Specialist Holidays Limited
Directors' report and financial statements
for the year ended 30 September 2015
Company number 1976915

The Directors present their report and the audited financial statements of Specialist Holidays Limited ("the Company") for the year ended 30 September 2015.

Principal activity

The Company's principal activity was to charge Skibound France SARL, a fellow subsidiary undertaking in the TUI Travel PLC group of companies ("the Group"), for the use of a freehold property, located in France. Skibound France SARL was responsible for other related upkeep costs. The Company was the beneficial owner of the Hotel Curling. This property was disposed of on 15 October 2014. It is anticipated the Company will not trade for the foreseeable future.

Results and dividends

The Company's profit on ordinary activities before taxation for the year ended 30 September 2015 was £1,029,000 (2014: £21,224). No dividends were paid during the year (2014: £nil) and the Directors do not recommend the payment of a final dividend.

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.

Directors

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

S J Brann (appointed 24 November 2015)
M R Prior

Ms J Walter also served as Director during the year and resigned on 30 November 2015.

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

From 1 October 2014 to 11 December 2014, the intermediate parent company, TUI Travel PLC (now TUI Travel Limited), maintained Directors' and Officers' Liability insurance policies on behalf of the Directors of the Company. Following the merger of TUI Travel PLC and TUI AG on 11 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 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.

Intention to adopt FRS 101

Following the publication by the Financial Reporting Council of FRS 100, 'Application of financial reporting requirements', the Company is permitted to adopt FRS 101, 'Reduced disclosure framework' ("FRS 101") as its accounting framework for the preparation of its entity financial statements for the financial year ending 30 September 2016.

Intention to adopt FRS 101 (continued)
The Directors of the Company consider that it is in the best interests of the Company and the TUI Group to adopt FRS 101 as its accounting framework for the financial year ending 30 September 2016 and hereby notifies its shareholder that it intends to do so.

As Crystal International Travel Group Limited is the holder of all the issued shares of the Company, Crystal International Travel Group Limited is entitled to serve an objection to the use of FRS 101 as the Company's accounting framework. Should Crystal International Travel Group Limited choose to object to the use of FRS 101, objections should be made in writing to the Company's registered office address by no later than 30 September 2016.

On the basis that no objection is received, the Company's use of FRS 101 as the accounting framework is expected to remain in force for the foreseeable future or until the date that Crystal International Travel Group Limited is no longer a shareholder of the Company.

Statement of Directors' responsibilities
The Directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice). 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 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.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and the Company is therefore exempt from the requirement to prepare a Strategic Report.

On behalf of the Board

StepheB

S J Brann
Director

Company Number 1976915 Dated: 27 June 2016

Report on the financial statements

Our opinion

In our opinion, Specialist Holidays 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 2015 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

The financial statements, included within the Directors report and financial statements (the "Annual Report"), comprise:

- the Balance Sheet as at 30 September 2015;
- 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 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.

Opinion on 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.

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.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the Directors were not entitled to take advantage of the small companies' exemption from preparing a Strategic Report. 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 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 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 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.

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 Annual Report 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.

Ian Dudley

Ian Dudley (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Gatwick
Date : 27 June 2016

	Note	**Year ended 30 September 2015 £000**	Year ended 30 September 2014 £000
Turnover		**-**	87
Gross profit		**-**	87
Profit on disposal of fixed assets	2	**1,052**	-
Other operating expenses		**(23)**	(66)
Operating profit		**1,029**	21
Profit on ordinary activities before taxation	2	**1,029**	21
Tax on profit on ordinary activities	4	**(368)**	(12)
Profit for the financial year	10	**661**	9

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.

Specialist Holidays Limited
Balance sheet as at 30 September 2015

	Note	**30 September 2015**	30 September 2014
		£000	£000
Fixed assets			
Tangible assets	5	**-**	1,134
Investments	6	**1,561**	1,561
		1,561	2,695
Current assets			
Debtors	7	**4,498**	2,571
		4,498	2,571
Creditors: amounts falling due within one year	8	**(625)**	(493)
Net current assets		**3,873**	2,078
Total assets less current liabilities		**5,434**	4,773
Net assets		**5,434**	4,773
Capital and reserves			
Called up share capital	9	**1,100**	1,100
Profit and loss account	10	**4,334**	3,673
Total shareholders' funds	11	**5,434**	4,773

The notes on pages 6 to 10 form part of these financial statements.

The financial statements on pages 4 to 10 were approved by the Board on 27 June 2016 and signed on their behalf by:

Steph B

S J Brann
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 on the going concern basis in accordance with applicable United Kingdom accounting standards, the Companies Act 2006 and under the historical cost convention.

The Company is exempt by virtue of Section 400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

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.

Turnover
Turnover in the prior year is attributable to the principal activity of the Company arises wholly in France, where the property owned by the Company is located, and is stated net of value added tax and discounts.

Tangible assets and depreciation
Tangible assets are recorded at cost and, other than land, are depreciated on a straight line basis to their residual value over their estimated useful lives:

Freehold buildings	2.5% straight-line.
Fixtures and fittings	20% straight-line.

The carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement.

Investments
Fixed asset investments are stated at cost less provision for diminution in value. Dividends receivable are recognised as an asset in the Company's financial statements in the period in which the dividends are received.

