

Laterooms Group Holding (UK) Limited
Directors' report and financial statements
for the year ended 30 September 2013
Company number 5268423

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Laterooms Group Holding (UK) Limited
Directors' report of the for the year ended 30 September 2013

The Directors present their report and the audited financial statements of Laterooms Group Holding (UK) Limited ("the Company") for the year ended 30 September 2013

Principal activity

The Company's principal activity during the year continued to be that of a holding company

Results and dividends

The Company's profit on ordinary activities before taxation for the year ended 30 September 2013 was £2,000,000 (2012 £15,000,000). During the year the Company received a dividend of £2,000,000 from Late Rooms Limited, a wholly-owned subsidiary in the TUI Travel PLC group of companies ("the Group"). During the year an interim dividend of £2,000,000 (2012 £15,000,000) was paid. The Directors do not recommend the payment of a final dividend (2012 £nil).

Funding and liquidity

The Directors have considered the funding and liquidity position of the Company and of its intermediate parent 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.

Directors

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

J Vila Bosch

J With-Fogstrup (appointed 21 February 2013)

Other Directors who served during the year were

A L John (resigned 18 September 2013)

C P Morris (resigned 19 February 2013)

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 at the date of approval of these financial statements, the intermediate parent company, TUI Travel PLC, maintained 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.

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.

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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



J With-hogstrup
Director

Company Number 5268423

Dated 15 May 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 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

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 Laterooms Group Holding (UK) Limited, comprise

- the Profit and Loss Account for the year then ended,
- the Balance Sheet as at 30 September 2013, 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 Directors' Report 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 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 in preparing the Directors' Report and 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


Archie Wilson (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors

Uxbridge

25 May 2014

Laterooms Group Holding (UK) Limited
Profit and loss account for the year ended 30 September 2013

		30 September 2013 £'000	30 September 2012 £'000
	Note		
Income from shares in Group undertakings	3	2,000	15,000
Profit on ordinary activities before taxation	2	2,000	15,000
Tax on profit on ordinary activities	5	-	-
Profit for the financial year	10	2,000	15,000

The results stated above are all derived from continuing operations

A note on historical cost profit and loss has not been included as part of these financial statements as the results disclosed in the profit and loss account are prepared on an unmodified historical cost basis

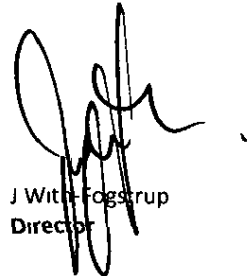
There are no recognised gains and losses other than those included in the profit and loss account

Laterooms Group Holding (UK) Limited
Balance sheet as at 30 September 2013

	Note	30 September 2013 £'000	30 September 2012 £'000
Fixed assets			
Investments	6	<u>20,726</u>	<u>20,726</u>
Current assets			
Debtors	7	<u>297</u>	<u>297</u>
		297	297
Creditors amounts falling due within one year	8	<u>(19,022)</u>	<u>(19,022)</u>
Net current liabilities		<u>(18,725)</u>	<u>(18,725)</u>
Total assets less current liabilities		2,001	2,001
Net assets		<u>2,001</u>	<u>2,001</u>
Capital and reserves			
Called up share capital	9	2,000	2,000
Profit and loss account	10	<u>1</u>	<u>1</u>
Total shareholders' funds	11	<u>2,001</u>	<u>2,001</u>

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

The financial statements were approved by the Board on 15 May 2014 and signed on their behalf by



J With-Fogstrup
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, except as noted below

Basis of preparation

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards 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.

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.

Going concern

At 30 September 2013, the Company had net current 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.

Investments

Investments are stated at cost less provision for diminution in value. The carrying amounts of the Company's investments are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of the investment may not be recoverable. If such an indication exists, the investment's recoverable amount is estimated. An impairment loss is recognised in the profit and loss account whenever the carrying amount of an investment exceeds its recoverable amount.

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.

Dividends

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which payment of the dividends becomes a legal obligation of the Company. For final dividends, this will be when they are approved by the Company. For interim dividends, this will be when they have been paid. Dividends receivable are recognised as an asset in the Company's financial statements in the period in which the dividends are received.

2 Profit on ordinary activities before taxation

In 2013 and 2012 the auditors' remuneration was borne by another Group company. It has not been possible to separately identify the audit fee relating to this entity.

There were no employees of the Company in the years ending 30 September 2013 and 2012.

