

# Esprit Vacations Limited

## FINANCIAL STATEMENTS

for the year ended

30 April 2007



Company Registration No 4135551

# Esprit Vacations Limited

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# Esprit Vacations Limited

## OFFICERS AND PROFESSIONAL ADVISERS

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### DIRECTORS

P R Dyer  
A M Appleton

### SECRETARY

D M Jones

### REGISTERED OFFICE

185 Fleet Road  
Fleet  
Hampshire  
GU51 3BL

### AUDITOR

Baker Tilly UK Audit LLP  
Chartered Accountants  
12 Gleneagles Court  
Brighton Road  
Crawley  
West Sussex  
RH10 6AD

# Esprit Vacations Limited

## DIRECTORS' REPORT

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The directors submit their report and the financial statements of Esprit Vacations Limited for the year ended 30 April 2007

### PRINCIPAL ACTIVITIES

The principal activity of the company during the year was that of tour operating and flight broker. The company trades under the names "Esprit Ski", "Esprit Alpine Sun", "Total Ski" and "Santa's Lapland".

### REVIEW OF THE BUSINESS

The results of the company are set out on page 5

### DIRECTORS

The following directors have held office since 1 May 2006 -

P R Dyer  
D M Jones (resigned 22 June 2006)  
A M Appleton

### AUDITORS

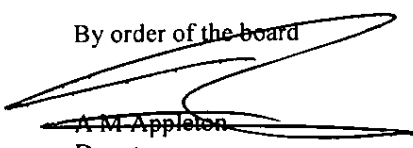
On 28 September 2006, T H Dowling & Co resigned as auditor and was replaced by Baker Tilly

The directors have been notified of the cessation of the partnership known as Baker Tilly and resolved that Baker Tilly UK Audit LLP be appointed as successor auditor with effect from 1 April 2007, in accordance with the provisions of the Companies Act 1989 s26(5). Baker Tilly UK Audit LLP has indicated its willingness to continue in office, and a resolution to reappoint Baker Tilly UK Audit LLP, Chartered Accountants, as auditors will be put to the members at the annual general meeting.

### STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

By order of the board



A M Appleton  
Director

# Esprit Vacations Limited

## DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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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 the 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. The financial statements are required by law to 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 year. In preparing those 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,
- \* 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

## AUDITORS' REPORT TO THE MEMBERS OF ESPRIT VACATIONS LIMITED

We have audited the financial statements on pages 5 to 10

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985 and whether the information given in the Directors' Report is consistent with the financial statements. We also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

### Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's and company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs at 30 April 2007 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements.

*John Tilly UK Audit Ltd*

Registered Auditor  
Chartered Accountants  
12 Gleneagles Court  
Brighton Road  
Crawley  
West Sussex  
RH10 6AD

*12th September 2007*

# Esprit Vacations Limited

## PROFIT AND LOSS ACCOUNT

for the year ended 30 April 2007

	Notes	2007 £	2006 £
TURNOVER		10,622,885	9,788,541
Cost of sales		10,614,153	9,763,542
		<hr/>	<hr/>
Gross profit		8,732	24,999
Administrative expenses		25	4,129
		<hr/>	<hr/>
OPERATING PROFIT	1	8,707	20,870
Bank interest received		36	-
		<hr/>	<hr/>
PROFIT BEFORE TAX		8,743	20,870
Tax on profit on ordinary activities	2	-	3,965
		<hr/>	<hr/>
PROFIT FOR THE FINANCIAL YEAR	6	8,743	16,905
		<hr/>	<hr/>

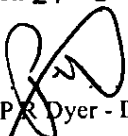
The operating profit for the year arises from the company's continuing operations

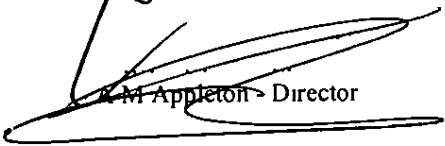
No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the profit and Loss Account

