

Registered number 06969512

Griffin Bidco Limited

Annual report and Financial Statements for the year ended 31 December 2012



Griffin Bidco Limited

Annual report for the year ended 31 December 2012

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Griffin Bidco Limited

Directors and advisers

Directors

G A Boyes
S W Boyes
G Healy
M D A Hebblethwaite
Capt A S Khuman
R Westendarp
S Turner
S Morse
T De Clerck

Registered office

Linen Court
10 East Road,
London
N1 6AD

Bankers

HSBC Bank PLC
Global House
High Street
Crawley
West Sussex
RH10 1DL

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
First Point
Buckingham Gate
Gatwick
RH6 0PP

Griffin Bidco Limited
Directors' report
for the year ended 31 December 2012

The directors present their annual report and the audited financial statements of the Company for the year ended 31 December 2012

Principal activities

The principal activity of the Company is that of an intermediate holding company and provider of finance for the Griffin Global Holdco Limited group of companies ("the Group"). The principal subsidiaries of the Group are listed in note 13. The activity of the Group is that of marine travel agents. The Company also provides central finance and sales support services to other Group companies.

Business review and future developments

The result for the year shows a profit of £4,857,752 (2011: £1,874,061). The directors expect that Griffin Bidco Limited will continue as an intermediate holding company and the provider of finance to the Group alongside central finance and other support services. At the year end, the net asset position of the company was £2,969,385, (2011: net liabilities £1,888,367).

Financial risk management objectives and policies

The Company uses a variety of financial instruments including cash, bank loans, shareholder loans and equity investments. The existence of these financial instruments exposes the Company to a number of financial risks, which are described in more detail below.

The main risks arising from the Company's financial instruments are interest rate risk, credit risk and liquidity risk.

The directors review and agree policies for managing each of these risks and they are summarised below.

Interest rate risk

Following the acquisition of Griffin Global Group Limited by Griffin Bidco Limited on 16 December 2009, the Company became subject to risks arising from interest rate movements. The Company's objective is to limit its exposure to increases in interest rates while retaining the opportunity to benefit from interest rate reductions. As a result the Company uses interest rate hedging instruments to achieve the desired mix of fixed and floating rate debt.

Liquidity risk

As part of the acquisition of Griffin Global Group Limited, the Company was granted a bank loan. Griffin Global Group Limited and certain of its subsidiaries provided the security for this facility and for the loan notes issued by the Company. This risk is reviewed and managed as a Group and the overall objective is to ensure that it is at all times able to meet its financial commitments as and when they fall due. The directors of Griffin Global Holdco Limited monitor cash balances around the Group and maintain unutilised short-term facilities to ensure that the Group has sufficient available funds for operations and the necessary loan repayments by the Company.

Surplus cash is invested in short term deposit accounts.

Griffin Bidco Limited
Directors' report
for the year ended 31 December 2012 (continued)

Credit risk

Credit risk arises primarily in respect of cash. Where funds are deposited with a financial institution, this is subject to pre-approval by the board of directors and such approval is limited to financial institutions with an AA rating or better.

Directors

The following directors held office during the year and up to the date of signing the financial statements unless otherwise stated.

**Appointment date
(if applicable)**

G A Boyes	
S W Boyes	
G Healy	
M D A Hebblethwaite	
Capt A S Khuman	
R Westendarp	
S Turner	
S Morse	27 April 2012
T De Clerck	27 April 2012

Employees

Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Company continues and the appropriate training is arranged. It is the policy of the Company that the training, career development and promotion of a disabled person should, as far as possible, be identical to that of a person who does not suffer from a disability.

Consultation with employees or their representatives has continued at all levels, with the aim of ensuring that their views are taken into account when decisions are made that are likely to affect their interests and that all employees are aware of the financial and economic performance of their business units and of the Company as a whole. Communication with all employees continues through the in-house newsletters, briefing groups and the distribution of the annual report.

