

Travelmood Limited

**Reports of the Directors and financial statements
for the year ended 30 September 2014**

Company number 1934932



Travelmood Limited
Reports of the Directors for the year ended 30 September 2014

The Directors present their reports and the audited financial statements of Travelmood Limited ("the Company") for the year ended 30 September 2014.

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 profit on ordinary activities before taxation for the year ended 30 September 2014 was £262,000 (2013: £560,000 loss). The Directors are unable to recommend the payment of a final dividend (2013: nil).

On 11 December 2014 the merger of TUI Travel PLC, the Company's intermediate parent company, and TUI AG, the Company's ultimate parent company, became effective in accordance with the terms of a scheme of arrangement made under Part 26 of the Companies Act 2006 and TUI Travel PLC is now wholly-owned by TUI AG.

On 19 January 2015, following the re-registration of TUI Travel PLC as a private limited company, TUI Travel PLC changed its name to TUI Travel Limited. References to TUI Travel PLC within this Directors' Report and the financial statements are therefore synonymous with TUI Travel Limited with effect from this date.

Gross margin has increased compared to the previous year. 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 more appropriately at a Sector level. A fair review of the Sector is in the Business and Financial Review section on page 60 of the TUI Travel PLC annual report and accounts, which does not form part of this report. Details of where these financial statements can be obtained are in the ultimate parent company note in these financial statements.

The strategic initiative mentioned above has contributed to generating the profit for the year and the increase of the liquidity position in the balance sheet.

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 2014		30 September 2013
	No/£000		No/£000
Number of Passengers	13,422		14,472
Turnover	27,937		28,646
Margin per passenger	0.337		0.287

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 60 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.** Geo-political events continue to highlight the inherent risks within travel and tourism. The cross-border nature of trading exposes our business to fluctuations in exchange rates and complex tax laws.
- **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 44-50 of the TUI Travel PLC annual report and accounts.

On behalf of the Board



M R Prior
Director

Dated: 17 March 2015

DIRECTORS' REPORT

Directors

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

C Gardner (appointed 30 October 2014)
M R Prior

C J Parselle also served during the year and resigned on 31 October 2014.

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

Throughout the financial year and until 11 December 2014, the intermediate parent company, TUI Travel PLC, maintained Directors' and Officers' Liability insurance policies on behalf of the Directors of the Company. From 12 December 2014 until the date of approval of these financial statements, the ultimate parent company, TUI AG, maintained these insurance policies. These policies meet the Companies Act 2006 definition of a qualifying third party indemnity provision.

Statement of 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. 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, 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

DIRECTORS' REPORT (continued)

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



M R Prior
Director

Company Number 1934932

Dated: 17 March 2015

Travelmood Limited
Independent auditors' report to the members of Travelmood Limited

Report on the financial statements

Our opinion

In our opinion, Travelmood Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 30 September 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

Travelmood Limited's financial statements comprise:

- the balance sheet as at 30 September 2014;
- 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 and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, the information given in the Strategic Report and the Directors' 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 International Standards on Auditing (UK and Ireland) ("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.

What an audit of financial statements involves

We conducted our audit in accordance with 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

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.

Rosemary Shapland

Rosemary Shapland (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Gatwick
18 March 2015

Travelmood Limited
Profit and loss account for the year ended 30 September 2014

		Year ended 30 September 2014 £'000	Year ended 30 September 2013 £'000
	Note		
Turnover		27,937	28,646
Cost of sales		(23,416)	(24,487)
Gross profit		4,521	4,159
Administrative expenses		(4,266)	(4,720)
Operating profit/(loss)		255	(561)
Other interest receivable and similar income	5	7	1
Profit/(loss) on ordinary activities before taxation	2	262	(560)
Tax on profit/(loss) on ordinary activities	6	(45)	212
Profit/(loss) for the financial year	14	217	(348)

