

**Blue Chip Holidays Limited**

**Annual Report and Financial Statements  
Year Ended 31 March 2017**

**Registration number: 04159187**

**TUESDAY**



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# Blue Chip Holidays Limited

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# **Blue Chip Holidays Limited**

## **Company Information**

**Directors**            Mr A Lambert  
                              Mr G Adam  
                              Mr G Cowley

**Registered office**   1 Cranmere Court  
                              Lustleigh Close  
                              Matford Business Park  
                              Exeter  
                              Devon  
                              EX2 8PW

**Auditors**            PKF Francis Clark  
                              Vantage Point  
                              Woodwater park  
                              Pynes Hill  
                              Exeter  
                              Devon  
                              EX2 5FD

# Blue Chip Holidays Limited

## Directors' Report

Year Ended 31 March 2017

The directors present their report and the financial statements for the year ended 31 March 2017.

### Directors of the company

The directors who held office during the year were as follows:

Mr L Gavin (resigned 1 November 2016)

Mr A Taylor (resigned 1 November 2016)

Mrs J Gavin (resigned 1 November 2016)

Mr R J Carrick (resigned 1 November 2016)

Mrs S Cutting (resigned 1 November 2016)

Mr A Lambert

Mr G Adam (appointed 1 November 2016)

Mr G Cowley (appointed 1 November 2016)

### Principal activity

The principal activity of the company is the marketing and sale of holidays on behalf of holiday home owners.

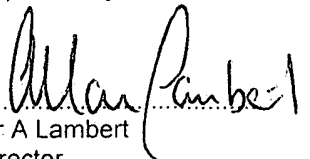
### Disclosure of information to the auditors

Each director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

### Small companies provision statement

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board on 30 June 2017 and signed on its behalf by:

  
Mr A Lambert  
Director

# Blue Chip Holidays Limited

## Statement of Directors' Responsibilities

The directors acknowledge their responsibilities 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

# Blue Chip Holidays Limited

## Independent Auditor's Report to the Members of Blue Chip Holidays Limited

We have audited the financial statements of Blue Chip Holidays Limited for the year ended 31 March 2017, set out on pages 6 to 16. 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) including FRS 102 Section 1A 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 Statement of Directors' Responsibilities (set out on page 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 (APB's) Ethical Standards for Auditors to the financial statements.

### 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 the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Blue Chip Holidays Limited

### Independent Auditor's Report to the Members of Blue Chip Holidays Limited

#### Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

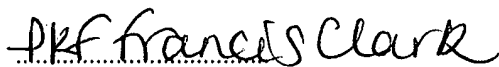
- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

#### Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Directors' Report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.



Amy Edwards (Senior Statutory Auditor)  
PKF Francis Clark, Statutory Auditor

Vantage Point  
Woodwater park  
Pynes Hill  
Exeter  
Devon  
EX2 5FD

Date: 4 July 2017

## Blue Chip Holidays Limited

### Profit and Loss Account

Year Ended 31 March 2017

	2017 £	2016 £
Turnover	5,018,242	4,465,547
Cost of sales	<u>(643,867)</u>	<u>(324,988)</u>
Gross profit	4,374,375	4,140,559
Administrative expenses	<u>(3,818,508)</u>	<u>(3,377,306)</u>
Operating profit	<u>555,867</u>	<u>763,253</u>
Other interest receivable and similar income	17,061	12,517
Interest payable and similar expenses	<u>(7,656)</u>	<u>(11,032)</u>
	<u>9,405</u>	<u>1,485</u>
Profit before tax	565,272	764,738
Taxation	<u>380,788</u>	<u>(161,274)</u>
Profit for the financial year	<u><u>946,060</u></u>	<u><u>603,464</u></u>



# Blue Chip Holidays Limited

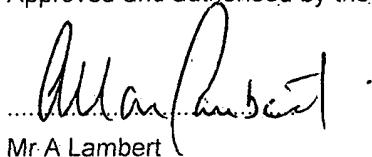
## Balance Sheet

31 March 2017

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Intangible assets	4	62,712	85,524
Tangible assets	5	160,568	265,021
Investments	6	1	1
Other financial assets	7	5,000	5,200
		<u>228,281</u>	<u>355,746</u>
<b>Current assets</b>			
Stocks	8	-	3,994
Debtors	9	450,987	117,619
Cash at bank and in hand		5,185,197	4,159,112
		<u>5,636,184</u>	<u>4,280,725</u>
<b>Creditors: Amounts falling due within one year</b>	10	<u>(4,164,624)</u>	<u>(3,988,065)</u>
<b>Net current assets</b>		<u>1,471,560</u>	<u>292,660</u>
<b>Total assets less current liabilities</b>		1,699,841	648,406
<b>Provisions for liabilities</b>		<u>(56,740)</u>	<u>(10,765)</u>
<b>Net assets</b>		<u>1,643,101</u>	<u>637,641</u>
<b>Capital and reserves</b>			
Called up share capital		1,265	1,100
Share premium reserve		71,538	12,303
Share option reserve		-	24,568
Profit and loss account		1,570,298	599,670
<b>Total equity</b>		<u>1,643,101</u>	<u>637,641</u>

