | | | 2014 | 2013 |
| | | | | £ | £ |
| | Operating profit | | | 7,274,813 | 7,376,747 |
| | Depreciation of tangible assets | | | 659,001 | 598,823 |
| | Amortisation of intangible assets | | | 1,610,639 | 1,606,932 |
| | Increase in debtors | | | (10,513,918) | (5,148,627) |
| | Increase in creditors within one year | | | 7,626,464 | 5,920,839 |
| | Net cash inflow from operating activities | | | 6,656,999 | 10,354,714 |

| | | | | | |
|---|----------------------------------|-----------------|-------------|------------------------|-----------------|
| 2 | Analysis of net debt | 1 November 2013 | Cash flow | Other non-cash changes | 31 October 2014 |
| | | £ | £ | £ | £ |
| | Net cash: | | | | |
| | Cash at bank and in hand | 19,254,870 | (7,472,575) | - | 11,782,295 |
| | Bank overdrafts | (9,627,405) | 9,627,405 | - | - |
| | | 9,627,465 | 2,154,830 | - | 11,782,295 |
| | Liquid resources: | | | | |
| | Debts falling due after one year | (21,981,035) | 2,269,545 | (2,292,629) | (22,004,119) |
| | Net debt | (12,353,570) | 4,424,375 | (2,292,629) | (10,221,824) |

| | | | | |
|---|---|--|--------------|--------------|
| 3 | Reconciliation of net cash flow to movement in net debt | | 2014 | 2013 |
| | | | £ | £ |
| | Increase in cash in the year | | 2,154,830 | 3,334,240 |
| | Cash outflow from decrease in debt | | 2,269,633 | 5,820,078 |
| | Other | | (2,292,717) | (7,242,958) |
| | Movement in net debt in the year | | 2,131,746 | 1,911,360 |
| | Opening net debt | | (12,353,570) | (14,264,930) |
| | Closing net debt | | (10,221,824) | (12,353,570) |

JAC GROUP (HOLDINGS) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2014

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Basis of consolidation

The consolidated profit and loss account and balance sheet include the financial statements of the company and its subsidiary undertakings made up to 31 October 2014. The results of subsidiaries sold or acquired are included in the profit and loss account up to, or from the date control passes. Intra-group sales and profits are eliminated fully on consolidation.

1.4 Turnover

Turnover represents the total amounts receivable by the group in the ordinary course of business for services provided net of VAT. Income is recognised on the basis of travel dates.

1.5 Goodwill

Acquired goodwill is written off in equal annual instalments over 20 years, its estimated useful economic life.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

| | |
|--------------------------------|--|
| Fixtures, fittings & equipment | 30% to 33 1/3% per annum straight line |
|--------------------------------|--|

1.7 Leasing

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

1.8 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.9 Pensions

The Group operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.10 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes with the following exceptions:

Deferred tax assets are recognised only when considered significant and to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

The deferred tax balance has not been discounted.

JAC GROUP (HOLDINGS) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2014

1 Accounting policies (Continued)

1.11 Foreign currency translation

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

2 Turnover

The total turnover of the group for the year has been derived from its principal activity.

Segmental analysis by geographical area

The analysis by geographical area of the group's turnover is set out as below:

| | 2014 £ | 2013 £ |
|-----------------------------|--------------------|--------------------|
| Geographical segment | | |
| United Kingdom | 25,356,959 | 22,604,539 |
| Europe, Worldwide | 140,365,289 | 127,576,828 |
| | <u>165,722,248</u> | <u>150,181,367</u> |

3 Operating profit

| | 2014 £ | 2013 £ |
|--|-----------|-----------|
|--|-----------|-----------|

Operating profit is stated after charging:

| | | |
|--|-----------|-----------|
| Amortisation of intangible assets | 1,610,639 | 1,606,932 |
| Depreciation of tangible assets | 659,001 | 598,823 |
| Operating lease rentals | 327,483 | 335,345 |
| Auditors' remuneration (company £5,000; 2013 £5,000) | 42,000 | 42,000 |
| | <u></u> | <u></u> |

4 Investment income

| | 2014 £ | 2013 £ |
|--|-----------|-----------|
|--|-----------|-----------|

| | | |
|---------------|--------------|------------|
| Bank interest | 2,766 | 489 |
| | <u>2,766</u> | <u>489</u> |

