

Trainline Investments Holdings Limited
Annual report and financial statements for the year ended
28 February 2018
Registered number: 05776685

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Annual report and financial statements

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Directors Report

The directors present their annual report and the financial statements for the year ended 28 February 2018. The Company has taken the exception not to prepare a strategic report on the basis that it qualifies as a subsidiary company.

Principal activity

The principal activity of the Company during the year is that of an intermediate holding company.

Key Performance Indicators

The loss after taxation for the year of £10.4m (2017: Loss £10.6m) has been taken to reserves.

Principle risks and uncertainties

The Company, as a result of the acquisition, has been funded by Victoria Investments Finco Limited. The shareholder debt is a floating rate loan instrument and as a consequence the results of the Company are impacted by movements in interest rates. The hedging strategy is managed at a group level.

Going Concern

The Company's business activities, together with the factors likely to affect its future development and position, are set out above.

The Company participates in the group's centralised treasury arrangements and therefore shares banking arrangements with its parent and fellow subsidiaries.

On the basis of their assessment of the Company's financial position and of the enquiries made of the directors of Victoria Investments Finco Limited, the Company's directors have a reasonable expectation that the Company will be able to continue in operational existence for a minimum of next twelve months. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Dividends

The directors declared no intercompany dividend in the year (2017: £nil).

Directors

The directors who held office since the start of the year were as follows:

Shaun McCabe
Clare Gilmartin
Douglas Stuart McCallum
Robin Hancock
Mark Holt
Neil Murrin (Company Secretary)

Political and Charitable Donations

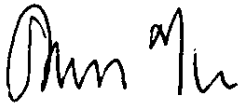
The Company made no donations to political or charitable organisations during the year (2017: £nil).

Director's report (continued)

Employees

In considering applications for employment from disabled people, the Company seeks to ensure that full and fair consideration is given to the abilities and aptitudes of the applicant against the requirements of the jobs for which he or she has applied. Employees who become temporarily or permanently disabled are given individual consideration and where possible, equal opportunities for training, career development and promotions.

By order of the board



Shaun McCabe

Director

120 Holborn
London
EC1N 2TD

27 September 2018

Statement of directors' responsibilities

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

Company law requires the directors to prepare company financial statements for each financial year. Under that law they have elected to prepare the company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

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 group and parent company and of their profit or loss for that period. In preparing each of the company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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 group and the parent company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

Income Statement

Year ended 28 February 2018

	<i>Notes</i>	Year Ended 28 February 2018 £'000	Year Ended 4 March 2017 £'000
Administrative Expenses		(254)	(1,567)
Operating Loss		(254)	(1,567)
Finance Income	5	5,751	5,227
Finance Costs	6	(15,828)	(14,237)
Net Finance Costs		(10,077)	(9,010)
Loss before tax		(10,331)	(10,577)
Income tax	7	(92)	-
Loss for Financial Year		(10,423)	(10,577)

The notes on pages 10 to 17 form an integral part of this financial information.

Statement of Other Comprehensive Income

Year ended 28 February 2018

	Year Ended 28 February 2018 £'000	Year Ended 4 March 2017 £'000
Loss for the financial year	(10,423)	(10,577)
Other comprehensive income		
<i>Other comprehensive income not to be reclassified in subsequent periods:</i>	-	-
Other comprehensive income, net of tax	-	-
Total comprehensive loss	(10,423)	(10,577)

The notes on pages 10 to 17 form an integral part of this financial information.

Statement of Financial Position

At 28 February 2018

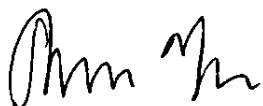
	Notes	28 February 2018 £'000	4 March 2017 £'000
Fixed Assets			
Investments	8	84,197	84,197
		84,197	84,197
Current Assets			
Trade and other receivables	9	67,141	61,784
		67,141	61,784
Liabilities			
Amounts falling due within one year	10	(33,476)	(30,663)
Provision for liabilities	12	(891)	(871)
Net current liabilities		(34,367)	(31,534)
Net current assets		32,774	30,250
Total assets less current liabilities		116,971	114,447
Liabilities			
Amounts falling due after more than one year	11	(137,571)	(124,632)
Net liabilities		(20,600)	(10,185)
Equity			
Share Capital	13	102	102
Capital redemption reserve	13	3,648	3,648
Own shares reserve	13	(2,827)	(2,835)
Retained earnings	13	(21,523)	(11,100)
		(20,600)	(10,185)

The notes on pages 10 to 17 form an integral part of this financial information.

