

Registered number  
04357078

Secret Hotels4 Limited  
Report and financial statements  
for the year ended 31 December 2009

THURSDAY



\*LH18RNU0\*  
L27 30/09/2010 199  
COMPANIES HOUSE

**Secret Hotels4 Limited**  
**Report and financial statements**  
**Contents**

	<b>Page</b>
Company information	1
Directors' report	2 - 3
Statement of directors' responsibilities	4
Independent auditor's report	5
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8 - 11

**Secret Hotels4 Limited**  
**Company information**

**Directors**

E Kamm  
I McCaig  
J Donaldson

**Secretary**

I Lindsay

**Auditor**

Grant Thornton UK LLP  
Statutory Auditor  
Chartered Accountants  
Slough  
Berkshire  
SL1 2LS

**Registered office**

39 Victoria Street  
London  
SW1H 0EU

**Registered number**

04357078

**Secret Hotels4 Limited**  
**Directors' report**

The directors present their report and financial statements for the year ended 31 December 2009

**Principal activities and review of the business**

The results for the Company show a net profit after tax of £197,000 (2008 £347,000)

On 7 January 2009, lastminute.com Limited entered into a sale agreement with Hotels4U.com Limited ("Hotels4U") whereby Hotels4U acquired the assets of Secret Hotels2 Limited, Secret Hotels3 Limited, Secret Hotels4 Limited, Holiday Service GmbH and Taskbrook Limited. Total consideration paid was £3.5m, of which £0.1m is attributable to the Company. These entities remain part of the lastminute.com group of companies.

Prior to the sale the Company's principal activity during the year continued to be that of overseas hotel accommodation booking agents.

**Principal risks and uncertainties**

As the Company is no longer trading the directors do not consider there are any significant risks or uncertainties.

**Events since the balance sheet date**

No matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in financial years subsequent to the financial period ended 31 December 2009.

**Further developments on going concern**

The directors intend that the Company will be wound down following the sale of the assets of the business as detailed in the paragraph above.

**Directors**

The directors who served during the period, and subsequently, are as follows:

I McCaig

E Kamm

J Donaldson

S Thompson (resigned 30 September 2009)

P Hoffstetter (appointed 30 September 2009, resigned 2 July 2010)

**Supplier payment policy**

The Company agrees payment terms and conditions with individual suppliers, which vary according to the commercial relationship and the terms of the agreements reached, and establishes terms of trade consistent with practice in its country of operation.

**Secret Hotels4 Limited**  
**Directors' report (continued)**

**Disclosure of information to the auditor**

In so far as the directors are aware

- there is no relevant audit information of which the Company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of all relevant audit information and to establish that the auditor is aware of that information

**Auditor**

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with Section 487(2) of the Companies Act 2006 unless the Company receives notice under Section 488(1) of the Companies Act 2006

**Liability Limitation Agreement with the auditor**

The Company has entered into a liability limitation agreement with Grant Thornton UK LLP, the statutory auditor, in respect of the statutory audit for the year ended 31 December 2009. The proportionate liability agreement follows the standard terms in the Appendix B to the Financial Reporting Council's June 2008 Guidance on Auditor Liability Agreements

On behalf of the board



J Donaldson  
Director  
28 September 2010

**Secret Hotels4 Limited**  
**Statement of directors' responsibilities**

The directors are responsible for preparing the directors' 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 Accounting Standards (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 for that period. 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,
- 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 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 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.

## **Secret Hotels4 Limited**

### **Independent auditor's report to the members of Secret Hotels4 Limited**

We have audited the financial statements of Secret Hotels4 Limited for the year ended 31 December 2009 which comprise the profit and loss account, the balance sheet, 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).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 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 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 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.

#### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/UKNP](http://www.frc.org.uk/apb/scope/UKNP).

#### **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 2009 and of its profit 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 matters 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.