Future outlook and going concern

The going concern position of the Company is dependent upon the overall going concern status of the Group. In assessing whether the financial statements for the Company should be prepared on the going concern basis, the directors have considered the future outlook of the Company and of the Group on a combined basis.

Having considered the future operating profits, cash flows and facilities available to the Group, the directors are satisfied that the Group and Company will have sufficient funds to repay liabilities as they fall due.

Directors' indemnities

The Company maintains liability insurance for its directors and officers.

Griffin Bidco Limited
Directors' report
for the year ended 31 December 2012 (continued)

Dividends

The directors do not recommend the payment of a dividend (2011 £nil) There were no dividends paid during the year (2011 £nil)

Post balance sheet events

For post balance sheet events refer to the note 23 of the financial statements

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year Under that law the directors have prepared 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,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, 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

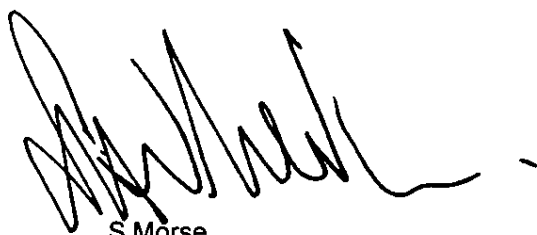
Disclosure of information to auditors

The directors have taken all steps that ought to have been taken as directors in order to make themselves aware of the information relevant to the Company's auditors in connection with preparing their audit report and have established that the Company's auditors are aware of that information So far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution will be proposed at the annual general meeting concerning their reappointment

This report was approved by the board of directors on 27 June 2013 and signed on its behalf by



S Morse
Director

Registered Number 06969512

Griffin Bidco Limited

Report of the independent auditors to the members of Griffin Bidco Limited

We have audited the financial statements of Griffin Bidco Limited for the year ended 31 December 2012 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement and the related notes. 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).

Respective responsibilities of directors and auditors

As explained more fully in the Statement of directors' responsibilities set out on page 4, 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.

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.

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. 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 2012 and of its profit and cash flows 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Griffin Bidco Limited

Report of the independent auditors to the members of Griffin Bidco 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, 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

Rosemary Shapland

Rosemary Shapland (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Gatwick

27 June 2013

Griffin Bidco Limited

Profit and loss account for the year ended 31 December 2012

	Note	2012 £	2011 £
Turnover	2	974,740	763,131
Administrative expenses		(1,467,818)	(862,976)
Operating loss	3	(493,078)	(99,845)
Income from shares in group undertakings	9	11,845,523	8,714,727
Profit on ordinary activities before interest and taxation		11,352,445	8,614,882
Interest receivable and similar income	7	154	-
Interest payable and similar charges	8	(6,839,056)	(8,079,232)
Profit on ordinary activities before taxation		4,513,543	535,650
Tax on profit on ordinary activities	10	344,209	1,338,411
Profit for the financial year	17	<u>4,857,752</u>	<u>1,874,061</u>

All of the above activities result from continuing operations

The Company has no gains and losses other than those included in the results above, and therefore no separate statement of total recognised gains and losses has been presented

There is no material difference between the profit on ordinary activities before taxation and the profit for the financial years stated above and their historical costs equivalents

Griffin Bidco Limited

Balance sheet at 31 December 2012

		2012	2011
	Note	£	£
Fixed assets			
Tangible assets	12	11,236	5,442
Investments in group undertakings	13	81,002,712	81,002,712
		<u>81,013,948</u>	<u>81,008,154</u>
Current assets			
Debtors	14	2,326,319	2,154,662
Cash at bank and in hand		395,047	519,508
		<u>2,721,366</u>	<u>2,674,170</u>
Creditors amounts falling due within one year	15	(10,002,241)	(12,878,927)
Net current liabilities		<u>(7,280,875)</u>	<u>(10,204,757)</u>
Total assets less current liabilities		<u>73,733,073</u>	<u>70,803,397</u>
Creditors amounts falling due after more than one year	15	(70,763,688)	(72,691,764)
Net assets / (liabilities)		<u><u>2,969,385</u></u>	<u><u>(1,888,367)</u></u>
Capital and reserves			
Called up share capital	16	2,501	2,501
Profit and loss account	17	2,966,884	(1,890,868)
Total shareholders' funds / (deficit)	18	<u><u>2,969,385</u></u>	<u><u>(1,888,367)</u></u>

