

**Travelmood Limited**  
**Reports of the Directors and financial statements**  
**for the year ended 30 September 2013**  
**Company number 1934932**

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**Travelmood Limited**  
**Reports of the Directors for the year ended 30 September 2013**

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The Directors present their reports and the audited financial statements of Travelmood Limited ("the Company") for the year ended 30 September 2013

**STRATEGIC REPORT**

The Company's principal activity during the year continued to be that of a travel agent and tour operator

**Review of the business**

The Company's loss on ordinary activities before taxation for the year ended 30 September 2013 was £560,000 (2012 £594,000 profit) The Directors do not recommend the payment of a final dividend

Gross margin was slightly down against the previous year despite key sporting events for UK teams taking place in Australia during FY13 This was in part driven by the strategic initiative of moving away from selling Flight Only packages to focusing on higher margin packages (Flights & Accommodation) This has meant a reduction in passenger volumes but has allowed our brand Austravel to have a solid foundation to grow its margin per passenger in future years

As the Directors manage the Company in co-ordination with the management of the TUI Travel PLC Specialist & Activity Sector businesses, which includes the Company, the development, performance and positioning of the Company is considered to be more appropriate at a Sector level A fair review of the Sector is in the Business and Financial Review section on page 62 of the TUI Travel PLC annual report and accounts, which does not form part of this report Details of where these accounts can be obtained are in the ultimate parent company note in these financial statements

Considering the loss for the financial year and the reduction in payments received on account, the cash at bank and in hand has only partially deteriorated due mainly to the settlement of Group relief receivable

The treasury function is managed centrally in the TUI Travel PLC group of companies ("the Group") and supports the business activities and financial risks faced by the Company This includes setting and monitoring hedging policies in the Group, centralising the Group's cash management systems, reporting and monitoring daily cash balances and forecasting cash requirements for the foreseeable future

To understand the development, performance and positioning of the Company's business, there are certain Key Performance Indicators (KPIs) that are measured and monitored The main KPIs are

	Year ended		Year ended
	30 September 2013		30 September 2012
	No/£000		No/£000
Number of Passengers	14,472		16,891
Revenue	28,646		30,852
Margin per passenger	0 287		0 290

The KPIs of the Specialist & Activity Sector, which includes the Company, are on pages 38-41 in the KPI section of the Strategic Report and on page 62 of the Business and Financial Review, both within the TUI Travel PLC annual report and accounts Details of where these accounts can be obtained are included in the ultimate parent company note in these financial statements

**Principal risks and uncertainties**

The principal risks and uncertainties which are common to the Group and the Company are

- **Consumer preferences and desires.** Price, product and digital solutions play a key part in the consumer's decision-making process Consumers are increasingly turning online to research and book holidays and are moving towards booking nearer the time of travel A risk exists that we do not identify or respond quickly enough to changes in consumer preferences and do not keep up with the latest technological developments The impact of this risk is that our market position comes under pressure resulting in lower growth rates and margins

- **Business improvement opportunities** The Group is heavily reliant on legacy systems, processes and structures which in some cases are outdated, complex and inefficient. If we do not address the systems' inefficiencies we may incur higher costs due to inefficiencies and impact our ability to optimise business performance and provide a value added service to our consumers.
- **Global financial factors** The cross-border nature of trading exposes our business to fluctuations in exchange rates and complex tax laws. Pressure in the travel and tourism and banking sectors is set to continue due to inherent risks within travel and tourism and the Eurozone debt crisis. If we do not manage adequately the volatility of exchange rates or other rising input costs such as hotel costs we may suffer increased costs which may reduce demand resulting in lower revenue and/or margins. Further, tax authorities may take a more strident approach in order to fund local fiscal deficits.
- **Consumer demand.** Spending on travel and tourism is discretionary and price sensitive. The economic outlook remains uncertain with different source markets at different points in the recovery cycle. Consumers are also waiting longer to book their trips in order to assess their financial situation. If we do not respond successfully to changes in consumer demands and preferences, our revenues and/or our margins will fall.
- **Talent management** The Company's success depends on its ability to retain key management and it relies on having good relations with its colleagues. If we are unable to attract and retain talent, build future leadership capability and the trust of our employees, then we risk not maximising on our operating results and financial performance.
- **Political volatility, natural catastrophes and outbreaks** The provision of the Company's holidays and travel services are exposed to the inherent risk of domestic and/or international incidents affecting some of the countries/destinations within our operations. The inability to respond efficiently and effectively to large scale events will lead to significant operational disruption leading to reduced profits/larger losses caused by holiday cancellations and/or repatriation of customers and a general decline in consumer demand.
- **Regulatory environment** The Company operates in a highly-regulated environment, particularly in relation to consumer protection, aviation and the environment. If we do not establish an effective system of internal control to ensure we operate in compliance with all legal and regulatory requirements, we will suffer negative impact, damaging reputation and leading to reduced revenues and/or higher input costs.

