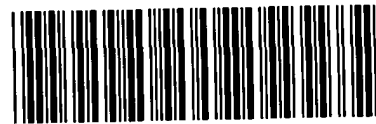


Hoseasons Limited
Annual Report and Financial Statements
Year ended 31 December 2019

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Registered number: 03806487

Hoseasons Limited
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For the year ended 31 December 2019

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Hoseasons Limited Corporate Information

Directors

G Adam
H Kjellberg (appointed 20 November 2019)
H Bankes (resigned 8 May 2019)

Independent Auditors

PricewaterhouseCoopers LLP
One Chamberlain Square
Birmingham
B3 3AX

Registered Office

The Triangle
5 – 17 Hammersmith Grove
London
England
W6 0LG

Hoseasons Limited Strategic Report

Principal Activities

The company acts as the holding and investment company for a group of companies whose principal activity is selling a wide range of UK and European self-catering holidays through a number of different channels.

Business Review

The company has performed in line with management's expectations in the year.

The Statement of Comprehensive Income is set out on page 9. Key measures and comparatives are as follows:

Operating result for the year ended 31 December 2019 was £nil (2018: £nil)

The profit before tax was £nil (2018: £92,728,000 reflecting dividend income from investments).

The profit for the financial year, after taxation, was £nil (2018: £92,728,000).

The financial position of the company at both 31 December 2019 and 31 December 2018 is set out on page 10.

Section 172 statement

The company's principal activity is that of an investment holding company with the primary investments being in Vacation Rentals (UK) Ltd and James Villa Holidays Limited. The directors have fulfilled their s172 reporting requirements through the information set out in the financial statements of Vacation Rentals (UK) Ltd and James Villa Holidays Limited, which includes all relevant information with regards to the company's stakeholders and key decisions taken during the year by the directors which impact upon the company.

Principal risks and uncertainties

As a holding company the company is exposed to limited risk and uncertainty. The Company's ultimate parent, PE Compass Holding II Limited, manages the liquidity risks associated with the whole group, as disclosed in the financial statements of that company, which are publicly available.

On behalf of the board



G Adam
Director
8 September 2020

Hoseasons Limited Directors' Report

Directors' report for the year ended 31 December 2019

The directors present their report and the audited financial statements for the year ended 31 December 2019.

Dividends

During the year no dividend was declared or paid (2018: 3,522.4p per distributable share totaling £75,602,000).

Post balance sheet events

The outbreak of the novel coronavirus ("COVID-19") has affected all of our brands since March 2020. Please refer to the Going Concern section below for more details.

Directors and directors' interests

The directors of the Company who served in the year and to the date of this report, unless otherwise stated, are shown on page 2.

Going concern

The company is a holding company within the PE Compass Holding II Group ("Group") and is accordingly impacted by the Group's performance. The impact of the novel coronavirus ("COVID-19") on the Group has been set out below.

COVID-19 affected many areas of the global economy, including travel and tourism. The industry was materially impacted across Europe where temporary border closures, self-isolation, strict social distancing regulations and air travel restrictions were adopted to slow and limit the spread of the virus. Our priority has been to protect the health and safety of our employees, guests and owners whilst best positioning the business for the longer term and recovery through management of risk and conserving cash.

The Group had a very good start to the year with healthy growth in bookings across all our products and markets up until the outbreak of COVID-19. The Group was then impacted by lower vacation bookings rates, lower vacation arrivals figures and increased incidence of cancellation. Management took early action to manage risks and preserve cash. The extent and timing of government restrictions varied across our main markets and impacted our brands differently.

For example, in the UK, the non-essential travel prohibition impacted domestic travel from 22nd March to 4th July for England and slightly later in Scotland and Wales. The Foreign and Commonwealth office ("FCO") of the UK government issued advice against all non-essential international travel from 17th March and established air bridges with a number of countries from 10th July.

In Denmark, domestic travel has been permitted throughout the period and Denmark opened its borders to the majority of European countries on 27 June.

In the Netherlands, the restrictions varied by region and many of the Landal parks were closed from mid / late March until various dates in June.

The Group bounced back strongly after the governments across Europe lifted the majority of the travel restrictions. The demand for domestic and drive-to destinations has benefitted our business and we expect higher third quarter occupancy levels than prior year in our key markets.

Hoseasons Limited

Directors' Report (continued)

Going concern (continued)

The Company is wholly dependent on the intercompany loan and support arrangements for access to the cash flows necessary for the day-to-day running of the company and to support the going concern assertion. The company has received written confirmation that Awaze Limited intends to continue to provide the Company with the financial support necessary to enable the company to meet their debts as they fall due, including intercompany balances for a period of at least 12 months from the date of these financial statements.