The financial statements on pages 7 to 21 were approved by the board of directors on 27 June 2013 and were signed on its behalf by


J. Morse
Director

Registered number 06969512

Griffin Bidco Limited

Cash flow statement for the year ended 31 December 2012

	Note	2012 £	2011 £
Net cash (outflow) / inflow from operating activities	20	<u>(1,341,762)</u>	<u>115,497</u>
Dividends received			
Dividends received from group companies	9	11,845,523	8,714,727
Returns on investments and servicing of finance			
Interest paid		<u>(8,954,211)</u>	<u>(6,035,254)</u>
Net cash outflow from returns on investments and servicing of finance		<u>(8,954,211)</u>	<u>(6,035,254)</u>
Taxation			
Amounts received in respect of group relief		<u>911,797</u>	<u>812,593</u>
Capital expenditure and financial investment			
Purchase of tangible fixed assets		<u>(10,885)</u>	<u>(3,023)</u>
Proceeds from sale of tangible fixed assets		<u>77</u>	<u>-</u>
Net cash outflow for capital expenditure and financial investment		<u>(10,808)</u>	<u>(3,023)</u>
Net cash inflow before financing		2,450,539	3,604,540
Financing			
Bank loan repayments		<u>(2,200,000)</u>	<u>(3,333,876)</u>
Investor and vendor loan notes repayment		<u>(375,000)</u>	<u>-</u>
Net (decrease) / increase in cash in the year		<u>(124,461)</u>	<u>270,664</u>
Reconciliation to net debt			
(Decrease) / increase in net cash		<u>(124,461)</u>	<u>270,664</u>
Movement in borrowings		<u>4,690,155</u>	<u>3,274,243</u>
Decrease in net debt in the year		4,565,694	3,544,907
Opening net debt		<u>(82,597,307)</u>	<u>(86,142,214)</u>
Net debt at 31 December		<u>(78,031,613)</u>	<u>(82,597,307)</u>

Griffin Bidco Limited

Notes to the financial statements for the year ended 31 December 2012

1 Principal accounting policies

1.1 Accounting convention

The financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with applicable accounting standards in the United Kingdom and with the Companies Act 2006. The principal accounting policies which have been applied consistently throughout the year are set out below.

1.2 Consolidated Financial statements

The company is a wholly owned subsidiary of Griffin Global Holdco Limited, incorporated in England and Wales, and is included in the consolidated financial statements of Griffin Global Holdco Limited, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing consolidated financial statements available under the terms of section 400 of the Companies Act 2006.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is provided at rates calculated to write off the cost, less residual value, of each asset over its expected useful economic life, as follows:

Fixtures and fittings	25% Straight line
Computer equipment	33% Straight line

1.4 Investments

Fixed asset investments are stated at cost, less any provision for impairment.

1.5 Capitalisation of finance costs

Costs directly incurred in raising finance are capitalised and amortised in the profit and loss account over the period which the directors believe the related instrument will be utilised. The unamortised costs are deducted from the associated balance in the balance sheet.

1.6 Financial Instruments

The company uses an interest rate cap to manage its exposure to interest rate risk. The cost of the interest rate cap is capitalised and deducted from the associated balance in the balance sheet and amortised over the estimated life of the bank loan.

The payment of loan note interest is dependent upon the amount of cash generated by the Griffin Global Holdco Limited Group in defined periods. The classification of this interest between current and non-current liabilities is based on the forecast payments in the next 12 months.

1.7 Pensions

The company operates a defined contribution pension scheme. Contributions are charged to the profit and loss account as they become payable, in accordance with the rules of the scheme.