Audit Exemption Statement

For the year ending 28 February 2018, the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476. The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts. These accounts have been prepared in accordance with the provisions applicable to companies subject to the subsidiary companies' regime.

These financial statements were approved by the Board of Directors on 27 September 2018 and were signed on its behalf by:



Shaun McCabe
Director

Company Registration Number: 05776685

Statement of Changes in Equity

At 28 February 2018

	Share capital £'000	Capital redemption reserve £'000	Own Share Reserve £'000	Retained earnings £'000	Total equity £'000
Balance as at 5 March 2016	102	3,648	-	(523)	3,227
Loss for the year	-	-	-	(10,577)	(10,577)
Purchase of own shares	-	-	(2,835)	-	(2,835)
Balance as at 4 March 2017	102	3,648	(2,835)	(11,100)	(10,185)
Loss for the year	-	-	-	(10,423)	(10,423)
Purchase of own shares	-	-	8	-	8
Balance as at 28 February 2018	102	3,648	(2,827)	(21,523)	(20,600)

The notes on pages 10 to 17 form an integral part of this financial information.

Notes (forming part of the financial statements)

1. Accounting Policies

Trainline Investments Holdings Limited is a company incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101"). The amendments to FRS 101 (2014/15 Cycle) issued in July 2015 and effective immediately have been applied.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company's ultimate parent undertaking, Victoria Investments Finco Limited, includes the Company in its consolidated financial statements. The consolidated financial statements of Victoria Investments Finco Limited are prepared in accordance with International Financial Reporting Standards as adopted by the EU and are available to the public and may be obtained from the Registrar of Companies, Companies House, Cardiff, CF14 3UZ.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash Flow Statement and related notes;
- comparative period reconciliations for share capital, tangible fixed assets, intangible assets;
- the effects of new but not yet effective IFRSs
- disclosures in respect of the compensation of Key Management Personnel
- related party transactions

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statement.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis except that the following assets and liabilities are stated at their fair value: financial instruments classified as fair value through the profit or loss.

1.2 Going concern

The financial information has been prepared on a going concern basis, which assumes that the Company will be able to meet its liabilities as they fall due for a minimum of twelve months. The Company participates in the group's centralised treasury arrangements and therefore shares banking arrangements with its parent and fellow subsidiaries.

Notes (continued)

1.3 Foreign currency

The company has no foreign currency transactions

1.4 Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other debtors, cash and cash equivalents, loans and borrowings, and trade and other creditors.

Trade and other receivables

These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at amortised cost. Trade and other receivables are presented in current assets in the balance sheet, except for those with maturities greater than one year after the reporting date.

Trade and other trade creditors

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost.

1.5 Impairment excluding stocks and deferred tax assets

Financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Non-financial assets

The carrying amounts of the Company's non-financial assets, other than investment property, stocks and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

Notes (continued)

1.6 Expenses

Interest receivable and interest payable

Interest payable and similar charges include interest payable, finance charges on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy). Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial time to be prepared for use, are capitalised as part of the cost of that asset. Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Dividend income is recognised in the profit and loss account on the date the entity's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

1.7 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Notes (continued)

2. Expenses and auditor remuneration

During the year, the company took an audit exemption on the basis that it is a subsidiary company.

3. Staff numbers and costs

All employment costs are borne by Trainline.com Limited and are recharged as part of the overall management fee.

4. Directors' remuneration

The directors are not considered to provide qualifying services for the Company and therefore were paid no fee or emoluments by the Company during the year. Directors are paid by another company within the Victoria Investments Finco Group.

