

Quill Travel Services Limited
Directors' report and financial statements
for the year ended 30 September 2011
Company number 940758



Quill Travel Services Limited
Report of the Directors for the year ended 30 September 2011

The Directors submit their report and the audited financial statements of Quill Travel Services Limited ("the Company") for the year ended 30 September 2011.

Principal activity

The Company was principally engaged in the provision of yachts for sailing holidays. During the previous financial years, the Company has disposed of its remaining owned boats to a fellow subsidiary within the TUI Travel PLC group of companies ("the Group"). As a result, the Company is not anticipated to trade in future accounting periods and it is the Directors' intention to strike the Company off the register.

Results and dividends

The profit on ordinary activities before taxation for the year ended 30 September 2011 amounted to £nil (2010: profit £nil). There were no dividends paid during the year (2010: £nil). The Directors do not recommend the payment of a final dividend.

Business review

The Company is exempt by virtue of its size, it being a small company, from the requirement to include an enhanced business review.

Principal risks and uncertainties

During the year, the Directors managed the risks and uncertainties of the Company in co-ordination with its fellow subsidiaries in the Group. The Directors review the Company's risks and uncertainties in the context of the Group. The Directors believe that this review process is appropriate given that the Company's operations are managed in co-ordination with those of the TUI Travel Specialist & Activity Sector businesses.

As the Directors manage the Company in co-ordination with the management of the TUI Travel Specialist & Activity Sector, they take the view that analysis using key performance indicators ("KPIs") for the Company alone is not necessary or appropriate for an understanding of the development, performance and positioning of its business.

The development, performance and positioning of the Specialist & Activity Sector which includes the Company, is discussed in the Business Performance section within TUI Travel PLC's annual report, which does not form part of this report.

Directors

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

J J Grisdale (appointed 28 February 2011)
D Mee
J Wimbleton

Other directors who served during the year were

H W S Boulton (resigned 28 September 2011)
A Raas (resigned 1 December 2010)

Independent auditors

During the year KPMG Audit Plc resigned as auditors and PricewaterhouseCoopers LLP were appointed by the Directors in their place. 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, maintains Directors' and Officers' Liability insurance policies on behalf of the Directors of the Company for all wrongful acts. These policies meet the Companies Act 2006 definition of a qualifying third party indemnity provision.

Quill Travel Services Limited

Report of the Directors for the year ended 30 September 2011 (continued)

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 of 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

Statement of Directors' responsibilities

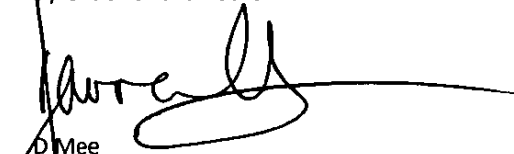
The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the Directors to prepare financial statements for each financial year. Under that law they 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 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

By Order of the Board



D. Mee
Director

Dated 22 June 2012

Company number 940758

Quill Travel Services Limited

Report of the independent auditors to the members of Quill Travel Services Limited

We have audited the financial statements of Quill Travel Services Limited for the year ended 30 September 2011 which comprise of 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 and financial statements 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 2011 and of its result 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.

Emphasis of matter – basis of preparation

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in note 1 to the financial statements concerning the going concern basis of accounting which explains the Company is to be wound up during the next financial year. Accordingly, the going concern basis of accounting is no longer appropriate. Adjustments have been made in these financial statements to reduce assets to their realisable values, to provide for liabilities arising from the decision and to reclassify fixed assets and long-term liabilities as current assets and liabilities.

Quill Travel Services Limited

Report of the independent auditors to the members of Quill Travel Services Limited

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



Andy Grimbly (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditor
Southampton

Dated

29 June

2012

Quill Travel Services Limited
Profit and loss account for the year ended 30 September 2011

		Year ended 30 September 2011 £	Year ended 30 September 2010 £
	Note		
Turnover		758	-
Cost of sales		-	(503)
Gross profit		758	(503)
Administrative expenses		(309)	(311)
Operating profit / (loss)	2	449	(814)
Interest receivable and similar income	4	3	877
Interest payable and similar charges	5	(452)	(63)
Profit on ordinary activities before taxation		-	-
Tax on profit on ordinary activities	6	-	-
Result for the financial year	10	-	-

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

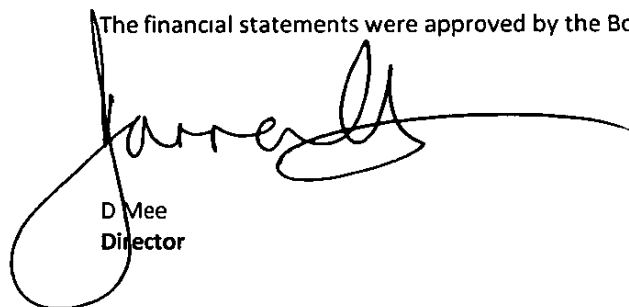
The Company has no recognised gains or losses other than those included in the profit and loss account. Accordingly, no statement of total recognised gains and losses is presented