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. Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging:	**Year ended 30 September 2015**	Year ended 30 September 2014
	£000	£000
Depreciation – owned tangible assets	-	36
Profit on disposal of tangible asset	**1052**	-

On 15 October 2014 the Company sold a property in France. Proceeds from the sale were £2,906,288 and the resulting profit after deducting the remaining net book value of the asset and expenses was £1,051,831.

In both the current and prior year, the Company had no employees.

In 2015 and 2014, auditors' remuneration was borne by another Group company. The audit fee relating to the Company was as follows:

	Year ended 30 September 2015	Year ended 30 September 2014
	£000	£000
Fees for the audit of the Company	**1**	1

3. Directors' remuneration

In both the current and the prior year, the Directors received no remuneration for their services to the Company. The remuneration of the Company's Directors was paid by another Group company, which makes no recharge to the Company (2014: £nil).

4. Tax on profit on ordinary activities

(i) Analysis of tax charge in the year

	Year ended 30 September 2015	Year ended 30 September 2014
	£000	£000
Current tax:		
Amounts payable to fellow subsidiaries for group relief	-	12
Foreign tax suffered	**368**	-
Total current tax	**368**	12
Tax charge on profit on ordinary activities	**368**	12

4. Tax on profit on ordinary activities (continued)

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

The current tax charge (2014: charge) for the year is higher than (2014: higher than) the standard rate of corporation tax in the UK of 20.5% (2014: 22%). The differences are shown below:

	Year ended 30 September 2015 £000	Year ended 30 September 2014 £000
Profit on ordinary activities before tax	**1,029**	21
Profit on ordinary activities at the standard rate of UK corporation tax of 20.5% (2014: 22%)	**211**	4
Effects of:		
- Expenses not deductible for tax purposes	**3**	8
- Income not taxable	**(216)**	-
- Effect of gains	**368**	
- Group relief surrendered for nil consideration	**2**	-
Current tax charge for the year	**368**	12

(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.

Proposals to reduce the main UK corporation tax to 19% on 1 April 2017 and 17% on 1 April 2020 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, however it has not yet been possible to quantify the full anticipated effect of the announced further rate reduction. Although this should further reduce the Company's future current tax charge accordingly, it is estimated that this will not have a material effect on the Company.

There are no unprovided deferred tax liabilities nor unrecognised deferred tax assets at either 30 September 2015 or 30 September 2014.

5. Tangible assets

	Freehold land and buildings £000	**Fixtures & Fittings £000**	**Total £000**
Cost			
At 1 October 2014	1,990	-	1990
Transfers	-	544	544
Disposals	(1,990)	(544)	(2534)
At 30 September 2015	-	-	-
Depreciation			
At 1 October 2014	856	-	856
Disposals	(856)	-	(856)
At 30 September 2015	-	-	-
Net book value			
At 30 September 2015	-	-	-
At 30 September 2014	1,134	-	1,134

5. Tangible assets (continued)

On 15 October 2014, the remaining property, Hotel Curling, was sold for consideration of £2,906,288. This created a profit on disposal of £1,051,831.

6. Investments

	Investments in subsidiary undertakings £000
Cost and net book value	
As at 1 October 2014 and 30 September 2015	**1,561**

Investment in subsidiary undertakings at 30 September 2015

Name of Undertaking	Country of incorporation	Share class	% held directly by the Company	% held by other Group companies
Specialist Holidays Contracting Limited	UK	£1.00 Ordinary shares	100	-
TUI UK Italia SRL	Italy	€1.00 Ordinary shares	-	99
Petit Palais SRL	Italy	€50,000 Ordinary shares	-	100

7. Debtors

	Year ended 30 September 2015 £000	Year ended 30 September 2014 £000
Overseas tax receivable	**1**	4
Amounts owed by Group undertakings	**4,497**	2,567
	4,498	2,571

Amounts owed by Group undertakings bear no interest, are unsecured and are receivable on demand.

8. Creditors: amounts falling due within one year

	Year ended 30 September 2015 £000	Year ended 30 September 2014 £000
Amounts owed to Group undertakings	**574**	237
Group relief payable	**-**	255
Provision for liabilities and charges	**24**	-
Accruals	**27**	1
	625	493

Amounts owed to Group undertakings bear no interest, are unsecured and are payable on demand.

9. Called up share capital

	30 September 2015 £000	30 September 2014 £000
Issued and fully paid		
1,100,000 (2014: 1,100,000) ordinary shares of £1 each	**1,100**	1,100

10. Profit and loss account

	£000
At 1 October 2014	3,673
Profit for the financial year	661
At 30 September 2015	**4,334**

11. Reconciliation of movements in shareholders' funds

	Year ended 30 September 2015 £000	Year ended 30 September 2014 £000
Opening shareholders' funds	**4,773**	4,764
Profit for the financial year	**661**	9
Closing shareholders' funds	**5,434**	4,773

12. Post balance sheet events

On 21 April 2016 the Company reduced its share capital to £1 by transferring £1,099,999 to distributable reserves.

13. 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 AG. Therefore the Company has not disclosed transactions or balances with wholly-owned entities that form part of the Group headed by TUI AG.

14. Ultimate parent company and controlling party

The Company is controlled by TUI AG – a company registered in Berlin and Hanover (Federal Republic of Germany) which is the ultimate parent company and controlling party. The immediate parent company is Crystal International Travel Group Limited.

The smallest and largest group in which the results of the Company are consolidated is that headed by TUI AG. 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. No other financial statements include the results of the Company.