

Enigma Travel Group Limited  
Directors' report and financial statements  
for the year ended 31 October 2011

Company number: 05802124

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# Enigma Travel Group Limited

## Directors' report and financial statements for the year ended 31 October 2011

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# **Enigma Travel Group Limited**

## **Directors and advisers**

### **Directors**

P R Dyer  
A M Perrin  
A Appleton  
H U Lerch  
M Glesti

### **Company secretary**

A Appleton

### **Registered office**

185 Fleet Road  
Fleet  
Hampshire  
GU51 3BL

### **Independent auditors**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
First Point  
Buckingham Gate  
London Gatwick Airport  
Gatwick  
West Sussex  
RH6 0NT

### **Bankers**

Barclays Bank plc  
Level 27  
1 Churchill Place  
London  
E14 5HP

### **Company number**

05802124

**Directors' report for the year ended 31 October 2011**

The directors present their report and the audited financial statements of the company for the year ended 31 October 2011. The comparative period is the 18 months ended 31 October 2010. The directors' report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

**Principal activities**

The principal activity of the company in the year under review was that of an intermediate holding company. The activities of its subsidiaries, Esprit Holidays Limited and Esprit Vacations Limited are tour operating and transport services respectively. Total Holidays Limited and Total Aviation Limited have not traded during the year.

**Results**

The results for the financial year and financial position of the company are shown in the annexed financial statements.

The company did not have any employees and the directors did not receive any emoluments in respect of their services to the company (2010: £nil). The emoluments were borne by Esprit Holidays Limited with no amounts recharged to this company as the value of their services performed can not be reliably measured.

**Dividends**

An interim dividend declared totalling £7.1m (2010: £nil) was received from the company's subsidiary Enigma Holidays Limited during the year.

**Directors**

The directors of the company who were in office during the year and up to the date of signing the financial statements, unless otherwise stated, were:

P R Dyer  
A M Perrin  
A Appleton  
H U Lerch  
M Glesti

**Qualifying third party indemnity**

As permitted by the articles of association, the directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial period and is currently in force. The company also purchased and maintained throughout the financial year directors' and officers' liability insurance in respect of itself and its directors.

**Statement to disclosure of information to the auditors**

So far as each director is aware, there is no relevant audit information (as defined by section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**Directors' report for the year ended 31 October 2011 (continued)**

**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 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 United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- 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.

By order of the Board



A Appleton  
Director

16 March 2012

# **Enigma Travel Group Limited**

## **Independent auditors' report to the members of Enigma Travel Group Limited**

We have audited the financial statements of Enigma Travel Group Limited for the year ended 31 October 2011 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).

### **Respective responsibilities of directors and auditors**

As explained more fully in the Directors' Responsibilities Statement set out on page 3 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's 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 directors' 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 October 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- 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.

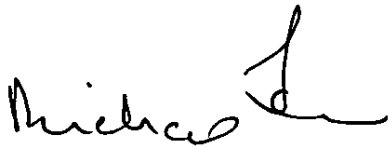
# Enigma Travel Group Limited

## Independent auditors' report to the members of Enigma Travel Group Limited (continued)

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

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

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



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

16 March 2012

# Enigma Travel Group Limited

## Profit and loss account for the year ended 31 October 2011

		Year ended 31 October 2011	18 Month period ended 31 October 2010
	Note	£	£
<b>Turnover</b>		-	-
Cost of sales		-	-
Gross profit		-	-
Administrative expenses	2	(516)	(129,771)
<b>Operating loss</b>		<b>(516)</b>	<b>(129,771)</b>
Interest receivable and similar income	3	37	497
Interest payable and similar charges	4	-	(1,453,844)
Income from fixed asset investments	6	7,100,000	-
<b>Profit/(loss) on ordinary activities before taxation</b>		<b>7,099,521</b>	<b>(1,583,118)</b>
Tax on profit/(loss) on ordinary activities	7	-	-
<b>Profit/(loss) for the financial year/period</b>	13	<b>7,099,521</b>	<b>(1,583,118)</b>

All amounts for the financial year/period arise from the company's continuing operations

The company has no recognised 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/loss on ordinary activities before taxation and the profit/ (loss) for the financial year/period stated above and their historical cost equivalents



# Enigma Travel Group Limited

## Balance sheet as at 31 October 2011

	Note	31 October 2011 £	31 October 2010 £
<b>Fixed assets</b>			
Investments	8	22,946,850	22,946,850
<b>Current assets</b>			
Debtors	9	156,712	156,703
Cash at bank and in hand		-	25,468
		156,712	182,171
<b>Creditors, amounts falling due within one year</b>	10	(1,016,561)	(8,141,541)
<b>Net current liabilities</b>		(859,849)	(7,959,370)
<b>Total assets less current liabilities</b>		22,087,001	14,987,480
<b>Creditors, amounts falling due after more than one year</b>	11	(6,493,775)	(6,493,775)
<b>Net assets</b>		15,593,226	8,493,705
<b>Capital and reserves</b>			
Called up share capital	12	11,625,000	11,625,000
Profit and loss account	13	3,968,226	(3,131,295)
<b>Total shareholders' funds</b>	14	15,593,226	8,493,705