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 2014

	Note	30 September 2014 £'000	30 September 2013 £'000
Current assets			
Debtors	8	10,891	11,416
Cash at bank and in hand		441	303
		<u>11,332</u>	<u>11,719</u>
Creditors: amounts falling due within one year	9	<u>(17,884)</u>	<u>(18,428)</u>
Net current liabilities		<u>(6,552)</u>	<u>(6,709)</u>
Total assets less current liabilities		<u>(6,552)</u>	<u>(6,709)</u>
Provisions for liabilities	12	(395)	(462)
Net liabilities		<u>(6,947)</u>	<u>(7,171)</u>
Capital and reserves			
Called up share capital	13	100	100
Profit and loss account	14	(7,047)	(7,271)
Total shareholders' deficit	15	<u>(6,947)</u>	<u>(7,171)</u>

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

The financial statements on pages 6 to 14 were approved by the Board on 17 March 2015 and signed on their behalf by:



M R Prior
Director
Company Number 1934932

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 2014, the Company had net current liabilities and net liabilities. The financial statements are prepared on the going concern basis as the ultimate parent company, TUI AG, 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. This support will continue for a period of at least 12 months from the date of approval of these financial statements.

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.

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.

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.

1. Accounting policies (continued)

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 applicable to the financial period.

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.

Share-based payments

FRS 20 requires the Company to recognise the cost of share-based remuneration of its employees, notwithstanding that the liability for the settlement rests with the Company's intermediate parent entity, TUI Travel PLC.

TUI Travel PLC operates a number of equity-settled, share-based long-term incentive schemes. The fair value of the employee services received in exchange for the award of the equity instruments is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the equity instruments awarded, excluding the impact of any non-market vesting conditions (for example, profitability and earnings per share targets). Non-market vesting conditions are included in assumptions about the number of instruments that are expected to vest. At each balance sheet date, the Company revises its estimates of the number of instruments that are expected to vest. It recognises the impact of the revision to original estimates, if any, in the profit and loss account, with a corresponding adjustment to equity.

2. Profit/(loss) on ordinary activities before taxation

	Year ended 30 September 2014 £'000	Year ended 30 September 2013 £'000
Profit/(loss) on ordinary activities before taxation is stated after charging:		
Intangible amortisation	-	162
Operating lease rentals for land and buildings	179	434
Management charge	115	89

2. Profit/(loss) on ordinary activities before taxation (continued)

In 2013 and 2014 the auditors' remuneration was paid by another Group company. The allocated audit fee relating to the Company for 2014 and 2013 is as follows:

	Year ended 30 September 2014 £'000	Year ended 30 September 2013 £'000
Fees for the audit of the Company	25	20

3. Employees' Information

Employee costs for the Company during the year were:

	30 September 2014 £'000	30 September 2013 £'000
Wages and Salaries	1,401	1,804
Social Security Costs	126	153
Share-based payment	7	-
Other Pension Costs	54	48
	1,588	2,005

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 2014 Number	30 September 2013 Number
Selling and distribution	30	39
Administration	27	34
	57	73

4. Directors' remuneration

Two directors received total remuneration of £20,321 for their services to the Company (2013: £20,791). The total remuneration of the highest paid director is £11,507 (2013: £13,629).

5. Other interest receivable and similar income

	Year ended 30 September 2014 £'000	Year ended 30 September 2013 £'000
Interest receivable	7	1
	7	1

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

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

	Year ended 30 September 2014 £'000	Year ended 30 September 2013 £'000
Current tax:		
Amounts payable to / (receivable from) fellow subsidiaries for group relief	2	(113)
Adjustments in respect of previous years	(61)	(322)
Total current tax	(59)	(435)

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

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

	Year ended 30 September 2014 £'000	Year ended 30 September 2013 £'000
Deferred tax:		
Origination and reversal of timing differences:		
- current year	58	(19)
- effect of reduction in UK corporation tax rate	(5)	140
- adjustments in respect of previous years	52	102
Total deferred tax (note 9)	105	223
Total tax charge / (credit) on profit / (loss) on ordinary activities	44	(212)