Griffin Bidco Limited

Notes to the financial statements (continued) for the year ended 31 December 2012

1.8 Turnover and cost of sales

Turnover includes fees and income earned from management charges. Turnover is recognised in respect of service contracts at a constant rate pro-rated over the period in which the service is provided.

1.9 Deferred taxation

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.

A deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded, as more likely than not, that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of 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 an undiscounted basis.

1.10 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are retranslated into sterling at the rates of exchange ruling at the balance sheet date or, if appropriate at the forward contract rate. Transactions in foreign currencies are recorded at the exchange rate at the date of the transactions. All differences are taken to the profit and loss account.

1.11 Provisions

A provision is recognised in the balance sheet when the company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, the provision is determined by discounting the expected future cash flows.

1.12 Related party transactions

The company has taken advantage of the exemption available in Financial Reporting Standard 8 not to disclose transactions with other companies in the Group qualifying as related parties where all of the voting rights are controlled within the Group.

1.13 Borrowings

Borrowings are recognised initially at fair value, net of transaction cost incurred and subsequently stated at amortised cost. Any difference between the amount initially recognised (net of transaction costs) and the redemption value is recognised in the profit and loss account over the period of the borrowings using the effective interest method.

2 Turnover

The company operates in the UK and the whole of its turnover, which comprises recharges to other group companies, arises in the UK.

Griffin Bidco Limited

Notes to the financial statements (continued) for the year ended 31 December 2012

3 Operating loss	2012	2011
	£	£
Operating result is stated after charging		
Depreciation of tangible assets	<u>5,014</u>	<u>2,302</u>
Services provided by the company's auditors		
During the year the company obtained the following services from the company's auditors		
Fees payable to company's auditors		
For the audit of the company	10,000	-
Fees payable to the company's auditors for other services		
Services relating to tax compliance	<u>1,250</u>	<u>10,700</u>
	<u>11,250</u>	<u>10,700</u>

The statutory audit fee for 2011 was borne by the parent entity, Griffin Global Holdco Limited

4 Directors' emoluments	2012	2011
	£	£
Aggregate emoluments (including benefits in kind)	889,646	604,626
Contributions to money purchase pension scheme	53,659	62,077
Fees charged to the Company	49,120	36,840
Sums paid to third parties for director services	<u>41,644</u>	<u>85,640</u>
	<u>1,034,069</u>	<u>789,183</u>

The emoluments of six (2011: six) directors are paid by a fellow subsidiary companies which makes no recharge to the Company. Accordingly, the above details include the emoluments in respect of these directors which are also included in the financial statements of the subsidiary undertaking. The emoluments of two (2011: one) directors are paid by the Company for their services of which 86% (2011: 86%) of costs are recharged to subsidiary undertakings. The remaining costs were deemed to be in respect of services to the Group as a whole and borne by the Company. Accordingly, the above details include 100% of the emoluments in respect of these directors of which the recharged amount is also included in the financial statements of the subsidiary undertakings.

5 Employees

The average monthly number of persons (including directors) employed during the year was

	2012	2011
By activity		
Administration	<u>8</u>	<u>6</u>
	<u>8</u>	<u>6</u>

Staff costs (for the above persons)	2012	2011
	£	£
Wages and salaries	841,145	491,846
Social security costs	101,020	61,320
Other pension costs (note 6)	<u>47,064</u>	<u>33,292</u>
	<u>989,229</u>	<u>586,458</u>

Griffin Bidco Limited

Notes to the financial statements (continued) for the year ended 31 December 2012

6 Pension costs

The company operates a defined contribution pension scheme in respect of its employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £47,064 (2011 £33,292). The amounts accruing at 31 December 2012 is £nil (2011 £nil).