The financial statements on pages 6 to 15 were approved by the Board of directors and authorised for issue on 16 March 2012 and are signed on its behalf by



A Appleton  
Director

16 March 2012

# Enigma Travel Group Limited

## Notes to the financial statements for the year ended 31 October 2011

### 1 Accounting policies

#### **Basis of accounting**

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

The company has a net current liabilities as at 31 October 2011 of £860k (31 October 2010 £7,959k) and is dependent on the continued support of its subsidiary undertaking Esprit Holidays Limited. Esprit Holidays Limited made a profit for the financial year of £2,027k for the year ended 31 October 2011 (18 months ending 31 October 2010 £164k) and had net assets at that date of £2.1m (31 October 2010 £7.2m). Based on the directors' control over the subsidiary, the subsidiary's net asset position and future trading outlook, the directors consider it appropriate to prepare the financial statements on a going concern basis.

#### **Fixed asset investments**

Investments in subsidiary undertakings are recorded at cost plus incidental expenses less any provision for impairment. Impairment reviews are performed by the directors when there has been an indication of potential impairment.

#### **Cash flow statement**

The company is a wholly owned subsidiary company of a group headed by Federation of Migros Co-operatives, a co-operative incorporated in Switzerland, and is included in the consolidated financial statements of that company, which are publicly available. Consequently, the company has taken advantage of the exemption within Financial Reporting Standard 1 (revised 1996) 'Cash flow statements' from preparing a cash flow statement.

#### **Group financial statements**

The company is a wholly-owned subsidiary undertaking of Hotelplan (U.K. Group) Limited which prepares group financial statements as required by section 400 of the Companies Act 2006, and accordingly the company is exempt from the obligation to prepare and deliver group financial statements. Consequently, the financial statements provide information about the company as an individual undertaking only.

#### **Dividend**

Interim dividends are declared and paid in the period. Any final dividend declared before the end of the period, but not paid by the balance sheet date, would be accrued for at the period end. Dividends received are recognised on a cash received basis.

#### **Related party transactions**

The company has taken advantage of the exemption under paragraph 3(c) from the provisions of Financial Reporting Standard 8, 'Related party disclosures', on the grounds that it is a wholly owned subsidiary of a group headed by Hotelplan (U.K. Group) Limited, whose financial statements are publicly available.

# Enigma Travel Group Limited

## Notes to the financial statements for the year ended 31 October 2011 (continued)

### 2 Administrative expenses

	Year ended 31 October 2011	18 Month period ended 31 October 2010
	£	£
Administrative expenses	516	129,771

The auditors' remuneration is borne by the subsidiary Esprit Holidays Limited

Disclosure of fees payable to the auditor and its associates for other (non-audit) services has not been made because the consolidated accounts of the company's parent undertaking are required to disclose other (non-audit) services on a consolidated basis

There were no employees (2010 none) apart from the directors

### 3 Interest receivable and similar income

	Year ended 31 October 2011	18 Month period ended 31 October 2010
	£	£
Bank interest receivable	37	497

### 4 Interest payable and similar charges

	Year ended 31 October 2011	18 Month period ended 31 October 2010
	£	£
Interest on bank loans	-	305,283
Interest on preference shares	-	1,148,561
	-	1,453,844

### 5 Directors' emoluments

The directors did not receive any emoluments in respect of their services to the company (2010 £nil)

# Enigma Travel Group Limited

## Notes to the financial statements for the year ended 31 October 2011 (continued)

### 6 Income from fixed asset investments

	Year ended 31 October 2011	18 Month period ended 31 October 2010
	£	£
Interim dividend of £0.48 per ordinary share (2010: £nil)	7,100,000	-

### 7 Tax on profit/(loss) on ordinary activities

#### Analysis of tax charge

The tax charge on the profit/(loss) on ordinary activities for the year/period was as follows

	Year ended 31 October 2011	18 Month period ended 31 October 2010
	£	£
<b>Current tax:</b>		
United Kingdom corporation tax on profit/(loss) on ordinary	-	-
Total tax on profit on ordinary activities	-	-

# Enigma Travel Group Limited

## Notes to the financial statements for the year ended 31 October 2011 (continued)

### 7 Tax on profit/(loss) on ordinary activities (continued)

#### Factors affecting the tax charge

The standard rate of Corporation Tax in the United Kingdom changed from 28% to 26% with effect from 1 April 2011. Accordingly, the company's profits for this accounting period are taxed at an effective rate of 26.8% and will be taxed at 26% in the future.

The tax assessed for the year is lower (2010: lower) than the standard rate of corporation tax in the UK of 26% (2010: 28%).