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

The current tax charge (2013: credit) for the year is lower than (2013: higher than) the standard rate of corporation tax in the UK of 22% (2013: 23.5%). The differences are shown below:

	Year ended 30 September 2014 £'000	Year ended 30 September 2013 £'000
Profit / (loss) on ordinary activities before tax	262	(560)
Profit / (loss) on ordinary activities at the standard rate of UK corporation tax of 22% (2013: 23.5%)	58	(132)
Effects of:		
- Expenses not deductible for tax purposes	2	-
- Fixed asset timing differences	-	38
- Other short term timing differences	(14)	(19)
- Utilisation of tax losses	(44)	-
- Adjustments in respect of previous years	(61)	(322)
Current tax for the year	(59)	(435)

(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 20% with effect from 1 April 2015. Therefore, at 30 September 2014, 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. This reduction may also reduce the Company's future current tax charges accordingly.

7. Intangible assets

	Goodwill £'000
Cost:	
At 1 October 2013 and 30 September 2014	830
Accumulated amortisation:	
At 1 October 2013	830
Charge for the year	-
At 30 September 2014	830
Net book value :	
At 30 September 2014	-
At 30 September 2013	-

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.

8. Debtors

	30 September 2014 £'000	30 September 2013 £'000
Trade debtors	145	227
Amounts owed by Group undertakings	1,354	1,417
Group relief receivable	173	157
Deferred tax asset (Note 9)	823	928
Other debtors	59	127
Prepayments and accrued income	8,337	8,560
	10,891	11,416

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

9. Creditors: amounts falling due within one year

	30 September 2014 £'000	30 September 2013 £'000
Trade creditors	424	499
Amounts owed to Group undertakings	6,723	6,659
Payments received on account	10,206	10,873
Accruals and deferred income	531	397
	17,884	18,428

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

10. Deferred tax

The movement in deferred taxation during the year was:	£'000
At 1 October 2013	928
Charged to the profit and loss account in the year (Note 6)	(105)
At 30 September 2014	823

The elements of deferred taxation are as follows:

	30 September 2014 £'000	30 September 2013 £'000
Tax losses	586	626
Fixed asset timing differences	237	289
Other short term timing differences	-	13
Net deferred tax asset in debtors (Note 7)	823	928

A deferred tax asset has not been recognised in respect of timing differences relating to capital losses of £55,759 (2013: £98,652) 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 2014 or 30 September 2013.

11. Operating lease commitments

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

	30 September 2014 £'000	30 September 2013 £'000
Land and buildings		
Within one year	29	-
Within two to five years	129	158
After five years	-	-
	158	158

12. Provisions for liabilities

	Lease provision £'000
At 1 October 2013	462
Utilised during the year	(67)
At 30 September 2014	395

A provision of £395,227 (2013: £462,324) covers all of the remaining lease and service charges of the old Blomfield Street head office (London).

13. Called up share capital	30 September 2014	30 September 2013
	£	£
Issued and fully paid		
100,000 (2013: 100,000) ordinary shares of £1 each	<u>100,000</u>	<u>100,000</u>
 14. Profit and loss account		£'000
At 1 October 2013		(7,271)
Profit for the financial year		217
Share-based payment		7
At 30 September 2014		<u>(7,047)</u>
 15. Reconciliation of movements in shareholders' deficit	30 September 2014	30 September 2013
	£'000	£'000
Profit / (loss) for the financial year	217	(348)
Share-based payment	7	-
Net addition/(reduction) in shareholder's funds	<u>224</u>	<u>(348)</u>
Opening shareholders' deficit	<u>(7,171)</u>	<u>(6,823)</u>
Closing shareholders' deficit	<u>(6,947)</u>	<u>(7,171)</u>

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.tuitravelpkc.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.