JAC GROUP (HOLDINGS) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2014

| | | | |
|----------|---|------------------|------------------|
| 5 | Interest payable | 2014 | 2013 |
| | | £ | £ |
| | On bank loans and overdrafts | 70,334 | 75,042 |
| | Shareholder Debenture Loan Interest | 2,268,870 | 2,646,804 |
| | | <u>2,339,204</u> | <u>2,721,846</u> |
| 6 | Taxation | 2014 | 2013 |
| | | £ | £ |
| | Domestic current year tax | | |
| | U.K. corporation tax | 1,443,947 | 952,898 |
| | Adjustment for prior years | (30,406) | 587,231 |
| | Total current tax | <u>1,413,541</u> | <u>1,540,129</u> |
| | Factors affecting the tax charge for the year | | |
| | Profit on ordinary activities before taxation | <u>4,938,375</u> | <u>4,655,390</u> |
| | Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 21.83% (2013 - 23.41%) | <u>1,078,047</u> | <u>1,089,827</u> |
| | Effects of: | | |
| | Non deductible expenses | 20,336 | 6,087 |
| | Depreciation add back | 494,635 | 516,367 |
| | Capital allowances | (153,171) | (125,196) |
| | Prior year interest adjustment | 9,169 | (534,422) |
| | Adjustments to previous periods | (30,406) | 587,231 |
| | Other tax adjustments | (5,069) | 235 |
| | | <u>335,494</u> | <u>450,302</u> |
| | Current tax charge for the year | <u>1,413,541</u> | <u>1,540,129</u> |

The group has tax losses arising in the UK of £113,055 (2013: £113,055) that are available indefinitely for offset against future taxable profits of those companies in which the losses arose. A deferred tax asset on these and fixed asset timing differences in respect of depreciation in excess of capital allowances of £73,489 (2013: £88,685) has not been recognised on the grounds of materiality.

JAC GROUP (HOLDINGS) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2014

7 Loss for the financial year

As permitted by section 408 Companies Act 2006, the holding company's profit and loss account has not been included in these financial statements. The loss for the financial year is as follows:

| | 2014 £ | 2013 £ |
|---|-------------|-------------|
| Holding company's loss for the financial year | (2,362,531) | (2,751,735) |

8 Intangible fixed assets Group

| | Goodwill £ |
|---|---------------|
| Cost | |
| At 1 November 2013 & at 31 October 2014 | 32,669,358 |
| Amortisation | |
| At 1 November 2013 | 10,190,460 |
| Charge for the year | 1,610,639 |
| At 31 October 2014 | 11,801,099 |
| Net book value | |
| At 31 October 2014 | 20,868,259 |
| At 31 October 2013 | 22,478,898 |

JAC GROUP (HOLDINGS) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2014

9 Tangible fixed assets

Group

| | Fixtures, fittings & equipment £ |
|-----------------------|---|
| Cost | |
| At 1 November 2013 | 3,907,288 |
| Additions | 621,043 |
| At 31 October 2014 | 4,528,331 |
| Depreciation | |
| At 1 November 2013 | 2,670,824 |
| Charge for the year | 659,001 |
| At 31 October 2014 | 3,329,825 |
| Net book value | |
| At 31 October 2014 | 1,198,506 |
| At 31 October 2013 | 1,236,464 |

JAC GROUP (HOLDINGS) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2014

10 Fixed asset investments Company

| | Shares in group undertakings £ |
|---|---|
| Cost | |
| At 1 November 2013 & at 31 October 2014 | 34,652,052 |
| Net book value | |
| At 31 October 2014 | 34,652,052 |
| At 31 October 2013 | 34,652,052 |

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

| Company | Country of registration or incorporation | Shares held | |
|--------------------------------|---|-------------|--------|
| | | Class | % |
| Subsidiary undertakings | | | |
| JAC Group of Companies Limited | England and Wales | Ordinary | 100.00 |
| JAC Travel Limited | England and Wales | Ordinary | 100.00 |
| JAC Travel Scotland Limited | England and Wales | Ordinary | 100.00 |
| JAC Transport Limited | England and Wales | Ordinary | 100.00 |
| JACOB Online Limited | England and Wales | Ordinary | 100.00 |

The principal activity of these undertakings for the last relevant financial year was as follows:

| | Principal activity |
|--------------------------------|----------------------------|
| JAC Group of Companies Limited | Dormant holding company |
| JAC Travel Limited | Specialist travel provider |
| JAC Travel Scotland Limited | Dormant company |
| JAC Transport Limited | Dormant company |
| JACOB Online Limited | Dormant company |

JAC Transport Limited, JACOB Online Limited and JAC Travel Scotland Limited are held indirectly.