Group management has prepared a base case scenario for the next twelve months that reflects the latest information on travel restrictions, the bookings already taken for future arrivals and the recent booking trends. In addition Group management has applied the experience of the second quarter and modelled downside scenarios that include a complete lockdown in the fourth quarter of 2020 and the first quarter of 2021.

Under base case and downside scenarios, the Group has sufficient liquidity to maintain operations and provide support if required by the Company. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and have received written assurances from a fellow group company that they will continue to provide support for at least 12 months from the date of approval of these financial statements. Thus they continue to adopt the going concern basis in preparing the financial statements.

Future developments

The directors do not expect any changes in the activities of the company in the forthcoming year.

Financial risk management policy

The financial risk management policy is included within the financial statements of the Company's ultimate parent, PE Compass Holding II, which manages the liquidity risks associated with the whole group.

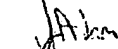
Independent auditors and disclosure of information to auditors

Having made enquiries of the Company's auditors, the directors confirm that:

- There is no relevant audit information of which the company's auditors are unaware; and
- The directors have taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's auditors are aware of that information.

The independent auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

On behalf of the board



G Adam

Director

8 September 2020

Hoseasons Limited
Statement of the Directors' Responsibilities in respect of the Financial Statements

The directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulation.

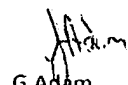
Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 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.

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.

On behalf of the board



G Adam
Director

8 September 2020

Hoseasons Limited
Independent auditors' report to the members of Hoseasons Limited

Report on the audit of the financial statements

Opinion

In our opinion, Hoseasons Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 December 2019; the Statement of Comprehensive Income and the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

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

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Hoseasons Limited

Independent auditors' report to the members of Hoseasons Limited

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of the Directors' Responsibilities in respect of the Financial Statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



Richard Kay (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Birmingham
8 September 2020

Hoseasons Limited
Statement of Comprehensive Income
For the year ended 31 December 2019

	Note	2019 £'000	2018 £'000
Operating result	4	-	-
Income from shares in group undertakings	8	-	92,728
Result / profit before taxation		-	92,728
Income tax	6	-	-
Result / profit and total comprehensive income for the financial year		-	92,728

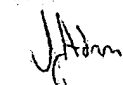
All of the Company's profits disclosed above are derived from continuing operations.

Hoseasons Limited
Balance Sheet
As at 31 December 2019

	Note	2019 £'000	2018 £'000
FIXED ASSETS			
Investments	8	23,348	23,348
CREDITORS: amounts falling due within one year	9	(1)	(1)
NET CURRENT LIABILITIES		<u>(1)</u>	<u>(1)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES, BEING NET ASSETS		<u>23,347</u>	<u>23,347</u>
CAPITAL AND RESERVES			
Called up share capital	10	2,182	2,182
Retained earnings		21,165	21,165
TOTAL EQUITY		<u>23,347</u>	<u>23,347</u>

The notes to the financial statements on pages 12 to 20 form an integral part of these financial statements.

The financial statements on pages 9 to 20 were approved by the Board of Directors on 8 September 2020 and were signed on its behalf by



G Adam
Director

Company registration number 03806487

Hoseasons Limited
Statement of Changes in Equity
For the year ended 31 December 2019

	Note	Share capital £'000	Retained earnings £'000	Total £'000
Balance at 1 January 2018		2,182	4,039	6,221
Profit for the financial year		-	92,728	92,728
Total comprehensive income for the year		-	92,728	92,728
Dividends paid	7	-	(75,602)	(75,602)
Balance at 31 December 2018		2,182	21,165	23,347
Result for the financial year		-	-	-
Total comprehensive income for the year		-	-	-
Balance at 31 December 2019		2,182	21,165	23,347

Hoseasons Limited

Notes to the Financial Statements

1. Corporate information

Hoseasons Limited is a private company that is limited by shares and incorporated and domiciled in the United Kingdom. It was incorporated on 13 July 1999. The address of the registered office is given on page 2. The nature of the Company's operations and its principal activities are set out in the Directors' report on page 3.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with the Companies Act 2006, as applicable to companies using Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101).

The financial statements have been prepared on a historical cost basis. The financial statements are presented in pounds sterling and all values are rounded to the nearest thousand (£'000), except when otherwise indicated.

