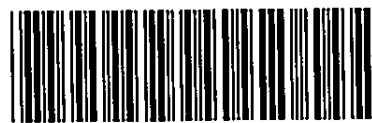


**Sportsworld Group Limited**  
**Directors' report and financial statements**  
**for the year ended 30 September 2012**  
**Company number 1663571**

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**Sportsworld Group Limited**  
**Report of the Directors for the year ended 30 September 2012**

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The Directors submit their report and the audited financial statements of Sportsworld Group Limited ("the Company") for the year ended 30 September 2012

**Principal activity**

The Company acts as a tour operator and organiser of corporate hospitality, conferences, incentive travel programmes, sponsor hospitality and travel packages to sporting events

**Results and dividends**

The profit on ordinary activities before taxation for the year ended 30 September 2012 amounted to £3,925,000 (2011 £2,914,000 loss) There were no dividends paid during the year (2011 £nil) The Directors do not recommend the payment of a final dividend

**Business review**

The focus in 2012 was the delivery of established events and the development of business in and around the Olympics in 2012 This requirement increased the cost base because of the requirement to build an experienced team which led to numerous sponsor hospitality appointments The focus going forward is to continue to operate our core product successfully at annual and recurring events, and to seek new opportunities at global sporting events such as Olympics and World Cups

**Principal risks and uncertainties**

During the year, the Directors managed the risks and uncertainties of the Company in co-ordination with its fellow subsidiaries in TUI Travel PLC group of companies ("the Group") The Directors review the Company's risks and uncertainties in the context of the Group The Directors believe that this review process is appropriate given that the Company's operations are managed in co-ordination with those of the TUI Travel Specialist & Activity Sector businesses The principal risks and uncertainties which are common to the Group and the Company are

- **Economic downturn** The current economic environment remains challenging and customer demand remains under pressure The Directors consider the Company has, within the context of the Group, appropriate planning processes in place and continue to monitor the trading outlook Appropriate mitigating action is taken where necessary to maximise profitability, such as maintaining flexible pricing, managing capacity commitments and focusing on cost control
- **Climate change risk** As a tour operator we use our Group's aircraft to take people on holidays around the world We recognise that operating in a carbon-intensive industry does have an affect on the environment The Group has a carbon management strategy to reduce greenhouse gas emissions from all divisions with the Group and is preparing for regulatory proposals on climate change
- **Health and safety** Accidents or injuries to our employees or customers whilst in our care as a result of failure in our due diligence process or supplier negligence could have a significant effect on the Company, its brand and ultimately, customer demand The Company takes a risk-based approach to Health & Safety due diligence including destination-based quality assessments and employing industry-leading expertise to set policy and provide guidance
- **Commercial relationships** The Company has well established and close relationships with its customers and suppliers and spreads its risk by not placing over-reliance on any one supplier in any particular area However, if a relationship were lost or damaged with a major supplier this could have a detrimental effect on the business The management team meets regularly with suppliers to maintain good working relationships and to understand the supplier's financial position
- **Information technology** The Company is heavily reliant upon information technology Investment is being made to ensure that there are advanced and efficient systems in place but there is a risk if there were a major failure – particularly if it were to affect selling systems Procedures are in place to minimise the time a selling system is unavailable in the event of such a failure

**Principal risks and uncertainties (continued)**

- **Financial Risk** General cost base increases together with unhedged foreign exchange rates and fuel prices have the potential to materially reduce the Company's margin. The treasury function is managed centrally in the Group and supports the business activities and financial risks faced by the Company. This support includes, inter alia, 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.

As the Directors manage the Company in co-ordination with the management of the TUI Travel Specialist & Activity Sector, they take the view that analysis using key performance indicators ("KPIs") for the Company alone is not necessary or appropriate for an understanding of the development, performance and positioning of its business.

The development, performance and positioning of the Specialist & Activity Sector which includes the Company, is discussed in the Business Performance section within TUI Travel PLC's annual report, which does not form part of this report.

**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.

**Directors**

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

R C Bainbridge	(appointed 7 March 2012)
M Froggatt	(appointed 15 January 2013)
L Olender	(appointed 15 January 2013)

Other Directors who served during the year were

C Lion-Cachet	(resigned 31 December 2012)
D Mee	(resigned 31 January 2013)
J Wimbledon	(resigned 10 October 2012)

**Policy and practice on payment of suppliers**

It is the Company's policy wherever possible to agree terms of payment with suppliers in advance to ensure that they are made aware of the terms of payment and both parties abide by those terms.