Quill Travel Services Limited
Balance sheet at 30 September 2011

	Note	30 September 2011 £	30 September 2010 £
Current assets			
Debtors	7	1,334,684	1,401,527
Cash at bank and in hand		<u>23,657</u>	<u>-</u>
		1,358,341	1,401,527
Creditors amounts falling due within one year	8	<u>(905,875)</u>	<u>(949,061)</u>
Net current assets		452,466	452,466
Net assets		<u>452,466</u>	<u>452,466</u>
Capital and reserves			
Called up share capital	9	500,000	500,000
Profit and loss account	10	<u>(47,534)</u>	<u>(47,534)</u>
Equity shareholders' funds	11	<u>452,466</u>	<u>452,466</u>

Notes from page 7 to 9 form part of the financial statements

The financial statements were approved by the Board on 22 June 2012 and signed on their behalf by



D Mee
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 in accordance with applicable accounting standards and under the historical cost accounting rules

Going concern

Following the cessation of the Company's trade it is the Directors' intention that the Company be wound up. These accounts have therefore been prepared under the break up basis.

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.

Taxation

UK Corporation Tax is provided on amounts expected to be paid (or recovered) using the tax rates and laws enacted, or substantively enacted, at the balance sheet date.

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.

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 (and substantively enacted on 20 July 2010). On 23 March 2011, the UK Government announced an additional 1% reduction in the main UK corporation tax rate to 26% taking effect from 1 April 2011. A further three reductions of 1% will follow annually, reducing the corporation tax rate to 23% from 1 April 2014.

Foreign currencies

Transactions in overseas currencies are translated at the exchange rate ruling at the date of the transaction or, where forward cover has been arranged, at the contractual rate. Monetary assets and liabilities denominated in foreign currencies are retranslated at the exchange rates ruling at the balance sheet date or at a contractual rate if applicable and any exchange differences arising are taken to the profit and loss account in the season to which the contract relates.

Turnover

Turnover represents charter hire income receivable from other group companies. Charter hire income is recognised on a straight line basis over a period of charter hire. During the prior periods the Company has sold all of its boats and as a result the trade has ceased.

Interest income and expenses

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

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

2. Profit on ordinary activities before taxation

In 2010 and 2011 auditors' remuneration was borne by another Group company. It has not been possible to separately identify the audit fee relating to this entity.

Quill Travel Services Limited
Notes to the financial statements for the year ended 30 September 2011

3. Employees' and Directors' remuneration

The Directors were 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 of which they are a Director.

4. Interest receivable and similar income

	Year ended 30 September 2011 £	Year ended 30 September 2010 £
Intercompany interest receivable	3	877

5. Interest payable and similar charges

	Year ended 30 September 2011 £	Year ended 30 September 2010 £
Bank loans and overdraft interest	452	63

6. Tax on profit on ordinary activities

(i) There is no tax charge in either the current or the prior year.

(ii) Factors affecting the future tax charge

The rate of taxation is expected to follow the standard rate of UK corporation tax in future periods after taking into account expenditure not deductible for taxation and any non-taxable income. The statutory rate of UK Corporation tax is reduced to 24% with effect from 1 April 2012.

There is no unprovided deferred tax liability or unrecognised deferred tax asset at either 30 September 2011 or 30 September 2010.

7. Debtors	30 September 2011 £	30 September 2010 £
Amounts owed by Group undertakings	1,333,788	1,400,631
Prepayments and accrued income	896	896
	1,334,684	1,401,527

Amounts owed by Group undertakings are unsecured and have no fixed date of repayment. Balances with dormant companies are interest free and all others bear interest at the Bank of England base rate.

Quill Travel Services Limited

Notes to the financial statements for the year ended 30 September 2011

8. Creditors' amounts falling due within one year	30 September 2011 £	30 September 2010 £
Bank loans and overdrafts	-	43,186
Amounts owed to immediate parent company	850,424	850,424
Group relief payable to Group companies	55,451	55,451
	905,875	949,061

Amounts owed to Group undertakings are unsecured and have no fixed date of repayment. Balances with dormant companies are interest free and all others bear interest at the Bank of England base rate.

9. Share capital	30 September 2011 £	30 September 2010 £
Issued and fully paid		
500,000 ordinary shares of £1 each	500,000	500,000

10. Profit and loss account	£
At 1 October 2010 and 30 September 2011	(47,534)

11. Equity shareholders' funds	£
Shareholders' funds at 1 October 2010 and 30 September 2011	452,466

12. 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. The intermediate holding company is TUI Travel PLC. The immediate holding company is Sunsail Worldwide Sailing 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 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 TUI Travel House, Crawley Business Quarter, Fleming Way, Crawley, West Sussex RH10 9QL or from the website www.tuitravelplc.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.