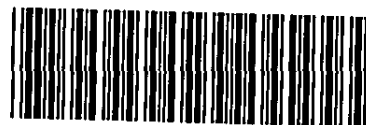


**The Imaginative Traveller Limited**  
**Directors' report and financial statements**  
**for the year ended 30 September 2012**  
**Company number 2584114**

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**The Imaginative Traveller Limited**  
**Directors' report for the year ended 30 September 2012**

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The Directors submit their report and the audited financial statements of The Imaginative Traveller Limited ("the Company") for the year ended 30 September 2012

**Principal activities**

The Company had one class of business, namely acting as a tour operator. During the prior year the Company sold 'The Imaginative Traveller' brand to Dragoman Overseas Travel Limited and, following this, the Company ceased trading. See note 3 for more information. This was in response to the economic climate and increased competition within the small group adventure holiday market.

**Results and dividends**

The loss on ordinary activities before taxation for the year ended 30 September 2012 amounted to £70,494 (2011 £74,803 loss). There were no dividends paid during the year (2011 £nil). The Directors do not recommend the payment of a final dividend.

**Business review**

The Company is exempt by virtue of its size from the requirement to include a business review.

**Funding and liquidity**

The Directors have considered the funding and liquidity position of the Company and of its intermediate parent company, TUI Travel PLC. Following this review, the Directors consider it appropriate to continue to prepare the financial statements on the going concern basis.

**Directors**

The Directors of the Company at the date of this report are

M A Beard

P J Burrell (appointed 8 August 2012)

Other Directors who served during the year were

D Mee (resigned 17 April 2012)

M J Shapter (appointed 24 October 2011 and resigned 31 July 2012)

J Wimbleton (resigned 17 April 2012)

**Independent auditors**

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be re-appointed and PricewaterhouseCoopers LLP will therefore continue in office.

**Directors' insurance**

The intermediate parent company, TUI Travel PLC, maintained Directors' and Officers' Liability insurance policies on behalf of the Directors of the Company for all wrongful acts. These policies meet the 2006 Companies Act definition of a qualifying third party indemnity provision and were in force during the financial year and up to the date of signing the financial statements.

**Statement as to disclosure of information to auditors**

The Directors confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

**The Imaginative Traveller Limited**  
**Directors' report for the year ended 30 September 2012 (continued)**

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**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 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.

The report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

By order of the Board



P J Burrell  
**Director**

Company Number 2584114

Dated 24 June 2013

## **The Imaginative Traveller Limited**

### **Independent auditors' report to the members of The Imaginative Traveller Limited**

We have audited the financial statements of The Imaginative Traveller Limited for the year ended 30 September 2012 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 statement of Directors' responsibilities set out on page 2, 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 30 September 2012 and of its loss 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.

#### **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.

*Rosemary Shapland*

Rosemary Shapland (Senior Statutory Auditor)    Dated *25 June* 2013  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditor  
Gatwick

**The Imaginative Traveller Limited**  
**Profit and loss account for the year ended 30 September 2012**

	Note	Year ended 30 September 2012 £	Year ended 30 September 2011 £
<b>Turnover</b>	2	-	2,389,822
<b>Cost of sales</b>		<u>-</u>	<u>(2,002,075)</u>
<b>Gross profit</b>		-	387,747
Administrative expenses (including exceptional costs of £68,388 (2011 £352,744))	3	<u>(70,702)</u>	<u>(466,860)</u>
<b>Operating loss</b>		<u>(70,702)</u>	<u>(79,113)</u>
Amounts written off investments		-	1
Interest receivable and similar income	6	209	4,376
Interest payable and similar charges	7	<u>(1)</u>	<u>(67)</u>
<b>Loss on ordinary activities before taxation</b>	3	<u>(70,494)</u>	<u>(74,803)</u>
Tax on loss on ordinary activities	8	<u>17,624</u>	<u>(77,919)</u>
<b>Loss for the financial year</b>	13	<u><u>(52,870)</u></u>	<u><u>(152,722)</u></u>