During the year, the Directors managed these risks and uncertainties of the Company in co-ordination with its fellow subsidiaries in the Group. Further information on these risks, together with how these are mitigated, can be found on pages 45-51 of the TUI Travel PLC annual report and accounts.

On behalf of the Board

C J Parselle  
Director



Dated 25 March 2014

## **DIRECTORS' REPORT**

### **Directors**

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

C J Parselle

M R Prior

Other Directors who served during the year were

R C Bainbridge (resigned 31 March 2013)

D Mee (resigned 18 October 2012)

J Wimbleton (resigned 10 October 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, maintains Directors' & Officers' Liability insurance policies on behalf of the Directors of the Company. These policies meet the Companies Act 2006 definition of a qualifying third party indemnity provision and were in place during the year and at the date of approval of 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.

### **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. Please also refer to note 1.

### **Statement of Directors' responsibilities**

The Directors are responsible for preparing the Strategic Report and 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 UK 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.

**Travelmood Limited**  
**Reports of the Directors for the year ended 30 September 2013**

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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.

On behalf of the Board



C J Parselle  
Director

Company Number 1934932

Dated 25 March 2014

## **Report on the financial statements**

### **Our opinion**

In our opinion the financial statements, defined below

- give a true and fair view of the state of the Company's affairs as at 30 September 2013 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

This opinion is to be read in the context of what we say in the remainder of this report

### **What we have audited**

The financial statements, which are prepared by Travelmood Limited, comprise

- the Balance Sheet as at 30 September 2013,
- the Profit and Loss Account for the year then ended, and
- the notes to the financial statements, which include a summary of significant accounting policies

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)

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events

### **What an audit of financial statements involves**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). 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 Reports of the Directors and financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report

## **Opinion on matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report and Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements

## **Other matters on which we are required to report by exception**

### **Adequacy of accounting records and information and explanations received**

Under the Companies Act 2006 we are required to report to you if, in our opinion

- we have not received all the information and explanations we require for our audit, or
- 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

We have no exceptions to report arising from this responsibility

### **Directors' remuneration**

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility

## **Responsibilities for the financial statements and the audit**

### **Our responsibilities and those of the directors**

As explained more fully in the Statement of Directors' Responsibilities set out on pages 3 and 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 and express an opinion on the financial statements in accordance with applicable law and ISAs (UK & 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

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*Rosemary Shapland*

Rosemary Shapland (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors

Gatwick  
25 March 2014

**Travelmood Limited**  
**Profit and loss account for the year ended 30 September 2013**

		Year ended 30 September 2013 £'000	Year ended 30 September 2012 £'000
	Note		
<b>Turnover</b>		<b>28,646</b>	<b>30,852</b>
Cost of sales		(24,487)	(25,951)
<b>Gross profit</b>		<b>4,159</b>	<b>4,901</b>
Administrative expenses		(4,720)	(4,309)
<b>Operating (loss)/profit</b>		<b>(561)</b>	<b>592</b>
Interest receivable		1	3
Interest payable and similar charges	5	-	(1)
<b>(Loss)/profit on ordinary activities before taxation</b>	2	<b>(560)</b>	<b>594</b>
Tax on (loss)/profit on ordinary activities	6	212	512
<b>(Loss)/profit for the financial year</b>	15	<b>(348)</b>	<b>1,106</b>

