

APOLLO INVESTMENT MANAGEMENT LIMITED

**DIRECTORS' REPORT AND
FINANCIAL STATEMENTS**

**for the year ended
30 September 2008**

Company number: 4883774

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APOLLO INVESTMENT MANAGEMENT LIMITED

DIRECTORS' REPORT

The Directors present their report and the audited financial statements of Apollo Investment Management Limited (the "Company") for the year ended 30 September 2008.

Business review and principal activity

The Company did not trade during the current and prior year and earns interest on its bank balances and pays interest on an amount owed to a fellow group subsidiary.

The loss of the Company after taxation for the year ended 30 September 2008 was £53 (2007: loss £10). The Directors do not recommend payment of a dividend (9-month period ended 30 September 2007: nil).

Future outlook and principal risks

The Company will continue to be non-trading for the foreseeable future. The principal risks and uncertainties of the Company are integrated with the principal risks of the TUI Travel PLC group of companies ("the TUI Travel Group") and are not managed separately. Accordingly, the principal risks and uncertainties of the TUI Travel Group, which include those of the Company, are disclosed in the Directors' report and financial statements of TUI Travel PLC which does not form part of this report.

Key performance indicators

Given the straightforward nature of the business, the Company's Directors are of the opinion that using KPIs is not necessary for an understanding of the development, performance or position of the Company.

Directors

The Directors at the date of this report are:

D M Taylor	
P R Tymms	
J Walter	(appointed 1 December 2007)

The following Directors also served during the year:

D H Mattison	(resigned 31 March 2008)
A Russell	(resigned 28 February 2008)

Directors' insurance

TUI Travel PLC maintains Directors' and Officers' liability insurance policies on behalf of the Directors of the Company.

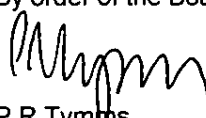
Disclosure of information to auditors

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.

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.

By order of the Board


P R Tymms
Director

24 July 2009

APOLLO INVESTMENT MANAGEMENT LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS for the year ended 30 September 2008

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 elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

The financial statements are required by law to give a true and fair view of the state of affairs of the Company and of the profit or loss for that period.

In preparing those 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 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Under applicable law the Directors are also responsible for preparing a Directors' Report that complies with that law

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF APOLLO INVESTMENT MANAGEMENT LIMITED

We have audited the Company financial statements of Apollo Investment Management Limited for the year ended 30 September 2008 which comprise the Profit and Loss account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of Directors and auditors

The Directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities in respect of the Directors' Report and the financial statements.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, 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.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

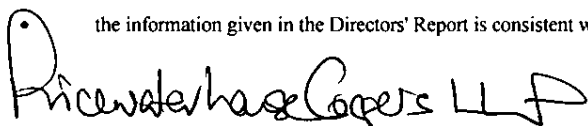
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's and Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Company's affairs as at 30 September 2008 and of its loss for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.



PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
St Albans
24 July 2009

APOLLO INVESTMENT MANAGEMENT LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended 30 September 2008

	Note	30 September 2008 £	30 September 2007 £
Interest receivable and similar income	3	50	105
Interest payable and similar charges	4	(125)	(120)
Loss on ordinary activities before tax	5	(75)	(15)
Tax on loss on ordinary activities	6	22	5
Loss for the financial year	12	(53)	(10)

There were no recognised gains or losses other than those included in the profit and loss account and accordingly no separate statement of recognised gains and losses has been presented.

There are no material differences between the loss on ordinary activities before taxation and the loss for the year stated above and their historical cost equivalents.

The notes on pages 6 to 9 form part of these financial statements.

APOLLO INVESTMENT MANAGEMENT LIMITED

BALANCE SHEET

as at 30 September 2008

	Note	30 September 2008 £	30 September 2007 £
Current assets			
Cash at bank and in hand	7	-	2,577
Debtors	8	145	16
		145	2,593
Creditors: amounts falling due within one year	9	-	(2,395)
Total assets less current liabilities and net assets		145	198
Capital and reserves			
Called up share capital	10	174	174
Reserves	11	(29)	24
Total shareholders' funds	12	145	198

The financial statements on pages 4 to 9 were approved by the Board of Directors on 24 July 2009 and signed on their behalf by:



P R Tymms
Director

APOLLO INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

These financial statements are prepared on the going concern basis under the historical cost convention and in accordance with applicable UK accounting standards. The principal accounting policies of the Company, all of which have been applied consistently throughout the period, are set out below.