The results stated above are all derived from discontinued operations

A note on historical cost profits and losses has not been included as part of these financial statements as the results as disclosed in the profit and loss account are prepared on an unmodified historical cost basis

The Company has no recognised gains or losses other than those included in the profit and loss account. Accordingly, no statement of total recognised gains and losses is presented

**The Imaginative Traveller Limited**  
**Balance sheet at 30 September 2012**

	Note	30 September 2012 £	30 September 2011 £
<b>Current assets</b>			
Debtors	9	75,131	254,674
Cash at bank and in hand		<u>120,488</u>	<u>439,769</u>
		195,619	694,443
<b>Creditors' amounts falling due within one year</b>	10	<u>(168,192)</u>	<u>(461,852)</u>
<b>Net current assets</b>		<u>27,427</u>	<u>232,591</u>
<b>Total assets less current liabilities</b>		<u>27,427</u>	<u>232,591</u>
<b>Provisions for liabilities</b>	11	(105,700)	(257,994)
<b>Net liabilities</b>		<u>(78,273)</u>	<u>(25,403)</u>
<b>Capital and reserves</b>			
Called up share capital	12	800,000	800,000
Profit and loss account	13	<u>(878,273)</u>	<u>(825,403)</u>
<b>Total shareholders' deficit</b>	14	<u>(78,273)</u>	<u>(25,403)</u>

The notes on pages 6 to 13 form part of these financial statements

The financial statements were approved by the Board on 24 June 2013 and signed on their behalf by



P J Burrell  
**Director**

**1 Accounting policies**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements

**Basis of preparation**

The financial statements have been prepared on the going concern basis in accordance with applicable accounting standards, the 2006 Companies Act, and under the historical cost convention

**Cash flow**

Under Financial Reporting Standard 1 (Revised 1996) the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements

**Going concern**

At 30 September 2012 the Company had net liabilities

The financial statements have been prepared on the going concern basis as the parent company, Trek Investco Limited, has confirmed its intention to provide such financial support to the Company as may be required in order that it can continue to meet its liabilities as they fall due, for a period of at least 12 months from the approval of these financial statements

**Taxation**

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

Except as otherwise required by accounting standards, full provision without discounting is made for all deferred taxation timing differences which have arisen but not reversed at the balance sheet date. Timing differences arise when items of income and expenditure are included in tax computations in periods which are different from their inclusion in the financial statements. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be used.

Deferred tax assets and liabilities are measured at the tax rate that is expected to apply to the period when the asset is realised or the liability is settled, based on the rates that have been enacted or substantively enacted at the balance sheet date.

On 22 June 2010, the UK Government announced a phased reduction in the main UK corporation tax rate from 28% to 24%, with the first 1% reduction taking effect from 1 April 2011 (having been substantively enacted on 20 July 2010). Subsequent UK Budget Statements have announced additional reductions in the main UK corporation tax rate to 26% taking effect from 1 April 2011, and 24% taking effect from 1 April 2012.

At the balance sheet date, the Finance Act 2012 had been substantively enacted confirming that the main UK corporation tax rate will be 23% from 1 April 2013. Therefore, at 30 September 2012, deferred tax assets and liabilities have been calculated based on a rate of 23% where the temporary difference is expected to reverse after 1 April 2013.

Further proposals to reduce the main UK corporation tax rate to 21% on 1 April 2014 and to 20% on 1 April 2015 had not been substantively enacted at the balance sheet date and are therefore not included in these financial statements.

These reductions may reduce the Company's future current tax charge accordingly. It has not yet been possible to quantify the full anticipated effect of the rate reduction. Although this should further reduce the Company's future current tax charge and reduce the Company's deferred tax liabilities / assets accordingly, it is estimated that this will not have a material effect on the Company.

