

Company Registration No. 8515908

**BOOKING.COM CUSTOMER SERVICE CENTER
(UK) LIMITED**

Report and Financial Statements

31 December 2013



25/09/14

BOOKING.COM CUSTOMER SERVICE CENTER (UK) LIMITED

REPORT AND FINANCIAL STATEMENTS 2013

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BOOKING.COM CUSTOMER SERVICE CENTER (UK) LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

Marc Otten
Elisabeth Geurtsen
Ilse Kamps

SECRETARY

Taylor Vinters Directors Limited

REGISTERED OFFICE

Block 3, Westbrook Centre
Milton Road
Cambridge
CB4 1YG

BANKERS

Deutsche Bank AG
10 Bishops Square (10BS/04/FB161)
E1 6AO
London, UK

AUDITOR

Deloitte LLP
Chartered Accountants and Statutory Auditor
Cambridge
United Kingdom

BOOKING.COM CUSTOMER SERVICE CENTER (UK) LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the period from incorporation on 3 May 2013 to 31 December 2013.

The directors have taken the small companies exemption contained in S414B of the Companies Act 2006 from the requirements to prepare a Strategic Report.

The directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

PRINCIPAL ACTIVITY

Booking.com Customer Service Center (UK) Limited's (Booking.com CSC (UK) Limited) was incorporated on 3 May 2013 to provide customer support services for Booking.com BV. This will be the principal activity going forward, once the trade and assets are hived across from Booking.com Limited on 1 January 2014.

GOING CONCERN

The directors have reviewed the going concern basis of preparation, in accordance with FRS 18 'Accounting policies'.

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

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

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

DIVIDENDS

No dividends were declared or paid in 2013.

DIRECTORS

The directors who served during the period and to the date of this report are as follows:

Marc Otten	(appointed 3 May 2013)
Elisabeth Geurtsen	(appointed 3 May 2013)
Ilse Kamps	(appointed 3 May 2013)

DIRECTORS' REPORT

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

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 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.

Deloitte LLP were appointed as auditor during the period and have expressed their willingness to continue in office as auditor. A resolution to reappoint them as auditor will be proposed at the forthcoming Annual General Meeting.

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



Marc Otten

25 September 2014

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BOOKING.COM CUSTOMER SERVICE CENTER (UK) LIMITED

We have audited the financial statements of Booking.com Customer Service Center (UK) Limited for the period from incorporation on 3 May 2013 to 31 December 2013 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 14. 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 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 acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its profit for the period from incorporation on 3 May 2013 to 31 December 2013;
- 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 Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BOOKING.COM CUSTOMER SERVICE CENTER (UK) 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; or
- the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report or in preparing the directors' report.

Heather Bygrave

Heather Bygrave (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Cambridge, United Kingdom

26 September 2014

BOOKING.COM CUSTOMER SERVICE CENTER (UK) LIMITED

PROFIT AND LOSS ACCOUNT

Period from incorporation on 3 May 2013 to 31 December 2013

	Note	£
TURNOVER	2	3,892
Cost of sales		-
Gross profit		3,892
Administrative expenses		(3,538)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	4	354
Tax on profit on ordinary activities	5	(82)
PROFIT FOR THE FINANCIAL PERIOD	9, 10	272

All activities derive from continuing operations.

There are no recognised gains or losses for the current financial period other than as stated in the profit and loss account above. Accordingly no statement of total recognised gains and losses has been presented.

BOOKING.COM CUSTOMER SERVICE CENTER (UK) LIMITED

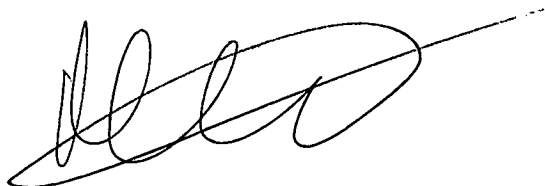
BALANCE SHEET

31 December 2013

	Note	£
CURRENT ASSETS		
Debtors	6	3,892
Cash at bank and in hand		<u>1,599,962</u>
		1,603,854
CREDITORS: amounts falling due within one year	7	<u>(3,582)</u>
NET CURRENT ASSETS		<u>1,600,272</u>
NET ASSETS		<u>1,600,272</u>
CAPITAL AND RESERVES		
Called up share capital	8	1,600,000
Profit and loss account	9	<u>272</u>
SHAREHOLDERS' FUNDS	10	<u>1,600,272</u>

The financial statements of Booking.com Customer Service Center (UK) Limited, registered number 8515908, were approved by the Board of Directors and authorised for issue on 25 September 2014.