The results stated above are all derived from continuing 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

**Travelmood Limited**  
**Balance sheet as at 30 September 2013**

		<b>30 September 2013 £'000</b>	<b>30 September 2012 £'000</b>
	<b>Note</b>		
<b>Fixed assets</b>			
Intangible assets	7	<u>-</u>	<u>162</u>
		-	162
<b>Current assets</b>			
Debtors	8	<b>11,416</b>	13,767
Cash at bank and in hand		<u>303</u>	<u>492</u>
		<b>11,719</b>	14,259
<b>Creditors amounts falling due within one year</b>	9	<u>(18,428)</u>	<u>(20,430)</u>
<b>Net current liabilities</b>		<b>(6,709)</b>	(6,171)
<b>Total assets less current liabilities</b>		<u>(6,709)</u>	<u>(6,009)</u>
Provisions for liabilities	12	(462)	(814)
<b>Net liabilities</b>		<u>(7,171)</u>	<u>(6,823)</u>
<b>Capital and reserves</b>			
Called up share capital	13	<b>100</b>	100
Profit and loss account	14	<b>(7,271)</b>	(6,923)
<b>Total shareholders' deficit</b>	15	<u>(7,171)</u>	<u>(6,823)</u>

The notes on pages 8 to 14 form part of these financial statements

The financial statements were approved by the Board on 25 March 2014 and signed on their behalf by



**C J Parselle**  
**Director**



**1. Accounting policies**

The following accounting policies have been consistently applied 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 the Companies Act 2006 and applicable United Kingdom accounting standards and under the historical cost convention

**Cash flow**

Under Financial Reporting Standard 1 (revised 1996) "Cashflow Statements" 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 2013, the Company had net current liabilities and net liabilities

The financial statements are prepared on the going concern basis as the intermediate parent company, TUI Travel PLC, has agreed to provide financial support to the Company in order that it can continue to trade and meet its liabilities as they fall due, for as long as the Company remains a member of the Group

**Turnover**

Turnover represents the total amount, excluding Value Added Tax, invoiced by the Company in respect of services provided in the ordinary course of business and arises in the United Kingdom

Turnover is stated net of discounts. Turnover 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

**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

**Intangible assets - Goodwill**

Goodwill arising on acquisitions (representing the excess of the fair value of the consideration given over the fair value of the separable net assets acquired) is capitalised and amortised on a straight-line basis over its useful economic life which is determined to be 2 to 5 years

**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 and it is probable that an outflow will be required to settle the obligation and that a reliable estimate can be made of the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability

**Pensions**

The Company's employees participate in the Group Defined Contribution Pension Scheme. Pension liabilities are paid by another Group company. A management charge is made by fellow Group companies to cover the Company's share of such operating costs

Further details of the Group Defined Contribution Pension Scheme can be found in the financial statements of TUI Travel PLC

**Operating leases**

Costs in respect of operating leases are charged to the profit and loss account 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

**1. Accounting policies (continued)****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

**Foreign currency translation and financial instruments**

Transactions in foreign currencies are translated at the exchange rate 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

**Taxation**

Taxation comprises current and deferred tax. Current tax is the expected tax payable (or recoverable) for the current period, and any adjustment to tax payable in respect of previous periods, using tax rates 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

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

**2 (Loss)/profit on ordinary activities before taxation**

	Year ended 30 September 2013 £'000	Year ended 30 September 2012 £'000
(Loss)/profit on ordinary activities before taxation is stated after charging		
Intangible amortisation	162	163
Operating lease rentals for land and buildings	434	453
Management charge	89	36

In 2012 and 2013 the auditors' remuneration was paid by another Group company. The allocated audit fee relating to the Company for 2013 and 2012 is as follows

	Year ended 30 September 2013 £'000	Year ended 30 September 2012 £'000
Fees for the audit of the Company	20	20

### 3. Employees' Information

Employee costs for the Company during the year were

	30 September 2013 £'000	30 September 2012 £'000
Wages & Salaries	1,804	1,788
Social Security Costs	153	163
Other Pension Costs	48	26
	<u>2,005</u>	<u>1,977</u>