JAC GROUP (HOLDINGS) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2014

11 Debtors

| | Group | | Company | |
|------------------------------------|-------------------|-------------------|------------------|------------------|
| | 2014 | 2013 | 2014 | 2013 |
| | £ | £ | £ | £ |
| Trade debtors | 15,675,755 | 14,454,656 | - | - |
| Amounts owed by parent company | 7,681,810 | - | - | - |
| Amounts owed by group undertakings | - | - | 1,482,939 | 1,058,715 |
| Other debtors | 3,269,094 | 1,676,944 | 103,998 | 15,484 |
| Prepayments and accrued income | 659,955 | 641,096 | - | 7,000 |
| | <u>27,286,614</u> | <u>16,772,696</u> | <u>1,586,937</u> | <u>1,081,199</u> |

12 Creditors : amounts falling due within one year

| | Group | | Company | |
|---|-------------------|-------------------|-------------------|-------------------|
| | 2014 | 2013 | 2014 | 2013 |
| | £ | £ | £ | £ |
| Bank loans and overdrafts | - | 9,627,405 | - | 9,624,415 |
| Trade creditors | 28,712,091 | 26,889,201 | - | - |
| Amounts owed to group undertakings | - | - | 27,457,366 | 14,962,439 |
| Corporation tax | 742,541 | 873,013 | - | - |
| Other taxes and social security costs | 139,907 | 147,481 | - | - |
| Other creditors | 5,471,759 | - | - | - |
| Accruals and deferred income | 1,496,892 | 1,157,160 | - | - |
| Shareholder debenture loan interest accrual | 556,349 | 580,108 | 556,349 | 580,108 |
| | <u>37,116,206</u> | <u>39,271,378</u> | <u>28,013,715</u> | <u>25,166,962</u> |

Shareholder debenture loan interest is payable on 30 July each year. On each payment date the company has the right to roll up the interest which shall thereupon bear interest as if capitalised but shall not at any stage be capitalised to become part of the principal outstanding of such notes.

JAC GROUP (HOLDINGS) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2014

13 Creditors : amounts falling due after more than one year

| | Group | | Company | |
|--|-------------------|-------------------|-------------------|-------------------|
| | 2014 | 2013 | 2014 | 2013 |
| | £ | £ | £ | £ |
| Shareholder debenture loans | 22,004,119 | 21,981,035 | 21,953,808 | 21,930,724 |
| | <u>22,004,119</u> | <u>21,981,035</u> | <u>21,953,808</u> | <u>21,930,724</u> |
| Analysis of loans | | | | |
| Not wholly repayable within five years by instalments: | 22,004,119 | 21,981,035 | 21,953,808 | 21,930,724 |
| | <u>22,004,119</u> | <u>21,981,035</u> | <u>21,953,808</u> | <u>21,930,724</u> |
| | <u>22,004,119</u> | <u>21,981,035</u> | <u>21,953,808</u> | <u>21,930,724</u> |
| Loan maturity analysis | | | | |
| In more than two years but not more than five years | - | 21,981,035 | - | 21,930,724 |
| In more than five years | 22,004,119 | - | 21,953,808 | - |
| | <u>22,004,119</u> | <u>21,981,035</u> | <u>21,953,808</u> | <u>21,930,724</u> |

14 Pension and other post-retirement benefit commitments

Defined contribution

| | 2014 | 2013 |
|---|---------------|---------------|
| | £ | £ |
| Contributions payable by the group for the year | 97,549 | 58,573 |
| | <u>97,549</u> | <u>58,573</u> |

JAC GROUP (HOLDINGS) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2014

| 15 | Share capital | 2014 £ | 2013 £ |
|----|---|---------------|---------------|
| | Allotted, called up and fully paid | | |
| | 1,315,788 (2013: £379,114) Ordinary shares of 1p each | 13,158 | 3,791 |
| | 501,000 'A' Ordinary shares of 1p each | - | 5,010 |
| | 144,188 'B' Ordinary shares of 1p each | - | 1,442 |
| | 171,500 'C' Ordinary shares of 1p each | - | 1,715 |
| | 100 'D' Ordinary shares of 1p each | - | 1 |
| | 119,886 Deferred shares of 1p each | - | 1,199 |
| | | <u>13,158</u> | <u>13,158</u> |

During the year, the following shares were all converted to Ordinary shares of 1p each:

501,000 'A' Ordinary 1p shares

144,188 'B' Ordinary 1p shares

171,500 'C' Ordinary 1p shares

100 'D' Ordinary 1p shares

119,886 Deferred 1p shares

16 Statement of movements on reserves Group

| | Share premium account £ | Profit and loss account £ |
|----------------------------|----------------------------------|------------------------------------|
| Balance at 1 November 2013 | 872,775 | (2,395,418) |
| Profit for the year | - | 3,524,834 |
| Balance at 31 October 2014 | <u>872,775</u> | <u>1,129,416</u> |

Company

| | Share premium account £ | Profit and loss account £ |
|----------------------------|----------------------------------|------------------------------------|
| Balance at 1 November 2013 | 872,775 | (12,250,368) |
| Loss for the year | - | (2,362,531) |
| Balance at 31 October 2014 | <u>872,775</u> | <u>(14,612,899)</u> |