The Company is included in the consolidated financial statements of PE Compass Holding II Limited, which are publicly available. Therefore the Company is exempt, by virtue of section 400 of the Companies Act 2006, from the requirement to prepare consolidated financial statements. The address of PE Compass Holding II Limited's registered office is 100 New Bridge Street, London, EC4V 6JA, United Kingdom.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The director believes that there are no areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, as disclosed in note 3.

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 December 2019. These have been applied consistently other than where new policies have been adopted in the year.

On 1 January 2019 the company adopted the requirements of IFRS 16. The adoption of IFRS 16 did not have a material impact on the company as the company does not have any lease agreements.

Hoseasons Limited
Notes to the Financial Statements (continued)

2. Significant accounting policies (continued)

2.1 Basis of preparation (continued)

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- Paragraphs 45(b) and 46 to 52 of IFRS 2, 'Share-based payment' (details of the number and weighted average exercise prices of share options, and how the fair value of goods or services received was determined).
- IFRS 7, 'Financial instruments: Disclosures'.
- Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities).
- Paragraph 38 of IAS 1, 'Presentation of financial statements' – comparative information requirements in respect of:
 - (i) paragraph 79(a)(iv) of IAS 1;
 - (ii) paragraph 73(e) of IAS 16, 'Property, plant and equipment'; and
 - (iii) paragraph 118(e) of IAS 38, 'Intangible assets' (reconciliations between the carrying amount at the beginning and end of the year).
- The following paragraphs of IAS 1, 'Presentation of financial statements':
 - 10(d) (statement of cash flows); – 16 (statement of compliance with all IFRS);
 - 38A (requirement for minimum of two primary statements, including cash flow statements);
 - 38B–D (additional comparative information);
 - 111 (cash flow statement information); and
 - 134–136 (capital management disclosures).
- IAS 7, 'Statement of cash flows'.
- Paragraphs 30 and 31 of IAS 8, 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective).
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation).
- The requirements in IAS 24, 'Related party disclosures', to disclose related party transactions entered into between two or more members of a group.
- Paragraph 18A of IAS 24, 'Related party disclosures', related to key management services provided by a separate management entity.

2.2 Going concern

The Company is wholly dependent on the intercompany loan and support arrangements for access to the cash flows necessary for the day-to-day running of the company and to support the going concern assertion. The company has received written confirmation that Awaze Limited intends to continue to provide the Company with the financial support necessary to enable the company to meet their debts as they fall due, including intercompany balances for a period of at least 12 months from the date of these financial statements.

The director's full evaluation of this is described in note 14. Having assessed the principal risks, the directors consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Hoseasons Limited

Notes to the Financial Statements (continued)

2. Significant accounting policies (continued)

2.3 Summary of significant accounting policies

a) Turnover

The company acts purely as a holding and investment company and as such records no turnover.

b) Current tax

The tax expense for the year comprises current tax. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in shareholders' funds. In this case, the tax is also recognised in other comprehensive income or directly in shareholders' funds, respectively.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

c) Dividends

The Company recognises a liability to pay a dividend when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws of the United Kingdom, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity. Dividend income is recognised when the right to receive payment is established.

d) Investments

Investments in subsidiary undertakings are held at historical cost less any applicable provision for impairment.

3 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities, at the end of the reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements other than estimates

There are no critical judgements.

Estimates and assumptions

There are no key sources of estimation uncertainty.

Hoseasons Limited Notes to the Financial Statements (continued)

4 Operating result

The audit fee relating to the audit of the financial statements, for the current and prior year was borne by another group company for which no recharge was made, and for 2019 was £4,000 (2018: £4,000).

5 Employee costs and directors remuneration

The directors were remunerated by fellow group companies, and it was not practical to allocate the remuneration out to the other individual group companies.

The company did not have any employees during the year (2018: nil).

6 Income tax

<i>(a) Tax charged in the statement of comprehensive income</i>	2019 £'000	2018 £'000
<i>Current income tax:</i>		
UK corporation tax	-	-
Total current income tax	-	-
Tax result reported in the statement of comprehensive income	-	-

(b) Reconciliation of the total tax charge

The tax result in the statement of comprehensive income for the year is the same as (2018: lower than) the standard rate of corporation tax in the UK of 19% (2018: 19%). The differences are reconciled below:

	2019 £'000	2018 £'000
Profit before taxation	-	92,729
Tax calculated at UK standard rate of corporation tax of 19% (2018: 19%)	-	17,619
Income from shares in group undertakings	-	(17,619)
Total tax result reported in the statement of comprehensive income	-	-

(c) Factors that may affect the future tax charge

In the Spring Budget 2020, the UK Government announced that from 1 April 2020 the corporation tax rate would remain at 19% (rather than reducing to 17%, as previously enacted). This new law was substantively enacted on 17 March 2020. This change in tax rate is not expected to have a material impact on the company.