	Year ended 31 October 2011 £	18 Month period ended 31 October 2010 £
Profit/(loss) on ordinary activities before taxation	7,099,521	(1,583,118)
Profit/(loss) on ordinary activities multiplied by the effective rate of corporation tax in the United Kingdom of 26.8% (2010: 28%)	1,904,618	(443,273)
Effects of		
Group dividend received not taxable	(1,904,745)	-
Preference dividends not taxable	-	321,597
Profit surrendered for group relief	127	121,676
Total current tax	-	-

The company has unrelieved management charges of £823,325 (2010: £823,325) carried forward. There is no deferred tax in respect of the current year or prior periods.

# Enigma Travel Group Limited

## Notes to the financial statements for the year ended 31 October 2011 (continued)

### 8 Fixed asset investments

#### Investments

	Shares in group companies £
<b>Cost</b>	
At 1 November 2010	22,946,850
<b>At 31 October 2011</b>	<b>22,946,850</b>

The company has the following subsidiaries

Name	% ownership of ordinary shares	Country of incorporation	Principal activity
Enigma Holidays Limited	100	United Kingdom	Tour operator
Esprit Holidays Limited*	100 (indirect)	United Kingdom	Tour operator
Esprit Vacations Limited*	100 (indirect)	United Kingdom	Transport Service
Total Holidays Limited*	100 (indirect)	United Kingdom	Dormant
Total Aviation Limited*	100 (indirect)	United Kingdom	Dormant

\* Shareholdings held by a subsidiary of Enigma Travel Group Limited. The investment in Enigma Holidays Limited is held solely by Enigma Travel Group Limited. The investments in Esprit Holidays Limited and Total Holidays Limited are held by Enigma Holidays Limited. The investment in Esprit Vacations Limited is held by Esprit Holidays Limited and the investment in Total Aviation Limited is held by Total Holidays Limited.

The directors believe that the carrying value of the investments is supported by their underlying net assets.

# Enigma Travel Group Limited

## Notes to the financial statements for the year ended 31 October 2011 (continued)

### 9 Debtors

	31 October 2011	31 October 2010
	£	£
Amounts owed by group undertakings	156,703	156,703
Other debtors	9	-
	156,712	156,703

Amounts owed by group undertakings are unsecured, interest free and repayable on demand

### 10 Creditors: amounts falling due within one year

	31 October 2011	31 October 2010
	£	£
Amounts owed to group undertakings	1,016,561	8,141,541

Amounts owed to group undertakings are unsecured, interest free and repayable on demand

### 11 Creditors: amounts falling due after more than one year

	31 October 2011	31 October 2010
	£	£
Amounts owed to group undertakings	6,493,775	6,493,775

Amounts owed to group undertakings are unsecured, interest free and fixed repayment date greater than 12 months

# Enigma Travel Group Limited

## Notes to the financial statements for the year ended 31 October 2011 (continued)

### 12 Called up share capital

	31 October 2011	31 October 2010
	£	£
<b>Allotted and fully paid</b>		
Equity shares		
14,700,000 Ordinary shares of £0.01 each	147,000	147,000
11,478,000 Preference shares of £1 each	11,478,000	11,478,000
	<b>11,625,000</b>	<b>11,625,000</b>

### 13 Profit and loss account

	31 October 2011
	£
<b>Profit and loss account</b>	
1 November 2010	(3,131,295)
Profit for the financial year	7,099,521
<b>31 October 2011</b>	<b>3,968,226</b>

### 14 Reconciliation of movement in shareholders' funds/(deficit)

	31 October 2011	31 October 2010
	£	£
Profit/(loss) for the financial year/period	7,099,521	(1,583,118)
Net addition/(reduction) to shareholders' funds/(deficit)	7,099,521	(1,583,118)
Reclassification of preference shares from debt to equity	-	11,478,000
Opening shareholders' funds/(deficit)	8,493,705	(1,401,177)
<b>Closing shareholders' funds</b>	<b>15,593,226</b>	<b>8,493,705</b>



# **Enigma Travel Group Limited**

## **Notes to the financial statements for the year ended 31 October 2011 (continued)**

### **15 Ultimate parent undertaking and controlling party**

The immediate parent undertakings is Hotelplan (U K Group) Limited

This ultimate parent undertaking and controlling party is the Federation of Migros Co-operatives, a co-operative incorporated in Switzerland

The Federation of Migros Co-operatives is the parent undertaking for the largest group of undertakings to consolidate these financial statements at 31 October 2011. The consolidated financial statements of the Federation of Migros Co-operatives are available from 152 Limmastrasse, CH8005, Zurich, Switzerland.

Hotelplan (U K Group) Limited is the parent undertaking of the smallest group of undertakings to consolidate these financial statements. The consolidated financial statements of Hotelplan (U K Group) Limited can be obtained from 10-18 Putney Hill, London SW15 6AX, United Kingdom.