7 Interest receivable and similar income

	2012	2011
	£	£
Bank and other interest	<u>154</u>	<u>-</u>

8 Interest payable and similar charges

	2012	2011
	£	£
Bank loans and overdrafts	676,938	763,780
Loan note interest	5,889,623	7,042,385
Amortisation of capitalised finance costs	263,695	264,267
Amortisation of interest rate cap premium	8,800	8,800
	<u>6,839,056</u>	<u>8,079,232</u>

9 Dividends received from Group companies

	2012	2011
	£	£
Dividend receipts from Griffin Global Group Limited	<u>11,845,523</u>	<u>8,714,727</u>

10 Tax on profit / (loss) on ordinary activities

(a) Analysis of credit in the year	2012	2011
Current tax		
UK corporation tax on loss in the year	(770,134)	(912,034)
Adjustments in respect of prior years	<u>237</u>	<u>-</u>
Total current tax	<u>(769,897)</u>	<u>(912,034)</u>
Deferred tax		
Current year charge / (credit)	425,257	(361,776)
Adjustments in respect of prior years	<u>431</u>	<u>(64,601)</u>
Total deferred tax (note 11)	<u>425,688</u>	<u>(426,377)</u>
Tax on profit on ordinary activities	<u>(344,209)</u>	<u>(1,338,411)</u>

Griffin Bidco Limited

Notes to the financial statements (continued) for the year ended 31 December 2012

10 Tax on profit/(loss) on ordinary activities (continued)

(b) Factors affecting tax credit for the year

The tax credit for the year is lower (2011: lower) than the standard rate of corporation tax in the UK. The differences are explained below:

	2012	2011
	£	£
Profit on ordinary activities before taxation	4,513,543	535,650
Profit on ordinary activities multiplied by the effective standard rate of tax of 24.50% (2011: 26.50%)	1,105,682	141,947
Dividends from UK companies not taxable	(2,901,798)	(2,309,403)
Interest not deductible for tax purposes	921,499	1,617,198
Current year losses for which no deferred tax asset was recognised	529,740	-
Accelerated capital allowances	-	179
Other timing differences	(425,257)	(361,955)
Adjustments in respect of prior year	237	-
Current tax credit for the year	(769,897)	(912,034)

(c) Factors affecting future tax charge

The standard rate of Corporation Tax in the UK changed from 26% to 24% with effect from 1 April 2012. Accordingly, the results of the Company for this accounting year are taxed at an effective rate of 24.5% (2011: 26.5%). Deferred tax assets and liabilities have been calculated based on a rate of 23% where the timing difference is expected to reverse after 1 April 2013.

The UK Government in the 2012 budget announced an additional reduction in the main UK corporation tax rate to 23% from 1 April 2013. This was substantively enacted in 2012. In the 2013 budget it was announced that further reductions of 1% are expected to be enacted separately each year, ultimately reducing the rate to 20% from 1 April 2016 and as they have not been substantively enacted at the balance sheet date, they are not included in these financial statements.

Griffin Bidco Limited

Notes to the financial statements (continued) for the year ended 31 December 2012

11 Deferred tax

The deferred tax asset in debtors (note 14) consists of

	2012	2011
	£	£
Other timing differences	517	426,384

The deferred tax (asset) / liability in provisions consists of

	2012	2011
	£	£
Accelerated capital allowances	-	179

Provision for net deferred taxation asset

	2012	2011
	£	£
At start of the year	426,205	(172)
Origination of timing differences	(425,257)	361,776
Adjustments in respect of prior years	(431)	64,601
At end of the year	517	426,205

Deferred tax assets are recognised for tax losses carried forward to the extent that the realisation of the related tax benefit through future taxable profits is probable. Griffin Bidco Limited has recognised deferred tax assets of £517 (2011 £426,384) largely in relation to timing differences of fixed assets and their respective written down values. There is an unrecognised deferred tax asset in respect of losses not recognised during the year of £529,740 (2011 nil).