Hoseasons Limited
Notes to the Financial Statements (continued)

7 Dividends paid and proposed

	2019 £'000	2018 £'000
<i>Declared and paid during the year:</i>		
Equity dividends on ordinary shares:		
Final dividend for 2019: nil (2018: 3,522.4p)	-	75,602
Dividends paid	-	75,602

8 Investments

Investments in subsidiaries

	£'000
Cost	
At 1 January 2019 and 31 December 2019	23,348
Provision for impairment	
At 1 January 2019 and 31 December 2019	-
Net Book Value	
At 31 December 2019	<u>23,348</u>
At 31 December 2018	<u>23,348</u>

The investment in subsidiaries represents investments in shares at cost in the following companies all of which are incorporated in England and Wales:

Name of company	Registered office	Holding	Proportion of voting rights & shares held	Nature of Business
Vacation Rentals (UK) Ltd	The Triangle 5-17 Hammersmith Grove London W6 0LG	Ordinary shares	100%	Selling self-catering holidays on an agency basis
Sunway House Limited	The Triangle 5-17 Hammersmith Grove London W6 0LG	Ordinary shares	100%	Property company

On 4 June 2019 the Company dissolved via voluntary strike-off its subsidiaries: Dales Holiday Cottages Limited and Hoseasons EST Limited.

Hoseasons Limited
Notes to the Financial Statements (continued)

8 Investments (continued)

The Company also has indirect investments in the following companies incorporated in England and Wales:

Name of company	Registered office	Holding	Proportion of voting rights & shares held	Nature of Business
Vulpes Capital Limited	The Triangle 5-17 Hammersmith Grove London W6 0LG	Ordinary shares	100%	Dormant (dissolved on 18 February 2020)
Castleacre Agencies Limited	The Triangle 5-17 Hammersmith Grove London W6 0LG	Ordinary shares	100%	Dormant
Rockheart Investments Limited	The Triangle 5-17 Hammersmith Grove London W6 0LG	Ordinary shares	100%	Dormant (dissolved on 07 January 2020)
James Villa Holidays Limited	20/20 Business Park St Leonards Road Maidstone ME16 0LS	Ordinary shares	100%	Tour operators for holiday property
James Transport Limited	20/20 Business Park St Leonards Road Maidstone ME16 0LS	Ordinary shares	100%	Tour operators for holiday transport
Blue Chip Holidays Limited	The Triangle 5-17 Hammersmith Grove London W6 0LG	Ordinary shares	100%	Dormant
Mulberry Cottages Limited	The Triangle 5-17 Hammersmith Grove London W6 0LG	Ordinary shares	100%	Dormant
Estuary Cottages Limited	Spring Mill Barnoldswick Lancashire BB94 0AA	Ordinary shares	100%	Dormant
Travel a la Carte Limited	20/20 Business Park St Leonards Road Maidstone ME16 0LS	Ordinary shares	100%	Travel agency activities
Resort Proserve SA	Calle Leganitos Madrid 47, 9º - C.P. 28013	Ordinary shares	100%	Provision of employees within Spain to support James Villa Holidays Limited

Income from fixed asset investments of Enil (2018: £92,728,000) relates to dividends received from Vacation Rentals (UK) Ltd and Sunway House Limited.

Hoseasons Limited
Notes to the Financial Statements (continued)

9 Creditors: Amounts falling due within one year

	2019 £'000	2018 £'000
Amounts owed to subsidiary companies	<u>1</u>	<u>1</u>

10 Called up share capital

	2019 £'000	2018 £'000
Allotted, called up, issued and fully paid:		
1,786,000 'A' ordinary shares of £1 each	1,786	1,786
360,300 'B' ordinary shares of £1 each	360	360
36,000 'C' ordinary shares of £1 each	<u>36</u>	<u>36</u>
	<u>2,182</u>	<u>2,182</u>

'A' and 'B' ordinary shares rank *pari passu* in respect of profits available for distribution and for voting purposes. Each 'A' and 'B' share rank equally for any distribution made on a winding up of the company. 'C' shares are not entitled to vote and are not entitled to profits available for distribution. 'C' shares rank equally for any distribution made on a winding up of the company.

During the year the company paid dividends of nil (2018: 3,522.4p per distributable ordinary share).

11 Related party disclosures

The Company has taken advantage of the exemption under paragraph 8(k) of FRS 101 not to disclose transactions with fellow wholly owned subsidiaries within the PE Compass Holding II Limited Group. The company has no related third party transactions outside of those with wholly owned subsidiaries of the PE Compass Holding II Limited Group.