Esprit Vacations Limited  
BALANCE SHEET  
30 April 2007

	Notes	2007 £	2006 £
<b>CURRENT ASSETS</b>			
Debtors	3	46,636	41,937
Cash at bank		988	909
		<u>47,624</u>	<u>42,846</u>
<b>CREDITORS</b> Amounts falling due within one year	4	6,851	10,816
		<u>40,773</u>	<u>32,030</u>
<b>NET CURRENT ASSETS</b>			
		<u>40,773</u>	<u>32,030</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>40,773</u>	<u>32,030</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	5	2,000	2,000
Profit and loss account	6	38,773	30,030
		<u>40,773</u>	<u>32,030</u>
<b>SHAREHOLDERS' FUNDS</b>	7	<u>40,773</u>	<u>32,030</u>

The financial statements on pages 5 to 10 were approved by the board of directors and authorised for issue on 27<sup>th</sup> July 2007 and are signed on its behalf by

  
P R Dyer - Director

  
R M Appleton - Director



# Esprit Vacations Limited

## ACCOUNTING POLICIES

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### BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention in accordance with applicable accounting standards

### CASH FLOW STATEMENT

Exemption has been taken from preparing a cash flow statement on the basis that the company is a wholly owned subsidiary of Enigma Travel Group Ltd and the accounts will be included in the consolidated financial statement of that company

### TURNOVER

Turnover represents net invoiced sales of flights and other services, excluding value added tax

All the company's turnover is derived from sales made in the UK

### DEFERRED TAX

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

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

### FOREIGN CURRENCIES

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Esprit Vacations Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 30 April 2007

1	OPERATING PROFIT	2007 £	2006 £
	The operating profit is stated after charging/(crediting)		
	Foreign exchange differences	-	(100)
		<u>          </u>	<u>          </u>
	The auditor's remuneration is met by the holding company		
	There were no employees apart from the directors		
2	TAXATION	2007 £	2006 £
	Analysis of the tax charge		
	The tax charge on the profit on ordinary activities for the year was as follows		
	Current tax		
	UK corporation tax on profit on ordinary activities	-	3,965
		<u>          </u>	<u>          </u>
	Profit on ordinary activities before tax	8,743	20,870
		<u>          </u>	<u>          </u>
	Profit on ordinary activities multiplied by the stated rate of taxation for small companies at 19% (2006 19%)	1,661	3,965
	Less – group relief	(1,661)	-
		<u>          </u>	<u>          </u>
		-	3,965
		<u>          </u>	<u>          </u>
3	DEBTORS	2007 £	2006 £
	Amounts owed by group undertakings	46,636	41,933
	Other debtors	-	4
		<u>          </u>	<u>          </u>
		46,636	41,937
		<u>          </u>	<u>          </u>
4	CREDITORS Amounts falling due within one year	2007 £	2006 £
	Amounts owed to group undertakings	6,851	6,851
	Corporation tax due	-	3,965
		<u>          </u>	<u>          </u>
		6,851	10,816
		<u>          </u>	<u>          </u>

# Esprit Vacations Limited

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2007

5	CALLED UP SHARE CAPITAL	2007 £	2006 £
	Authorised 10,000 Ordinary shares of £1 each	10,000	10,000
	Allotted, issued and fully paid 2,000 Ordinary shares of £1 each	2,000	2,000
6	RESERVES		Profit and loss account £
	At 1 May 2006		30,030
	Profit for the financial year		8,743
	At 30 April 2007		38,773
7	RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS	2007 £	2006 £
	Profit for the financial year	8,743	16,905
	Net addition to shareholders' funds	8,743	16,905
	Opening shareholders' funds	32,030	15,125
	Closing shareholders' funds	40,773	32,030
	Equity interests	40,773	32,030

### 8 ULTIMATE PARENT COMPANY

The company is a wholly owned subsidiary of Esprit Holidays Limited, whose ultimate holding company is Enigma Travel Group Limited, a company registered in the United Kingdom. Copies of the accounts of that company are available from 185 Fleet Road, Fleet, Hants, GU51 3BL.

Throughout the year the company has been under the control of its parent company, Esprit Holidays Limited and from 22 June 2006 has been under the control of its ultimate parent Enigma Travel Group Limited.

**Esprit Vacations Limited**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**for the year ended 30 April 2007**

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**9 RELATED PARTY DISCLOSURES**

The company has obtained the exemption available in respect of disclosing transactions with the members of Enigma Travel Group Limited as consolidated accounts are prepared and the company is a wholly owned subsidiary of the Group