12 Tangible fixed assets

	Fixtures and Fittings	Computer equipment	Total
	£	£	£
Cost			
At 1 January 2012	-	8,070	8,070
Additions	95	10,790	10,885
Disposals	(95)	-	(95)
At 31 December 2012	-	18,860	18,860
Accumulated depreciation			
At 1 January 2012	-	2,628	2,628
Charge for year	18	4,996	5,014
Disposals	(18)	-	(18)
At 31 December 2012	-	7,624	7,624
Net book value			
At 31 December 2012	-	11,236	11,236
At 31 December 2011	-	5,442	5,442

Griffin Bidco Limited

Notes to the financial statements (continued) for the year ended 31 December 2012

13 Investments in group undertakings

	2012
Cost	£
As at 1 January and 31 December 2012	<u>81,002,712</u>

The principal subsidiary undertakings are listed below. Unless otherwise shown, the capital of each company is wholly owned by Griffin Bidco Limited.

	Country of incorporation	Percentage of voting rights held	Nature of business
Griffin Global Group Limited (1)	UK	100%	Holding Company
GSC e Services Private Limited (2)	India	100%	Travel Services
Griffin Travel and Tours Limited (2)	Cyprus	100%	Travel Services
Griffin Holdings (Cyprus) Limited (2)	Cyprus	100%	Holding Company
Griffin Manne Travel Limited (2)	UK	100%	Travel Services
Griffin Manne Travel (Cyprus) Limited (3)	Cyprus	100%	Holding Company
Griffin Travel Manne SA (4)	Greece	100%	Travel Services
Griffin Manne Travel Private Limited (4)	India	100%	Travel Services
Griffin Travel (HK) Limited (4)	Hong Kong	100%	Travel Services
Griffin Travel Pte Ltd (8)	Singapore	100%	Travel Services
Genenc Business Corporation (4)	U S A	100%	Holding Company
GTS e Services Private Limited (6)	India	100%	Travel Services
Griffin Travel (Southern Africa) (Pty) Ltd (2)	South Africa	100%	Travel Services
Global Transportation Group LLC (5)	U S A	100%	Travel Services
Griffin Manne Travel Brasil S/A (7)	Brazil	75%	Travel Services
Global Brasil LLC (5)	Brazil	100%	Holding Company
Griffin Global Logistics Singapore Pte Ltd (2)	Brazil	100%	Holding Company

(1) The companies marked thus are held by Griffin Bidco Limited

(2) The companies marked thus are subsidiaries of Griffin Global Group Limited

(3) The companies marked thus are subsidiaries of Griffin Holdings (Cyprus) Limited

(4) The companies marked thus are subsidiaries of Griffin Manne Travel (Cyprus) Limited

(5) The companies marked thus are subsidiaries of Genenc Business Corporation

(6) The companies marked thus are held by Griffin Global Group Limited (76%) and Griffin Manne Travel Private Limited (24%)

(7) The companies marked thus are held by Global Brasil LLC

(8) The companies marked thus are held by Griffin Manne Travel (Cyprus) Limited (75%) and Griffin Global Group Limited (25%)

Griffin Global Logistics Singapore Pte Ltd was previously a dormant entity which is now active for trading purposes in Singapore.

The trading of the Griffin Global Group Limited and market conditions have not differed materially since the acquisition of Griffin Global Group Limited by Griffin Bidco Limited, which was the time at which the Group was originally valued. The directors believe that the carrying value of the investment is therefore supported by the same assumptions on which Griffin Global Group Limited was acquired.

Griffin Bidco Limited

**Notes to the financial statements (continued)
for the year ended 31 December 2012**

14 Debtors

	2012	2011
	£	£
Amounts falling due within one year		
Amounts owed by group undertakings	1,478,826	750,765
Group relief	770,134	912,034
Deferred tax (note 11)	517	426,205
Other debtors	72,916	62,416
Prepayments	3,926	3,242
	<u>2,326,319</u>	<u>2,154,662</u>

15 Creditors

	2012	2011
	£	£
Amounts falling due within one year		
Bank and other loans	2,191,200	2,191,200
Investor loan note	-	110,733
Investor loan note interest accrued	5,471,772	8,123,118
Amounts owed to group undertakings	7,136	5,997
Other taxes and social security costs	78,640	367,333
Other creditors	1,989,450	2,019,380
Accruals and deferred income	264,043	61,166
	<u>10,002,241</u>	<u>12,878,927</u>