The remuneration of the 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. These Directors are also Directors of a number of companies within the Group and it is therefore not possible to make an apportionment of their remuneration in respect of the Company and each of the Group companies for which they are a Director.

Laterooms Group Holding (UK) Limited
Notes to the financial statements for the year ended 30 September 2013

3. Income from shares in Group undertakings	30 September 2013 £'000	30 September 2012 £'000
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Interim dividend	<u>2,000</u>	<u>15,000</u>
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On 15 August 2013 an interim dividend of £2,000,000 was received from Late Rooms Limited, the Company's subsidiary undertaking

4 Dividend paid	30 September 2013 £'000	30 September 2012 £'000
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Interim dividend paid	<u>2,000</u>	<u>15,000</u>
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On 15 August 2013 an interim dividend of £1 per ordinary share totalling £2,000,000 (2012 £15,000,000) was paid to the Company's sole shareholder Laterooms Group Holding Limited

5 Tax on profit on ordinary activities

(i) Analysis of tax charge in the year

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

	Year ended 30 September 2013 £'000	Year ended 30 September 2012 £'000
Profit on ordinary activities before tax	<u>2,000</u>	<u>15,000</u>
Profit on ordinary activities at the standard rate of UK corporation tax of 23.5% (2012 25%)	470	3,750
Income not taxable for tax purposes	<u>(470)</u>	<u>(3,750)</u>
Current tax charge for the year	<u>-</u>	<u>-</u>

(ii) Factors affecting the future tax charge

The rate of taxation is expected to follow the standard rate of UK corporation tax in future periods

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. These reductions may also reduce the Company's future current tax charges accordingly.

There are no unrecognised deferred tax assets or unprovided deferred tax liabilities at either 30 September 2013 or 30 September 2012.

6 Investments

	Investments in subsidiary undertakings £'000
Cost and net book value	
As at 1 October 2012 and at 30 September 2013	<u>20,726</u>

Investment in subsidiary undertaking

Name	Ordinary shares	Country of incorporation	Principal activity
Late Rooms Limited	100%	England & Wales	Provision of hotel booking services

The Directors believe that the book value of the investment is supported by its underlying net assets

7 Debtors

	30 September 2013 £'000	30 September 2012 £'000
Amounts owed by Group undertakings	15	15
Group relief receivable	<u>282</u>	<u>282</u>
	<u>297</u>	<u>297</u>

The amounts owed by Group undertakings are unsecured, bear no interest and have no fixed date of repayment

8 Creditors amounts falling due within one year

	30 September 2013 £'000	30 September 2012 £'000
Amounts owed to Group undertakings	19,022	18,992
Series D Loan notes 2012	<u>-</u>	<u>30</u>
	<u>19,022</u>	<u>19,022</u>

The amounts owed to Group undertakings are unsecured, bear no interest and have no fixed date of repayment

Series D Loan notes in 2012 matured on 30 November 2012 and the balance was reclassified to amounts owed to Group undertakings since it is due to Laterooms Group Holding Limited

9 Called up share capital

	30 September 2013 £	30 September 2012 £
Issued and fully paid		
2,000,001 (2012 2,000,001) ordinary shares of £1 each	<u>2,000,001</u>	<u>2,000,001</u>

10 Profit and loss account

	£'000
At 1 October 2012	1
Profit for the financial year	2,000
Dividend paid (Note 4)	(2,000)
At 30 September 2013	1

11 Reconciliation of movement in shareholders' funds

	30 September 2013 £'000	30 September 2012 £'000
Opening shareholders' funds	2,001	1
Profit for the financial year	2,000	15,000
Dividend paid (Note 4)	(2,000)	(15,000)
Reclassification of preference shares to ordinary shares	-	2,000
Closing shareholders' funds	2,001	2,001

On 22 June 2012 the Company converted 2,000,000 redeemable preference shares to 2,000,000 ordinary shares of £1 each

All shareholder funds relate to equity interests

12 Related party transactions

The Company has taken advantage of the exemption contained in Financial Reporting Standard No 8 "Related Party Disclosure" 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.

13 Ultimate parent company

The Company is a subsidiary undertaking of TUI AG – a company registered in Berlin and Hanover (Federal Republic of Germany) which is the ultimate parent company. The intermediate holding company is TUI Travel PLC. The immediate holding company is Laterooms Group Holding 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. 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.