**1 Accounting policies (continued)**

**Leases**

Rentals paid under operating leases are charged to profit and loss on a straight-line basis over the lease term or on another systematic basis if this is more representative of the time pattern of the benefit from the use of the leased asset

**Turnover**

Turnover represents the aggregate amount of revenue receivable in the ordinary course of business. Turnover is stated net of discounts. Revenue is recognised on the date of departure and the related costs of holidays and flights are charged to the profit and loss account on the same basis. The Company has one class of business, namely acting as a tour operator.

**Marketing and other direct sales costs**

Marketing, advertising and other promotional costs, including those related to the production of brochures, are expensed as expenditure is incurred.

**Client money received in advance**

Client money received at the balance sheet date relating to holidays commencing and flights departing after the year end is included in creditors.

**Interest income and expense**

Interest income comprises interest on funds invested in a bank and is recognised as it accrues in the profit and loss account, using the effective interest rate method.

Interest expense comprises interest on borrowings. All borrowing costs are recognised in the profit and loss account using the effective interest rate method.

**Provisions**

A provision is recognised in the balance sheet when the Company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and the outflow of economic benefits can be reliably established. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability.

**2 Turnover**

The Company had one class of business, namely acting as a tour operator for fellow Group undertakings.

Turnover analysed by geographical location (source market)

	Year ended 30 September 2012 £	Year ended 30 September 2011 £
United Kingdom	-	2,207,282
Rest of Europe outside UK	-	162,012
Rest of World	-	20,528
	<u>-</u>	<u>2,389,822</u>



**The Imaginative Traveller Limited**  
**Notes to the financial statements for the year ended 30 September 2012**

**3. Loss on ordinary activities before taxation**

Loss on ordinary activities before taxation is stated after charging / (crediting)

	Year ended 30 September 2012	Year ended 30 September 2011
	£	£
Depreciation on tangible assets - owned	-	42,404
Loss on disposal of tangible assets - owned	-	1,157
Exchange gains	(2,106)	(9,248)
Operating leases - land and buildings	-	30,000
Operating leases - other	-	5,645
<b>Administrative expenses - exceptional</b>		
Restructuring (note 4 and 11)		
Loss on disposal of tangible assets - owned	-	26,337
Impairment of tangible assets - owned	-	63,322
Operating leases - land and buildings	-	62,500
Operating leases - other	-	2,158
Discounts	-	1,020
Staff costs	-	100,380
Premises costs	-	43,322
Professional fees	-	29,470
Other expenses	68,388	24,235
<b>Total exceptional expenses</b>	<b>68,388</b>	<b>352,744</b>

The Directors are of the opinion that following the cessation of trading activities certain expenses incurred as detailed above were exceptional in nature and have been separately identified and disclosed. These costs relate to charges incurred or to be incurred as a result of the decision to cease operations.

In 2012 and 2011 the auditors' remuneration was borne by another Group company. For 2011 no allocation of the total Group audit fee was made in respect of the Company. The allocated audit fee relating to the Company for 2012 was £2,000.

**4. Employee numbers and remuneration**

The average monthly number of employees, including Directors, during the year, analysed by category, was as follows:

	Year ended 30 September 2012	Year ended 30 September 2011
	Number	Number
Selling	-	14
Management & administration	-	9
	-	23

**4 Employee numbers and remuneration (continued)**

The aggregate payroll costs for those employees were as follows

	Year ended 30 September 2012	Year ended 30 September 2011
	£	£
Wages and salaries	-	402,316
Social security costs	-	33,607
Other pension costs	-	6,385
	<u>-</u>	<u>442,308</u>

Included in the amounts above are redundancy costs of £nil (2011 £100,380) during the year. These are accounted for within restructuring costs (note 3).

**5 Directors' remuneration**

The remuneration of the Company's Directors was paid by another Group company, which makes no recharge to the Company, and the Directors received no remuneration for their services as Directors of the Company. The Directors are also Directors of a number of companies within the Group. It is therefore not possible to make an apportionment of their remuneration in respect of the Company and each of the Group companies for which they are a Director.