The amounts owed to group undertakings are unsecured and have no fixed repayment terms

	2012	2011
	£	£
Amounts falling due after more than one year		
Bank loans	12,057,324	14,248,524
Investor loan notes	58,706,364	58,443,240
	<u>70,763,688</u>	<u>72,691,764</u>

Griffin Bidco Limited

Notes to the financial statements (continued) for the year ended 31 December 2012

15 Creditors (continued)

Maturity of bank loan and loan note obligations are as follows

	2012	2011
	£	£
Less than 1 year	7,662,972	10,425,051
Between 1 and 2 years	1,633,062	2,200,000
Between 2 and 5 years	69,664,057	71,297,691
	78,960,091	83,922,742
Less unamortised finance costs	(515,831)	(779,527)
Less unamortised interest rate cap premium	(17,600)	(26,400)
	78,426,660	83,116,815

Borrowing costs are being amortised over the 5 year period of the term loan. The amortisation cost in the year was £263,695 (2011: £264,267)

In December 2009, the company entered into a senior facilities agreement with HSBC Bank PLC. The details of the senior facilities, along with the investor and vendor loan notes, are shown below

	Facility £	Drawn down £	Repayment terms	Interest rate
Term Loan facility A	£11,000,000	£3,833,062	*	Base rate + 3.00%
Term Loan facility B	£11,000,000	£10,433,062	31 Dec-15	Base rate + 3.75%
Investor loan notes Series A	£10,000,000	£10,000,000	31 Jan-16	12.00%
Investor loan notes Series B	£10,997,500	£10,997,500	31 Jan-16	12.00%
Vendor loan notes Series 1	£25,088,000	£24,713,000	31 Jan-16	5.00% to 12.00%
Vendor loan notes Series 2	£13,248,000	£13,248,000	31 Jan-16	5.00%

* 2 annual instalments of £1,100,000 up to 31 Dec 2014

The term loan facility interest rates shown above relate to the current interest rate. During the year ended 31 December 2012 the rate on the Revolving facility and Term loan facility A was Base rate +3.00% (2011: 3.00%) and the Term loan facility B rate was Base rate + 3.75% (2011: 3.75%)

Griffin Bidco Limited

Notes to the financial statements (continued) for the year ended 31 December 2012

16 Called up share capital

	2012	2011
	£	£
Authorised		
2,501 (2011 2,501) ordinary shares of £1 each	<u>2,501</u>	<u>2,501</u>
Allotted and fully paid		
2,501 (2011 2,501) ordinary shares of £1 each	<u>2,501</u>	<u>2,501</u>

17 Profit and loss account

	2012	2011
	£	£
At 1 January	(1,890,868)	(3,764,929)
Profit for the financial year	<u>4,857,752</u>	<u>1,874,061</u>
At 31 December	<u>2,966,884</u>	<u>(1,890,868)</u>

18 Reconciliation of movements in shareholders' funds / (deficit)

	2012	2011
	£	£
Profit for the financial year	<u>4,857,752</u>	<u>1,874,061</u>
Increase in shareholders' funds in the financial year	<u>4,857,752</u>	<u>1,874,061</u>
Opening shareholders' deficit	<u>(1,888,367)</u>	<u>(3,762,428)</u>
Closing shareholders' funds / (deficit)	<u>2,969,385</u>	<u>(1,888,367)</u>

19 Contingent liabilities

The HSBC Bank PLC bank loans and revolving facility as disclosed in note 15 are secured on the assets of Griffin Global Group Limited and certain of its subsidiaries. The loan notes are also guaranteed by Griffin Global Group Limited and a number of its subsidiaries.