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved and authorised by the Board on ~~30 JUNE 2017~~ and signed on its behalf by:



Mr A Lambert

Director

Company Registration Number: 04159187

The notes on pages 9 to 16 form an integral part of these financial statements.  
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## Blue Chip Holidays Limited

### Statement of Changes in Equity

Year Ended 31 March 2017

	Share capital £	Share premium £	Share option reserve £	Profit and loss account £	Total £
At 1 April 2016	1,100	12,303	24,568	599,670	637,641
Profit for the year	-	-	-	946,060	946,060
Total comprehensive income	-	-	-	946,060	946,060
New share capital subscribed	165	59,235	-	-	59,400
Transfer to profit and loss account	-	-	(24,568)	24,568	-
At 31 March 2017	1,265	71,538	-	1,570,298	1,643,101

	Share capital £	Share premium £	Share option reserve £	Revaluation reserve £	Profit and loss account £	Total £
At 1 April 2015	1,100	12,303	24,568	2,000	(5,794)	34,177
Profit for the year	-	-	-	-	603,464	603,464
Transfer to profit and loss account	-	-	-	(2,000)	2,000	-
Total comprehensive income	-	-	-	(2,000)	605,464	603,464
At 31 March 2016	1,100	12,303	24,568	-	599,670	637,641

The notes on pages 9 to 16 form an integral part of these financial statements.  
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# **Blue Chip Holidays Limited**

## **Notes to the Financial Statements**

**Year Ended 31 March 2017**

### **1 General information**

The company is a private company limited by share capital incorporated in England and Wales.

The address of its registered office is:

1 Cranmere Court  
Lustleigh Close  
Matford Business Park  
Exeter  
Devon  
EX2 8PW

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Statement of compliance**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. There are no material departures from FRS 102.

#### **Basis of preparation**

These financial statements have been prepared using the historical cost convention.

The functional currency of Blue Chip Holidays Limited is considered to be pounds sterling as this is the currency of the primary economic environment in which the company operates.

#### **Group accounts not prepared**

In the opinion of the directors, the company and its subsidiary undertakings comprise a small group. The company has not exercised the option under the Companies Act 2006 to prepare group accounts.

# Blue Chip Holidays Limited

## Notes to the Financial Statements

Year Ended 31 March 2017

### 2 Accounting policies (continued)

#### Key sources of estimation uncertainty

The directors have considered the judgements and estimation uncertainties included in these financial statements and the accounting policies applied and concluded that these do not have a significant effect on the amounts recognised in the financial statements or lead to a risk of causing a material misstatement of the carrying amounts of assets and liabilities within the next financial year. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects that period only, or in the period of revision and future periods if the revision affects both current and future periods.

#### Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue represents the total of commissions, bookings fees, cancellation fees and cleaning fees receivable during the year. Where the company acts as a booking agent, revenue is recognised at the time that the holiday is booked and the deposit is paid.

#### Tax

Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current corporation tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised on all timing differences at the balance sheet date unless indicated below. Timing differences are differences between taxable profits and the results as stated in the profit and loss account and other comprehensive income. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

#### Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of identifiable assets, liabilities and contingent liabilities of the acquired business. Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight line basis over its useful life.

#### Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	20% straight line

# Blue Chip Holidays Limited

## Notes to the Financial Statements

Year Ended 31 March 2017

### 2 Accounting policies (continued)

#### Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

#### Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Short leasehold property	23% straight line
Computer equipment	20% - 50% straight line, depending on useful economic life
Fittings fixtures and equipment	10% - 25% straight line depending on useful economic life
Motor vehicles	25% straight line

#### Investments

Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

#### Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stocks to their current location and condition.

#### Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

#### Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

# Blue Chip Holidays Limited

## Notes to the Financial Statements

Year Ended 31 March 2017

### 2 Accounting policies (continued)

#### Financial instruments

##### *Classification*

The company holds the following financial instruments:

- Short term trade and other debtors and creditors; and
- Cash and bank balances.

All financial instruments are classified as basic.

##### *Recognition and measurement*

The company has chosen to apply the recognition and measurement principles in FRS102.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the company's obligations are discharged, expire or are cancelled.

Financial instruments are initially measured at transaction price, including transaction costs, and are subsequently carried at the undiscounted amount of the cash or other consideration expected to be paid or received, after taking account of impairment adjustments.