5. Other interest and similar income

	Year Ended 28 February 2018 £'000	Year Ended 4 March 2017 £'000
Receivable from other group companies	5,751	5,227
Finance Income	5,751	5,227

6. Interest payable and similar charges

	Year Ended 28 February 2018 £'000	Year Ended 4 March 2017 £'000
Bank Interest	20	20
Payable to group companies	15,808	14,217
Finance Costs	15,828	14,237

Notes (continued)

7. Taxation

Tax on profit on ordinary activities

	Year Ended 28 February 2018 £'000	Year Ended 4 March 2017 £'000
The taxation charge comprises:		
<i>UK Corporation Tax</i>		
UK Group relief receivable	-	-
Total current tax charge for the year	-	-
Adjustments in respect of prior years	92	-
Tax on profit on ordinary activities	92	-

Reconciliation of effective tax rate

	Year Ended 28 February 2018 £'000	Year Ended 4 March 2017 £'000
Loss before tax	(10,331)	(10,577)
Loss multiplied by standard rate of corporation tax in the UK 19.08% (2017: 20.00%)	(1,971)	(2,115)
Expense not deductible for tax purposes	2,485	2,536
Group relief	(514)	(421)
Adjustments in respect of prior years	92	-
Total tax	92	-

8. Investments

	28 February 2018 £'000	4 March 2017 £'000
Opening balance	84,197	84,197
At 28 February 2018	84,197	84,197

Notes (continued)

8. Investments (continued)

The Company holds directly or indirectly share capital in the following companies:

Name of company	Country of incorporation	Principal activity	Ownership
Trainline Junior Mezz Limited	England & Wales	Intermediate holding company	100%
Trainline Group Investments Limited	England & Wales	Intermediate holding company	100%
Trainline Holdings Limited	England & Wales	Intermediate holding company	100%
Trainline.com Limited	England & Wales	Rail ticket retail and distribution	100%
Qjump Limited	England & Wales	Rail ticket retail and distribution	100%
Trainline Rail Enquiry Services Limited	England & Wales	Non trading	100%
Trainline Short Breaks Limited	England & Wales	Dormant	100%

9. Trade and other receivables

	28 February 2018 £'000	4 March 2017 £'000
Amounts due from group undertakings	67,141	61,680
Group Tax Relief Receivable	-	93
Other Receivable	-	11
	67,141	61,784

10. Liabilities: amounts falling due within one year

	28 February 2018 £'000	4 March 2017 £'000
Amounts due to group undertakings	33,476	29,887
Accruals	-	776
	33,476	30,663

Notes (continued)

11. Liabilities: amounts falling due after one year

	28 February 2018 £'000	4 March 2017 £'000
Preference share liability	55,737	55,737
Non-current interest accrued on preference shares	81,834	68,895
	137,571	124,632

12. Provisions

	VAT £'000	Total £'000
As at 4 March 2017	871	871
Provision made during the year	20	20
As at 28 February 2018	891	891

The Group has provided for VAT previously recovered in respect of certain professional services costs.

13. Capital and reserves

Share Capital (shares classified in shareholders' funds)

	28 February 2018		4 March 2017	
	Number	£'000	Number	£'000
Allotted, called up and fully paid:				
Ordinary shares of £0.10 each	1,023,954	102	1,023,954	102
	1,023,954	102	1,023,954	102

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company.

Notes (continued)

13. Capital and reserves (continued)

	Share Capital £'000	Capital redemption reserve £'000	Own Shares Reserve £'000	Profit and loss £'000	Total £'000
As at 4 March 2017	102	3,648	(2,835)	(11,100)	(10,185)
Retained loss for the year	-	-	-	(10,423)	(10,423)
Own shares redeemed	-	-	8	-	8
As at 28 February 2018	102	3,648	(2,827)	(21,523)	(20,600)

14. Capital commitments

The capital commitments at 28 February 2018 are £nil (2017: £nil).

15. Related parties

Under FRS 101, the Company is exempt from the requirement to disclose related party transactions with Victoria Investments Finco Limited and its subsidiary undertakings on the grounds that it is a wholly owned subsidiary of Victoria Investments Finco Limited who prepare the consolidated financial statements of the Group.

16. Ultimate parent company and parent company of larger group

The company is a subsidiary undertaking of Victoria Investments Finco Limited, which is the ultimate parent company. The ultimate controlling party of the company is KKR and Co. Inc. on behalf of the funds under its management. The only group in which the results of the Company are consolidated is Victoria Investments Finco Limited, a company registered in England and Wales. Copies of the group financial statements of Victoria Investments Finco Limited can be obtained from the Registrar of Companies, Companies House, Cardiff, CF14 3UZ.