20 Net cash inflow/(outflow) from operating activities

	2012	2011
	£	£
Operating Loss	(493,078)	(99,845)
Depreciation of tangible fixed assets	5,014	2,302
Increase in debtors	(739,091)	(178,428)
(Decrease) / increase in creditors	<u>(114,607)</u>	<u>391,468</u>
Net cash (outflow) / inflow from operating activities	<u>(1,341,762)</u>	<u>115,497</u>

Griffin Bidco Limited

Notes to the financial statements (continued) for the year ended 31 December 2012

21 Related Party Transactions

The company has taken advantage of the exemption offered by Financial Reporting Standard No 8 (Related Party Disclosures) whereby transactions with other companies in which Griffin Bidco Limited has full control of the voting rights are not disclosed in the financial statements

The registered holders of £13,063,421 (2011 £10,997,500) of the loan notes in issue by the company and 25% of the equity share capital of Griffin Global Holdco Limited at the end of the year were funds managed by Inflexion Private Equity Partners LLP. The amount of interest outstanding at the end of the year was £1,081,276 (2011 £1,737,930)

The registered holder of £9,807,396 (2011 £11,136,000) of the loan notes in issue by the company at the end of the year was George Boyes who is also a director of Griffin Bidco Limited. The amount of interest outstanding at the end of the year was £1,337,645 (2011 £2,224,850)

The registered holder of £2,835,832 (2011 £3,220,000) of the loan notes in issue by the company at the end of the year was Stephen Boyes who is also a director of Griffin Bidco Limited. The amount of interest outstanding at the end of the year was £516,964 (2011 £643,320)

The registered holder of £1,303,425 (2011 £1,480,000) of the loan notes in issue by the company at the end of the year was Marios Stavrianos who is also a director of Griffin Travel and Tours Ltd, and Griffin Travel Marine SA. The amount of interest outstanding at the end of the year was £262,389 (2011 £295,688)

The registered holder of £2,176,000 (2011 £2,176,000) of the loan notes in issue by the company at the end of the year was GHK Holdings Limited, a company 100% owned by Wistomax Trustees Limited. Wistomax Trustees Limited is a company controlled by the son of Captain A Khuman, who is also a director of Griffin Bidco Limited. The amount of interest outstanding at the end of the year was £395,131 (2011 £434,741)

The registered holder of £321,000 (2011 £696,000) of the loan notes in issue by the company at the end of the year was Marcus Hebblethwaite who is also a director of Griffin Bidco Limited. The amount of interest outstanding at the end of the year was £91,311 (2011 £139,053)

The registered holder of £1,303,425 (2011 £1,480,000) of the loan notes in issue by the company at the end of the year was Giorgos Theodorou who is also a director of Griffin Travel Marine SA. The amount of interest outstanding at the end of the year was £262,390 (2011 £295,688)

The registered holder of £4,204,000 (2011 £4,204,000) of the loan notes in issue by the company at the end of the year was Travel Tech LLC, a company 100% owned by Bob Westendarp and his wife, who is also a director of Griffin Bidco Limited. The amount of interest outstanding at the end of the year was £763,388 (2011 £839,913)

The registered holder of £696,000 (2011 £696,000) of the loan notes in issue by the company at the end of the year was Bob Westendarp who is also a director of Griffin Bidco Limited. The amount of interest outstanding at the end of the year was £126,384 (2011 £139,053)

During the year, the company issued a loan stock to one of its Directors (Tom De Clerck) for the value of £10,801 (2011 £nil). At 31 December 2012, £10,955 was payable in respect of the loan facility. The amount of interest outstanding at the end of the year was £154 (2011 £nil)

Griffin Bidco Limited

Notes to the financial statements (continued) for the year ended 31 December 2012

22 Ultimate controlling party

Griffin Global Holdco Limited is the ultimate and immediate parent company and ultimate controlling party of Griffin Bidco Limited

Griffin Global Holdco Limited is the parent undertaking of the largest and smallest group of undertakings to consolidate these financial statements at 31 December 2012 and copies of the financial statements can be obtained from Griffin Global Holdco Limited, Linen Court, 10 East Road, London N1 6AD

23 Post balance sheet events

Since the year end Griffin Bidco Limited has received dividends from its subsidiary, Griffin Global Group Limited totalling £830,000 (2011 £7,240,000)