**6 Interest receivable and similar income**

	Year ended 30 September 2012	Year ended 30 September 2011
	£	£
Bank interest receivable	<u>209</u>	<u>4,376</u>

**7. Interest payable and similar charges**

	Year ended 30 September 2012	Year ended 30 September 2011
	£	£
Bank interest	<u>1</u>	<u>67</u>

**8 Tax on loss on ordinary activities**

	Year ended 30 September 2012	Year ended 30 September 2011
(i) Analysis of tax (credit)/charge in the year	£	£
Current tax		
Amount receivable from fellow subsidiaries for group relief	(17,624)	-
<b>Total current tax</b>	<u>(17,624)</u>	<u>-</u>

**The Imaginative Traveller Limited**

**Notes to the financial statements for the year ended 30 September 2012**

**8 Tax on loss on ordinary activities (continued)**

	Year ended 30 September 2012	Year ended 30 September 2011
	£	£
Deferred tax		
Origination and reversal of timing differences		
- current year	-	77,919
<b>Total deferred tax</b>	<b>-</b>	<b>77,919</b>
<b>Tax (credit)/charge on loss on ordinary activities</b>	<b>(17,624)</b>	<b>77,919</b>

**(ii) Factors affecting the current tax credit for the year**

The current tax credit (2011 charge) for the year is equal to (2011 lower than) the standard rate of corporation tax in the UK of 25% (2011 27%). The differences are explained below

	Year ended 30 September 2012	Year ended 30 September 2011
	£	£
Loss on ordinary activities before tax	<b>(70,494)</b>	<b>(74,803)</b>
Loss on ordinary activities at the standard rate of UK corporation tax of 25% (2011 27%)	<b>(17,624)</b>	<b>(20,200)</b>
Effect of		
- Amounts not deductible for tax purposes	-	8,412
- Income not taxable	-	(57,233)
- Depreciation for year in excess of capital allowances	-	(77,919)
- Utilisation of tax losses	-	146,940
<b>Current tax credit for the year</b>	<b>(17,624)</b>	<b>-</b>

**(iii) Factors affecting the future tax charge**

The rate of taxation is expected to follow the standard rate of UK corporation tax in future periods. The statutory rate of UK corporation tax is reduced to 23% with effect from 1 April 2013.

**9. Debtors**

	30 September 2012	30 September 2011
	£	£
Group relief receivable	<b>17,624</b>	-
Trade debtors	-	155,377
Amounts owed by Group undertakings	<b>50,447</b>	58,135
Other debtors including taxation	<b>7,060</b>	41,162
	<b>75,131</b>	<b>254,674</b>

Amounts owed by Group undertakings are unsecured and have no fixed date of repayment. Balances with Group undertakings are interest free.

**The Imaginative Traveller Limited**

**Notes to the financial statements for the year ended 30 September 2012**

**10 Creditors, amounts falling due within one year**

	<b>30 September 2012</b>	<b>30 September 2011</b>
	<b>£</b>	<b>£</b>
Trade creditors	-	129,386
Amounts owed to Group undertakings	<b>168,192</b>	266,760
Other creditors including taxation and social security	-	2,192
Accruals and deferred income	-	63,514
	<b><u>168,192</u></b>	<b><u>461,852</u></b>

Amounts owed to Group undertakings are unsecured and have no fixed date of repayment. Balances with Group undertakings are interest free.

**11 Provisions for liabilities**

	<b>Restructuring £</b>
At 1 October 2011	257,994
Utilised during the year	(137,294)
Released during the year	(15,000)
At 30 September 2012	<b><u>105,700</u></b>

The restructuring provision relates to lease termination payments, redundancy costs and other costs relating to closure of the business and retention of the building until the lease break. It is expected to be utilised in the forthcoming year.