#### **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.

*Grant Thornton UK LLP*

Paul Creasey BA FCA  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
Berkshire

*29 September 2010*

**Secret Hotels4 Limited**  
**Profit and loss account**  
**for the year ended 31 December 2009**

	Notes	2009 £000	2008 £000
<b>Total Transaction Value (TTV)</b>	2	<u>6</u>	<u>2,649</u>
<b>Turnover</b>	2	<u>2</u>	<u>452</u>
Administrative expenses		69	(99)
<b>Operating profit</b>		<u>71</u>	<u>352</u>
Profit on sale of trade	4	135	-
Interest payable and similar charges	6	(9)	(5)
<b>Profit on ordinary activities before taxation</b>		<u>197</u>	<u>347</u>
Tax on profit on ordinary activities	7	-	-
<b>Retained profit for the financial year</b>		<u>197</u>	<u>347</u>

All operations are now discontinued

**Statement of total recognised gains and losses**  
**for the year ended 31 December 2009**

	2009 £000	2008 £000
<b>Profit for the financial year and transferred to reserves</b>	<u>197</u>	<u>347</u>
Total recognised gains and losses for the year	-	347
Prior year adjustment	-	48
<b>Total gains and losses recognised since last financial statements</b>	<u>197</u>	<u>395</u>


The accompanying accounting policies and notes form an integral part of these financial statements



**Secret Hotels4 Limited**  
**Balance sheet**  
**as at 31 December 2009**

	Notes	£000	2009 £000	£000	2008 £000
<b>Current assets</b>					
Debtors	8	4,001		4,823	
<b>Creditors: amounts falling due within one year</b>	9	<u>(5,463)</u>		<u>(6,482)</u>	
<b>Net current liabilities</b>			(1,462)		(1,659)
<b>Net liabilities</b>			<u>(1,462)</u>		<u>(1,659)</u>
<b>Capital and reserves</b>					
Called up share capital	10		2		2
Profit and loss account	11		<u>(1,464)</u>		<u>(1,661)</u>
<b>Equity shareholders' deficit</b>	11		<u>(1,462)</u>		<u>(1,659)</u>

These financial statements of Secret Hotels4 Limited, registered number 04357078, were approved by the directors and authorised for issue on 28 September 2010, and are signed on their behalf by



J Donaldson  
 Director

The accompanying accounting policies and notes form an integral part of these financial statements

**Secret Hotels4 Limited**  
**Notes to the financial statements**  
**for the year ended 31 December 2009**

**1 Accounting policies**

***Basis of preparation***

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

The directors have reviewed the principal accounting policies of the Company and consider that they remain the most appropriate for the Company

The principal accounting policies of the Company are set out below

***Going concern***

The Company is dependent on the group for continued financial support and the directors are satisfied that the financial support will be available when required. The directors have made enquiries and formed the view that such support will be available in the foreseeable future. For this reason, the directors continue to adopt the going concern basis in preparing the accounts

***Deferred tax***

Deferred tax assets are recognised only to the extent that the assets are expected to be realised, either in cash terms or by the mitigation of future liabilities, in the foreseeable future. Provision is made for deferred taxation using the liability method to take account of timing differences between the incidence of income and expenditure for taxation and accounting purposes

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

***Foreign currencies***

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All gains and losses arising as a result are taken to the profit and loss account

***Cash flow statement***

In accordance with FRS 1 (Revised 1996) 'Cash flow Statements', these financial statements do not include a Statement of Cash Flows as the Company is a wholly owned subsidiary undertaking of Sabre Holdings Corporation whose accounts include a consolidated Statement of Cash Flows

**2 TTV and turnover**

Total Transaction Value (TTV), which is stated net of value added tax, does not represent the Company's statutory turnover. TTV represents the invoice price at which the goods or services have been sold to the customer

The Company acts as agent and does not take ownership of the products or services being sold, with turnover representing commission earned and is recognised on a departure date basis

Turnover and pre-tax loss are attributable to the principal activity and are earned predominantly within the United Kingdom, notwithstanding the Company's activities as a travel agent are predominantly for destinations overseas

**3 Auditor's remuneration**

The auditor's remuneration has been borne by other group companies and the cost to the Company is estimated to be £3,500 (2008 £3,150). Fees for non audit services are estimated to be £4,000 (2008 £1,278)

**4 Profit on sale of trade**

On 7 January 2009, lastminute.com Limited entered into a sale agreement with Hotels4U.com Limited ("Hotels4U") whereby Hotels4U acquired the assets of Secret Hotels2 Limited, Secret Hotels3 Limited, Secret Hotels4 Limited, Holiday Service GmbH and Taskbrook Limited. Total consideration paid was £3,500,000, of which £135,000 is attributable to the Company. These entities remain part of the lastminute.com group of companies

**Secret Hotels4 Limited**  
**Notes to the financial statements**  
**for the year ended 31 December 2009**

**5 Staff costs**

All staff are contracted with Lastminute Network Limited, another group company. However, the Company has agreed to bear the cost for staff as appropriate through a monthly recharge from Lastminute Network Limited.