12 Ultimate group undertaking

The Company's parent company is English Country Cottages Limited, which is registered in England & Wales. In the directors opinion, the Company's ultimate parent undertaking and controlling party is Platinum Equity Capital Partners International IV (Cayman) LP, a Cayman Islands limited partnership, which is a private equity investment fund ultimately controlled by Platinum Equity LLC.

The largest and smallest group of undertakings, for which group financial statements have been drawn up is that headed by PE Compass Holding II Limited. Copies of its group financial statements, which include the company, are available from 100 New Bridge Street, London, EC4V 6JA.

Hoseasons Limited

Notes to the Financial Statements (continued)

13 Post balance sheet events

The outbreak of COVID-19 during the early months of 2020 will have an impact on the Company, which cannot be reliably predicted at this moment. It will depend, inter alia, upon the duration and scope of any further outbreaks; governmental, business and individual actions taken in response to those outbreaks; the impact of those outbreaks on the financial markets and economic activity generally, as well as the effect of the outbreak on our customers, home-owners, business partners, and employees. The impact of COVID-19 is considered in more detail in note 14.

14 Covid-19

Impact and response

The company is a holding company within the PE Compass Holding II Group ("Group") and is accordingly impacted by the Group's performance. The impact of the novel coronavirus ("COVID-19") on the Group has been set out below.

COVID-19 affected many areas of the global economy, including travel and tourism. The industry was materially impacted across Europe where temporary border closures, self-isolation, strict social distancing regulations and air travel restrictions were adopted to slow and limit the spread of the virus.

Our priority has been to protect the health and safety of our employees, guests and owners whilst best positioning the business for the longer term and recovery through management of risk and conserving cash.

The Group had a very good start to the year with healthy growth in bookings across all our products and markets up until the outbreak of COVID-19. The Group was then impacted by lower vacation bookings rates, lower vacation arrivals figures and increased incidence of cancellation. Management took early action to manage risks and preserve cash.

The extent and timing of government restrictions varied across our main markets and impacted our brands differently.

For example, in the UK, the non-essential travel prohibition impacted domestic travel from 22nd March to 4th July for England and slightly later in Scotland and Wales. The Foreign and Commonwealth office ("FCO") of the UK government issued advice against all non-essential international travel from 17th March and established air bridges with a number of countries from 10th July.

In Denmark, domestic travel has been permitted throughout the period and Denmark opened its borders to the majority of European countries on 27 June.

In the Netherlands, the restrictions varied by region and many of the Landal parks were closed from mid / late March until various dates in June.

The Group bounced back strongly after the governments across Europe lifted the majority of the travel restrictions. The demand for domestic and drive-to destinations has benefitted our business and we expect higher third quarter occupancy levels than prior year in our key markets (UK, Netherlands and Denmark).

Hoseasons Limited

Notes to the Financial Statements (continued)

14 Covid-19 (continued)

Going Concern Analysis

The Company is wholly dependent on the intercompany loan and support arrangements for access to the cash flows necessary for the day-to-day running of the company and to support the going concern assertion. The company has received written confirmation that Awaze Limited intends to continue to provide the Company with the financial support necessary to enable the company to meet their debts as they fall due, including intercompany balances for a period of at least 12 months from the date of these financial statements.

Group management has prepared a base case scenario for the next twelve months that reflects the latest information on travel restrictions, the bookings already taken for future arrivals and the recent booking trends. In addition Group management has applied the experience of the second quarter and modelled downside scenarios that include a complete lockdown in the fourth quarter of 2020 and the first quarter of 2021.

Under base case and downside scenarios, the Group has sufficient liquidity to maintain operations and provide support if required by the Company. Further information on the cash, liquidity and covenants of the group is provided below.

Cash and Liquidity

The Group has access to a €105m Revolving Credit Facility ("RCF") which was undrawn at 31 December 2020. At 30 June the Group had liquidity (cash and cash equivalents and RCF) of €421m.

Covenant

The term loan debt of the Group does not have any covenants. The sole springing financial covenant in connection with the Revolving Credit Facility requires testing each quarter only in the event the RCF is drawn over 35%.

The Group was within the covenant ratio for the second quarter of 2020 and does not expect a springing covenant test in the next 12 months.

Conclusion

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and have received written assurances from a fellow group company that they will continue to provide support for at least 12 months from the date of approval of these financial statements. Thus they continue to adopt the going concern basis in preparing the financial statements.