(1) Taxation

UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

(2) Interest

Interest is recorded in the profit and loss account on an accruals basis.

2. CASH FLOW STATEMENT AND RELATED PARTY DISCLOSURES

The Company is a wholly-owned subsidiary of TUI Northern Europe Limited and is included in the consolidated financial statements of TUI Travel PLC, which are publicly available (see Note 12). Consequently, the Company has taken advantage of the exemption from preparing a cash-flow statement under the terms of FRS1. The Company is also exempt under the terms of FRS 8 from disclosing related party transactions with entities that are part of the group headed by TUI Travel PLC.

3. INTEREST RECEIVABLE AND SIMILAR INCOME	2008 £	2007 £
Interest receivable on current asset investments	50	105

4. INTEREST PAYABLE AND SIMILAR CHARGES	2008 £	2007 £
Interest payable to group companies	(125)	(120)

5. LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION

The Company did not have any employees in either period. The Directors' remuneration was borne by another group company in the current year and the previous period.

The auditor's remuneration was borne by another group company for the current year and previous period.

APOLLO INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

6. TAXATION

	2008	2007
	£	£
The taxation credit in the year / period can be summarised as follows:		
(i) Analysis of credit in the year		
Current tax:		
Group relief at 29% (2007: 30%)	(22)	(5)
Tax on loss on ordinary activities	(22)	(5)

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

The current tax credit for the year /period is at the standard rate of UK corporation tax of 29% (2007:30%).

Tax reconciliation:

Loss on ordinary activities before taxation	(75)	(15)
Expected tax refund at 29% / 30%	(22)	(5)

(iii) Factors that may affect future tax charges:

The rate of taxation is expected to follow the standard rate of UK corporation tax in future periods. With effect from 1 April 2008, the UK statutory rate of corporation tax reduced to 28%. This has resulted in a blended standard rate of UK tax of 29% in the year ended 30 September 2008 which will reduce to 28% in future years.

There is no unprovided deferred taxation at either 30 September 2008 or 30 September 2007.

7. CASH AT BANK

	30 September 2008	30 September 2007
	£	£
Cash at bank and in hand	-	539
Term deposits	-	2,038
	-	2,577

The term deposit which was banked with Barclays Global Investments (BGI) was closed in January 2008.

8. DEBTORS

	2008	2007
	£	£
Called up share capital not paid	2	2
Amounts due from group companies	121	-
Group relief receivable	22	5
Accrued interest receivable	-	9
	145	16

APOLLO INVESTMENT MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

9. CREDITORS: amounts falling due within one year	2008 £	2007 £
Amounts owed to group companies	-	2,395
	-	2,395

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.

10. CALLED UP SHARE CAPITAL	2008 £	2007 £
Authorised:		
10,000,000 'A' shares of £0.01 each	100,000	100,000
1,000 ordinary shares of £0.01 each	10	10
Allotted, issued and fully paid		
17,199 'A' shares of £0.01 each	172	172
Allotted, issued and not fully paid:		
200 Ordinary shares of £0.01 each (nil paid)	2	2
	174	174

The 'A' shares rank pari passu in all respects with ordinary shares, save in respect of dividends and the application of the Company's assets on a winding up or liquidation of the Company. 'A' shares have the right to receive dividends in preference to ordinary shares. On winding up of the Company the surplus assets of the Company will be applied first to ordinary shares and secondly to 'A' share members.

11. RESERVES	Profit and loss account £
At 1 October 2007	24
Loss for the financial year	(53)
At 30 September 2008	(29)

12. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS	2008 £	2007 £
Opening shareholders' funds	198	208
Loss for the financial year	(53)	(10)
Closing shareholders' funds	145	198

NOTES TO THE FINANCIAL STATEMENTS (continued)

13. ULTIMATE PARENT UNDERTAKING

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 parent undertakings are TUI Northern Europe Limited and Thomson Travel Group (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 TUI Travel House, Crawley Business Quarter, Fleming Way, Crawley, West Sussex RH10 9QL. Copies of the TUI AG financial statements are available from Investor Relations, TUI AG, Karl-Wiechert-Allee 4, D-30625, Hanover or on the TUI website: www.tui-group.com.