They were signed on its behalf by



Marc Otten

Director

NOTES TO THE FINANCIAL STATEMENTS

Period from 3 May 2013 to 31 December 2013

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted, which have been applied consistently throughout the period, are described below.

Basis of accounting

The financial statements are prepared under the historical cost convention.

Going concern

The directors have reviewed the going concern basis of preparation, in accordance with FRS 18 'Accounting policies'.

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

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

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

Cash flow statement

As permitted by Financial Reporting Standard No.1 (Revised) "Cash Flow Statements" the company has not included a cash flow statement as part of its financial statements because the consolidated financial statements of its ultimate parent company, The Priceline Group Incorporated (of which Booking.com Customer Service Center (UK) Limited is a subsidiary) are publicly available.

Turnover

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

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Foreign exchange

Transactions denominated in foreign currencies are translated into sterling at the rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates of exchange ruling at that date. Translation differences arising are dealt with in the profit and loss account.

BOOKING.COM CUSTOMER SERVICE CENTER (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Period from 3 May 2013 to 31 December 2013

1. ACCOUNTING POLICIES (continued)

Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

2. TURNOVER

The company's turnover arises from the service agreement with Booking.com BV. Booking.com Customer Service Center (UK) Limited's principal business activity is to provide customer support services towards this company.

£

Service fee revenue (all Rest of Europe)	3,892
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3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

The directors did not receive any remuneration in the period.

The Company did not have any employees in the period.

4. OPERATING PROFIT

£

Operating profit is after charging:

The analysis of auditor's remuneration is as follows:

Fees payable to the company's auditor for the audit of the company's annual accounts	3,500
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5. TAX ON PROFIT ON ORDINARY ACTIVITIES

£

Current taxation

Total tax on profit on ordinary activities	82
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The standard rate of tax for the year, based on the UK standard rate of corporation tax is 23.00% (2012 - 24.5%). The actual tax charge for the current period is the same as the standard tax rate:

£

Profit on ordinary activities before tax	354
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Tax on profit on ordinary activities at standard rate	82
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The Finance Act 2013, which provides for reductions in the main rate of corporation tax from 23% to 21% effective from 1 April 2014 and to 20% effective from 1 April 2015, was substantively enacted on 2 July 2013. These rate reductions have been reflected in the calculation of deferred tax at the balance sheet date.

6. DEBTORS

£

Amounts falling due within one year:

Amounts due from group undertakings	3,892
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BOOKING.COM CUSTOMER SERVICE CENTER (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Period from 3 May 2013 to 31 December 2013

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	£
Accruals	3,500
Corporation tax payable	82
	<u>3,582</u>

8. CALLED UP SHARE CAPITAL

	£
Called up, allotted and fully paid	
1,600 ordinary shares of £1,000 each	<u>1,600,000</u>
On incorporation the company issued 1,600 ordinary shares of £1,000 each at par.	

9. STATEMENT OF MOVEMENTS ON RESERVES

	Profit and loss account £
At 3 May 2013	-
Profit for the period	<u>272</u>
At 31 December 2013	<u>272</u>

10. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	£
Profit attributable to members of the company	272
Issue of shares	<u>1,600,000</u>
Net additions to and closing shareholders' funds	<u>1,600,272</u>

11. FINANCIAL COMMITMENTS

There are no financial commitments outstanding at 31 December 2013.

12. RELATED PARTY TRANSACTIONS

As 100% of the share capital of the company is indirectly owned by a group whose consolidated financial statements are publicly available, it is not required to disclose transactions with other wholly owned group undertakings that would otherwise be required under Financial Reporting Standard No. 8 'Related Party Disclosures'.

BOOKING.COM CUSTOMER SERVICE CENTER (UK) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Period from 3 May 2013 to 31 December 2013

13. ULTIMATE PARENT COMPANY AND CONTROLLING PARTY

100% of the issued share capital of the company is owned by Booking.com Customer Service Holding BV, a company incorporated in the Netherlands whose principal place of business is at Herengracht 597, Amsterdam. The directors consider this to be the immediate parent company.

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

14. SUBSEQUENT EVENTS

As of 1 January 2014 the customer service activities of Booking.com Limited were acquired by Booking.com Customer Service Center (UK) Limited, the assets and liabilities from this demerger had a total value of £346,062. This value was paid by cash consideration.