**Directors' emoluments**

The directors received no remuneration for their services in respect of the Company in either the current or preceding period.

**6 Interest payable and similar charges**

	<b>2009</b>	<b>2008</b>
	<b>£000</b>	<b>£000</b>
Bank loans & overdrafts	<u>9</u>	<u>5</u>

**7 Tax**

**(a) Tax on profit on ordinary activities**

Tax charge in the current year is £nil (2008: £nil)

**(b) Factors affecting the current tax charge**

	<b>£000</b>	<b>£000</b>
Profit on ordinary activities before tax	<u>197</u>	<u>347</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2008: 28.5%)	55	99
<i>Effects of</i>		
Permanent differences	(10)	(4)
Capital allowances in excess of depreciation	(12)	1
Other timing differences	-	4
Capital gains transferred to another group entity	(33)	-
Utilisation of tax losses	-	(100)
Current tax charge for the year	<u>-</u>	<u>-</u>

**(c) Deferred tax**

At 31 December 2009 the Company did not have any potential deferred tax assets (2008: £nil)

**8 Debtors**

	<b>2009</b>	<b>2008</b>
	<b>£000</b>	<b>£000</b>
Trade debtors	-	10
Amounts owed by group undertakings	4,001	4,810
Other taxes and social security costs	-	3
	<u>4,001</u>	<u>4,823</u>

**Secret Hotels4 Limited**  
**Notes to the financial statements**  
**for the year ended 31 December 2009**

**9 Creditors amounts falling due within one year**

	<b>2009</b>	<b>2008</b>
	<b>£000</b>	<b>£000</b>
Bank overdraft	232	228
Trade creditors	-	11
Amounts owed to group undertakings	5,223	6,144
Accruals and deferred income	8	99
	<b>5,463</b>	<b>6,482</b>

**10 Authorised and issued share capital**

	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
	<b>No</b>	<b>No.</b>	<b>£000</b>	<b>£000</b>
Authorised				
Ordinary 'A' shares of £0 01 each	49,900	49,900	-	-
Ordinary 'B' shares of £0 01 each	30,100	30,100	-	-
Ordinary 'C' shares of £0 05 each	10,000	10,000	1	1
Ordinary 'D' shares of £0 05 each	10,000	10,000	1	1
	<b>100,000</b>	<b>100,000</b>	<b>2</b>	<b>2</b>
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
	<b>No</b>	<b>No.</b>	<b>£000</b>	<b>£000</b>
Allotted, called up and fully paid				
Ordinary 'A' shares of £0 01 each	49,900	49,900	-	-
Ordinary 'B' shares of £0 01 each	30,100	30,100	-	-
Ordinary 'C' shares of £0 05 each	10,000	10,000	1	1
Ordinary 'D' shares of £0 05 each	10,000	10,000	1	1
	<b>100,000</b>	<b>100,000</b>	<b>2</b>	<b>2</b>

**11 Reconciliation of shareholders' deficit and movement on reserves**

	<b>Called up share capital</b>	<b>Profit and loss</b>	<b>Total equity</b>
	<b>£000</b>	<b>account</b>	<b>shareholders' deficit</b>
		<b>£000</b>	<b>£000</b>
At 1 January 2008	2	(2,056)	(2,054)
Profit for the year	-	347	347
Prior year adjustment	-	48	48
At 31 December 2008	2	(1,661)	(1,659)
Profit for the year	-	197	197
At 31 December 2009	2	(1,464)	(1,462)

**Secret Hotels4 Limited**  
**Notes to the financial statements**  
**for the year ended 31 December 2009**

**12 Contingent liabilities**

The Company has entered into cross-guarantee and indemnity arrangements with the Group's bankers for the provision of various bonds, guarantees and overdraft facilities provided by the bank to the company and other Group companies to a maximum of £80.7m (2008 £131.9m)

**13 Related party transactions**

The Company has taken advantage of the exemption available under FRS 8 'Related Party Disclosures' not to disclose transactions between entities whose voting rights are 100% controlled within the Sabre group of companies

**14 Parent undertaking and controlling party**

The immediate parent company is Holiday Autos Group Limited, a company incorporated in England and Wales. The ultimate holding company is Sovereign Holdings Inc., a company incorporated in Delaware, United States of America.

The smallest and largest group for which consolidated financial statements are prepared is Sabre Holdings Corporation. The registered office of Sabre Holdings Corporation is 3150 Sabre Drive, Southlake, Texas, USA.