### 3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 61 (2016 - 55).

# Blue Chip Holidays Limited

## Notes to the Financial Statements

Year Ended 31 March 2017

### 4 Intangible assets

	Goodwill £	Total £
<b>Cost or valuation</b>		
At 1 April 2016	157,039	157,039
At 31 March 2017	157,039	157,039
<b>Amortisation</b>		
At 1 April 2016	71,515	71,515
Amortisation charge	22,812	22,812
At 31 March 2017	94,327	94,327
<b>Carrying amount</b>		
At 31 March 2017	62,712	62,712
At 31 March 2016	85,524	85,524

### 5 Tangible assets

	Short Leasehold £	Fixtures, fittings and equipment £	Computer equipment £	Total £
<b>Cost or valuation</b>				
At 1 April 2016	69,915	55,796	838,704	964,415
Additions	-	5,788	3,988	9,776
Disposals	-	(20,083)	(59,792)	(79,875)
At 31 March 2017	69,915	41,501	782,900	894,316
<b>Depreciation</b>				
At 1 April 2016	25,794	34,848	638,752	699,394
Charge for the year	16,080	11,053	87,096	114,229
Eliminated on disposal	-	(20,083)	(59,792)	(79,875)
At 31 March 2017	41,874	25,818	666,056	733,748
<b>Carrying amount</b>				
At 31 March 2017	28,041	15,683	116,844	160,568
At 31 March 2016	44,121	20,948	199,952	265,021

# Blue Chip Holidays Limited

## Notes to the Financial Statements

Year Ended 31 March 2017

### 6 Investments

	2017 £	2016 £
Investments in subsidiaries	<u>1</u>	<u>1</u>

#### Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2017	2016
<b>Subsidiary undertakings</b>				
Blue Chip Vacations Limited	1 Cranmere Court Lustleigh Close Exeter EX2 8PW United Kingdom	Ordinary	100%	100%

### 7 Other financial assets (current and non-current)

	Financial assets at cost less impairment £	Total £
<b>Non-current financial assets</b>		
<b>Cost or valuation</b>		
At 1 April 2016	<u>5,200</u>	<u>5,200</u>
At 31 March 2017	<u>5,200</u>	<u>5,200</u>
<b>Impairment</b>		
Losses made in the period	<u>200</u>	<u>200</u>
At 31 March 2017	<u>200</u>	<u>200</u>
<b>Carrying amount</b>		
At 31 March 2017	<u>5,000</u>	<u>5,000</u>



# Blue Chip Holidays Limited

## Notes to the Financial Statements

Year Ended 31 March 2017

### 8 Stocks

	2017 £	2016 £
Other inventories	-	3,994

### 9 Debtors

	2017 £	2016 £
Trade debtors	22,175	42,435
Other debtors	164,266	2,730
Prepayments	55,940	72,454
Deferred tax asset	208,606	-
	<u>450,987</u>	<u>117,619</u>

### 10 Creditors

	2017 £	2016 £
<b>Due within one year</b>		
Trade creditors	3,465,669	3,216,670
Corporation tax	-	162,375
Social security and other taxes	431,074	304,327
Outstanding defined contribution pension costs	6,222	4,178
Other creditors	12,849	5,714
Accrued expenses	<u>248,810</u>	<u>294,801</u>
	<u>4,164,624</u>	<u>3,988,065</u>

### 11 Share based payments

The company had a share option scheme for some employees (including directors) under the Enterprise Management Incentive Scheme. The total number of share options brought forward at 1 April 2016 was 165 and these had a weighted average exercise price of £360 per share. All of these share options have been exercised during the year at £360 per share and the options have been settled in equity. The exercise value was determined using the P/E ratio method of valuation across historical net profit before tax for the three years prior to exercise. The net profit before tax was weighted to emphasise the most recent performance.

# Blue Chip Holidays Limited

## Notes to the Financial Statements

Year Ended 31 March 2017

### 12 Financial commitments, guarantees and contingencies

The total amount of financial commitments not included in the balance sheet is £148,990 (2016 - £99,210).

### 13 Related party transactions

#### Loans to related parties

	Key management £
<b>2017</b>	
Advanced	250,000
Repaid	(250,000)
At end of period	-
	Key management £
<b>2016</b>	
At start of period	173,316
Repaid	(173,316)
At end of period	-

#### Terms of loans to related parties

The loan was fully repaid in November 2016. Interest was charged on the loan at 0.417% per month.

### 14 Parent and ultimate parent undertaking

The company's immediate parent is Wyndham Vacation Rentals (UK) Ltd, incorporated in England and Wales. The registered office of the company is Spring Mill, Stoney Bank Lane, Barnoldswick BB94 0AA. This is the parent company of the smallest group that draws up consolidated accounts in which these financial statements are included.

The ultimate parent is Wyndham Worldwide Corporation, incorporated in the USA.