The average monthly number of persons (including Directors) employed by TUI UK Limited but working on behalf of the Company during the year were

	30 September 2013 Number	30 September 2012 Number
Selling and distribution	39	39
Administration	34	34
	<u>73</u>	<u>73</u>

### 4. Directors' remuneration

Certain directors received total remuneration of £20,791 for their services to the Company (2012 £24,662)  
The total remuneration of the highest paid director is £13,629 (2012 £15,368)

The remuneration of the remaining 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

### 5. Interest payable and similar charges

	Year ended 30 September 2013 £'000	Year ended 30 September 2012 £'000
Bank loans and overdrafts	<u>-</u>	<u>1</u>

### 6. Tax on (loss) / profit on ordinary activities

#### (i) Analysis of tax (credit) / charge in the year

	Year ended 30 September 2013 £'000	Year ended 30 September 2012 £'000
Current tax		
Amounts (receivable from) / payable to fellow subsidiaries for group relief	(113)	1
Adjustment in respect of previous periods	<u>(322)</u>	<u>343</u>
<b>Total current tax</b>	<u>(435)</u>	<u>344</u>

**(i) Analysis of tax credit in the year (continued)**

	Year ended 30 September 2013 £'000	Year ended 30 September 2012 £'000
Deferred tax		
Origination and reversal of timing differences		
- current year	(19)	(889)
- effect of reduction in UK corporation tax rate	140	100
- adjustment in respect of previous periods	102	(67)
<b>Total deferred tax (note 11)</b>	<b>223</b>	<b>(856)</b>
<b>Total tax credit on (loss) / profit on ordinary activities</b>	<b>(212)</b>	<b>(512)</b>

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

The current tax credit for the year (2012 charge) is higher than (2012 higher) than the standard rate of corporation tax in the UK of 23.5% (2012 25%). The differences are shown below

	Year ended 30 September 2013 £'000	Year ended 30 September 2012 £'000
(Loss) / profit on ordinary activities before tax	(560)	594
(Loss) / profit on ordinary activities at the standard rate of UK corporation tax of 23.5% (2012 25%)	(132)	148
Effects of		
- Expenses not deductible for tax purposes	-	41
- Depreciation for year in excess of capital allowances	38	-
- Other short term timing differences	(19)	37
- Adjustment in respect of previous periods	(322)	343
- Utilisation of tax losses	-	(225)
<b>Current tax (credit) / charge for year</b>	<b>(435)</b>	<b>344</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

At the balance sheet date, the Finance Act 2013 had been enacted confirming that the main UK corporation tax rate will reduce to 21% with effect from 1 April 2014 and 20% from 1 April 2015. Therefore, at 30 September 2013, deferred tax assets and liabilities have been calculated based on a rate of 20% where the temporary difference is expected to reverse after 1 April 2015. These reductions may also reduce the Company's future current tax charges accordingly.

**7. Intangible assets**

	Goodwill £'000
<b>Cost.</b>	
<b>At 1 October 2012 and 30 September 2013</b>	<b>830</b>
<b>Accumulated amortisation.</b>	
At 1 October 2012	668
Charge for the year	162
<b>At 30 September 2013</b>	<b>830</b>
<b>Net book value :</b>	
<b>At 30 September 2013</b>	<b>-</b>
At 30 September 2012	162

Goodwill of £830,000 arose on the acquisition of the trade and assets of Trips Worldwide Limited, Magic of the Orient Limited and Austravel Limited. The goodwill relating to Trips Worldwide Limited and Magic of the Orient Limited is written off over 2 years. The goodwill relating to Austravel Limited is written off over 5 years.