JAC GROUP (HOLDINGS) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2014

| 17 Reconciliation of movements in shareholders' funds | 2014 | | 2013 | |
|---|---------------------|---------------------|---------|------|
| | Group | | Group | |
| | 2014 | 2013 | 2014 | 2013 |
| | £ | £ | £ | £ |
| Profit for the financial year | 3,524,834 | 3,115,261 | | |
| Opening shareholders' (deficit) | (1,509,485) | (4,624,746) | | |
| Closing shareholders' funds/(deficit) | <u>2,015,349</u> | <u>(1,509,485)</u> | | |
| | | | | |
| | 2014 | | 2013 | |
| | Company | | Company | |
| | 2014 | 2013 | 2014 | 2013 |
| | £ | £ | £ | £ |
| Loss for the financial year | (2,362,531) | (2,751,735) | | |
| Opening shareholders' deficit | (11,364,435) | (8,612,700) | | |
| Closing shareholders' deficit | <u>(13,726,966)</u> | <u>(11,364,435)</u> | | |

18 Financial commitments

At 31 October 2014 the group had annual commitments under non-cancellable operating leases as follows:

| | Land and buildings | |
|----------------------------|--------------------|----------------|
| | 2014 | 2013 |
| | £ | £ |
| Expiry date: | | |
| Between two and five years | <u>236,000</u> | <u>186,000</u> |

JAC GROUP (HOLDINGS) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2014

| 19 Directors' emoluments | 2014 £ | 2013 £ |
|---|----------------|----------------|
| Emoluments for qualifying services | 660,279 | 645,760 |
| Company pension contributions to money purchase schemes | 30,103 | 66,727 |
| | <u>690,382</u> | <u>712,487</u> |

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 5 (2013: 5).

Emoluments disclosed above include the following amounts paid to the highest paid director:

| | | |
|---|----------------|----------------|
| Emoluments for qualifying services | 182,992 | 177,428 |
| Company pension contributions to money purchase schemes | 8,650 | 42,268 |
| | <u>191,642</u> | <u>219,696</u> |

20 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

| | 2014 Number | 2013 Number |
|----------------|----------------|----------------|
| Administrative | 48 | 43 |
| Sales | 194 | 176 |
| | <u>242</u> | <u>219</u> |

Employment costs

| | 2014 £ | 2013 £ |
|-----------------------|------------------|------------------|
| Wages and salaries | 5,710,115 | 5,607,715 |
| Social security costs | 555,847 | 515,375 |
| Other pension costs | 97,549 | 58,573 |
| | <u>6,363,511</u> | <u>6,181,663</u> |

21 Control

The Vitruvian Investment Partnership II is managed by Vitruvian Partners LLP and is deemed to be the ultimate controlling party. No other group financial statements include the results of the Company

JAC GROUP (HOLDINGS) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 31 OCTOBER 2014**

22 Related party relationships and transactions

Group

Included in shareholder debenture loans is £nil (2013: £6,145,423) due to M Bodini, a director of JAC Group (Holdings) Limited. Included in creditors is £nil (2013: £149,675) relating to interest on these debenture loan notes.

Included in shareholder debenture loans is £nil (2013: £13,763,485) due to former shareholders of JAC Group (Holdings) Limited. Included in creditors is £nil (2013: £411,602) relating to interest on these debenture loan notes.

Included in shareholder debenture loans is £21,930,724 (2013: £nil) due to Sebco Acquisition Limited, the parent company of JAC Group (Holdings) Limited. Included in creditors is £556,349 (2013: £nil) relating to interest on these debenture loan notes.

Included in debtors is £285,013 (2013: £nil) due from JAC Arab Emirates LLC, a company of which M Bodini is a shareholder.

At the year end, the company was owed £420,326 (2013: £nil) by Sebco Acquisitions Limited.

Company

Included in shareholder debenture loans is £nil (2013: £6,145,423) due to M Bodini, a director of JAC Group (Holdings) Limited. Included in creditors is £nil (2013: £149,675) relating to interest on these debenture loan notes.

Included in shareholder debenture loans is £nil (2013: £13,763,485) due to former shareholders of JAC Group (Holdings) Limited. Included in creditors is £nil (2013: £411,602) relating to interest on these debenture loan notes.

Included in shareholder debenture loans is £21,930,724 (2013: £nil) due to Sebco Acquisition Limited, the parent company of JAC Group (Holdings) Limited. Included in creditors is £556,349 (2013: £nil) relating to interest on these debenture loan notes.

At the year end, the company was owed £420,326 (2013: £nil) from Sebco Acquisitions Limited.