**12. Share capital**

	<b>30 September 2012</b>	<b>30 September 2011</b>
	<b>£</b>	<b>£</b>
<b>Issued and fully paid</b>		
800,000 (2011: 800,000) ordinary shares of £1 each	<b><u>800,000</u></b>	<b><u>800,000</u></b>

**13 Reserves**

	<b>Share-based payment reserve</b>	<b>Profit &amp; loss account</b>
	<b>£</b>	<b>£</b>
At 1 October 2011	20,551	(845,954)
Transfer to profit and loss account	(20,551)	20,551
Loss for the financial year	-	(52,870)
<b>At 30 September 2012</b>	<b><u>-</u></b>	<b><u>(878,273)</u></b>

The share-based payment reserve has been transferred to the profit and loss account as there are no further employees in the Company who are subject to share-based payments.

**The Imaginative Traveller Limited**

**Notes to the financial statements for the year ended 30 September 2012**

**14 Reconciliation of movements in shareholders' deficit**

	<b>30 September 2012</b>	<b>30 September 2011</b>
	<b>£</b>	<b>£</b>
Opening shareholders' deficit	(25,403)	(643,232)
Issue of share capital	-	750,000
Share-based payment	-	20,551
Loss for the financial year	(52,870)	(152,722)
<b>Closing shareholders' deficit</b>	<b>(78,273)</b>	<b>(25,403)</b>

The cumulative share-based payment charge for the year ended 30 September 2011 of £20,551 has been recognised within operating profit and the related credit has been recognised in equity. In previous accounting periods the charge was considered by the Directors to be immaterial to the financial statements.

**15 Related party transactions**

The Company has taken advantage of the exemption contained in Financial Reporting Standard Number 8 "Related Party Transactions" as it is a wholly-owned subsidiary of PEAK Adventure Travel Group Limited. Therefore the Company has not disclosed transactions or balances with wholly-owned entities that form part of the group headed by PEAK Adventure Travel Group Limited. In the normal course of business the Company undertook transactions with entities that are not wholly owned by PEAK Adventure Travel Group Limited. These transactions primarily related to the recharging of expenses within the TUI Travel PLC Group of companies.

Details of transactions with related parties and balances outstanding at the balance sheet date are set out in the following tables.

	Revenue		Expenses	
	Year ended 30 September 2012 £	Year ended 30 September 2011 £	Year ended 30 September 2012 £	Year ended 30 September 2011 £
<b>Related party</b>				
Subsidiaries within the TUI Travel PLC group of companies	-	-	-	622,308
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>622,308</b>

	Receivables outstanding		Payables outstanding	
	Year ended 30 September 2012 £	Year ended 30 September 2011 £	Year ended 30 September 2012 £	Year ended 30 September 2011 £
<b>Related party</b>				
Subsidiaries within the TUI Travel PLC group of companies	-	8,828	168,192	84,358
<b>Total</b>	<b>-</b>	<b>8,828</b>	<b>168,192</b>	<b>84,358</b>

**16. Ultimate parent company**

The Company is a subsidiary undertaking of TUI AG – a company registered in Berlin and Hanover (Federal Republic of Germany), which is the ultimate parent company and controlling party. The intermediate holding company is TUI Travel PLC. The immediate parent company is Trek Investco Limited.

The largest group in which the results of the Company are consolidated is that headed by TUI AG. The smallest group in which the results of the Company are consolidated is that headed by PEAK Adventure Travel Group Limited, incorporated in Australia. The results of the Company are also consolidated in the group headed by TUI Travel PLC, incorporated in the United Kingdom. No other group financial statements include the results of the Company.

Copies of the TUI Travel PLC financial statements are available from the Company Secretary, TUI Travel House, Crawley Business Quarter, Fleming Way, Crawley, West Sussex RH10 9QL or from the website [www.tuitraveplc.com](http://www.tuitraveplc.com). Copies of the TUI AG financial statements are available from Investor Relations, TUI AG, Karl-Wiechert-Allee 4, D-30625, Hanover or from the website [www.tui-group.com](http://www.tui-group.com).

Copies of the PEAK Adventure Travel Group Limited are available from the Company Secretary, PEAK Adventure Travel Group Limited, Level 3, 380 Lonsdale Street, Melbourne, VIC 3000, Australia.