<b>8 Debtors</b>	<b>30 September 2013 £'000</b>	<b>30 September 2012 £'000</b>
Trade debtors	227	239
Amounts owed by Group undertakings	1,417	1,273
Group relief receivable	157	905
Deferred tax asset (Note 10)	928	1,151
Other debtors	127	453
Prepayments and accrued income	8,560	9,746
	<b>11,416</b>	<b>13,767</b>

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

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

	<b>30 September 2013 £'000</b>	<b>30 September 2012 £'000</b>
Trade creditors	499	264
Amounts owed to Group undertakings	6,659	8,275
Payments received on account	10,873	11,340
Accruals and deferred income	397	551
	<b>18,428</b>	<b>20,430</b>

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

**10. Deferred tax**

The movement in deferred taxation during the year was	<b>£'000</b>
At 1 October 2012	1,151
Charged to the profit and loss account in the year (note 6)	(223)
<b>At 30 September 2013</b>	<b>928</b>

The elements of deferred taxation are as follows

	<b>30 September 2013 £'000</b>	<b>30 September 2012 £'000</b>
Tax losses	626	784
Fixed asset timing differences	289	333
Other short term timing differences	13	34
<b>Net deferred tax asset in debtors (Note 8)</b>	<b>928</b>	<b>1,151</b>

A deferred tax asset has not been recognised in respect of timing differences relating to capital losses of £98,652 (2012 £113,450) as there is insufficient evidence that the asset will be recovered. The asset would be recovered if there were sufficient chargeable gains in the future against which to offset the losses.

There are no other unrecognised deferred tax assets nor unprovided deferred tax liabilities at either 30 September 2013 or 30 September 2012.

**11. Operating lease commitments**

At 30 September 2013, the Company had future annual commitments under non-cancellable operating leases which expire as follows

	<b>30 September 2013 £'000</b>	<b>30 September 2012 £'000</b>
<b>Land and buildings</b>		
Within one year	179	249
Within two to five years	531	50
After five years	70	129
	<b>780</b>	<b>428</b>

At 30 September 2013, £280,636 of the commitment in 2013 (2012 £280,636) has been provided for in full within the onerous lease provision detailed below.

**12 Provisions for liabilities**

	<b>Restructuring £'000</b>	<b>Lease provision £'000</b>	<b>Other £'000</b>	<b>Total £'000</b>
At 1 October 2012	202	549	63	814
Transfer between provisions	-	170	-	170
Utilised during the year	(202)	(257)	(63)	(450)
<b>At 30 September 2013</b>	<b>-</b>	<b>462</b>	<b>-</b>	<b>462</b>

A provision of £462,324 (2012 £549,069) covers all of the remaining lease and service charges of the old Blomfield Street head office (London) (2012 £201,873) covers restructuring costs including redundancies, shop refits, consultancy and integration costs. The provision related to costs associated with the closure of the shops has been fully utilised (2012 £63,001)

<b>13 Called up share capital</b>	<b>30 September</b>	<b>30 September</b>
	<b>2013</b>	<b>2012</b>
	<b>£'000</b>	<b>£'000</b>
<b>Issued and fully paid</b>		
100,000 (2012 100,000) ordinary shares of £1 each	<u>100</u>	<u>100</u>

<b>14. Profit and loss account</b>	<b>£'000</b>
At 1 October 2012	(6,923)
Loss for the financial year	<u>(348)</u>
<b>At 30 September 2013</b>	<b><u>(7,271)</u></b>

<b>15. Reconciliation of movement in shareholders' deficit</b>	<b>30 September</b>	<b>30 September</b>
	<b>2013</b>	<b>2012</b>
	<b>£'000</b>	<b>£'000</b>
Opening shareholders' deficit	(6,823)	(7,929)
(Loss) / profit for the financial year	<u>(348)</u>	<u>1,106</u>
<b>Closing shareholders' deficit</b>	<b><u>(7,171)</u></b>	<b><u>(6,823)</u></b>

**16 Related party transactions**

The Company has taken advantage of the exemption contained in Financial Reporting Standard No 8 "Related Party Disclosures" as it is a wholly-owned subsidiary of TUI Travel PLC. Therefore the Company has not disclosed transactions or balances with wholly-owned entities that form part of the Group headed by TUI Travel PLC.

**17. 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 immediate holding company is TUI Travel SAS Holdings 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 the Company Secretary, TUI Travel House, Crawley Business Quarter, Fleming Way, Crawley, West Sussex RH10 9QL or from the website [www.tuitravelplc.com](http://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](http://www.tui-group.com).