**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' and Officers' Liability insurance policies on behalf of the Directors of the Company for all wrongful acts. These policies meet the 2006 Companies Act definition of a qualifying third party indemnity provision and were in force during the financial year and also 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.

**Sportsworld Group Limited**  
**Report of the Directors for the year ended 30 September 2012 (continued)**

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**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 they have elected to prepare 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.

By Order of the Board



L Olender  
**Director**

Company Number 1663571

Dated 27 March 2013

**Sportsworld Group Limited**  
**Independent auditors' report to the members of Sportsworld Group Limited**

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We have audited the financial statements of Sportsworld Group Limited for the year ended 30 September 2012 which comprise the profit and loss account, the balance sheet and the related notes. 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).

**Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities set out on page 3 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). 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.

**Scope of the audit of the financial statements**

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. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 30 September 2012 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.

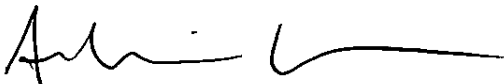
**Opinion on other matter prescribed by the Companies Act 2006**

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.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- 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, or
- certain disclosures of Directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.

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

Dated 28 March 2013

**Sportsworld Group Limited**  
**Profit and loss account for the year ended 30 September 2012**

		<b>Year ended 30 September 2012 £000</b>	<b>Year ended 30 September 2011 £000</b>
<b>Turnover</b>	<b>Note</b> <b>2</b>	<b>34,774</b>	<b>7,521</b>
<b>Cost of sales</b>		<b>(26,851)</b>	<b>(5,732)</b>
<b>Gross profit</b>		<b>7,923</b>	<b>1,789</b>
<b>Administrative expenses</b>		<b>(3,117)</b>	<b>(4,279)</b>
<b>Operating profit / (loss) before exceptional items</b>		<b>4,806</b>	<b>(2,490)</b>
Exceptional restructuring costs	3	(557)	-
<b>Operating profit / (loss) after exceptional items</b>		<b>4,249</b>	<b>(2,490)</b>
Interest receivable and similar income	6	20	7
Interest payable and similar charges	7	(344)	(431)
<b>Profit / (loss) on ordinary activities before taxation</b>	<b>3</b>	<b>3,925</b>	<b>(2,914)</b>
Tax on profit / (loss) on ordinary activities	8	(1,167)	55
<b>Profit / (loss) for the financial year</b>	<b>18</b>	<b>2,758</b>	<b>(2,859)</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

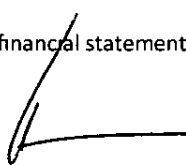
The Company has no recognised gains or losses other than those included in the profit and loss account. Accordingly, no statement of total recognised gains and losses is presented

**Sportsworld Group Limited**  
**Balance sheet at 30 September 2012**

		<b>30 September 2012 £000</b>	<b>30 September 2011 £000</b>
	<b>Note</b>		
<b>Fixed assets</b>			
Tangible assets	9	<b>178</b>	335
Investments	10	<b>63</b>	318
		<b>241</b>	653
<b>Current assets</b>			
Debtors	11	<b>5,642</b>	11,912
Cash at bank and in hand		<b>2,884</b>	1,621
		<b>8,526</b>	13,533
<b>Creditors amounts falling due within one year</b>	12	<b>(8,151)</b>	(16,287)
<b>Net current assets / (liabilities)</b>		<b>375</b>	(2,754)
<b>Total assets less current liabilities</b>		<b>616</b>	(2,101)
<b>Creditors amounts falling due after more than one year</b>	13	<b>(2,283)</b>	(2,283)
<b>Provisions for liabilities</b>	14	<b>(129)</b>	(170)
<b>Net liabilities</b>		<b>(1,796)</b>	(4,554)
<b>Capital and reserves</b>			
Called up share capital	17	<b>50</b>	50
Profit and loss account	18	<b>(1,846)</b>	(4,604)
<b>Total shareholders' deficit</b>	19	<b>(1,796)</b>	(4,554)

The notes on pages 7 to 15 form part of these financial statements

The financial statements were approved by the Board on 27<sup>th</sup> March 2013 and signed on their behalf by

  
L Olender  
Director

**1. Accounting policies**

The following accounting policies have been applied consistently 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 applicable UK accounting standards and under the historical cost accounting rules

**Cash Flow**

Under Financial Reporting Standard 1 (Revised 1996) "Cash flow 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

**Group financial statements**

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

**Going concern**

At 30 September 2012, the Company had recorded net liabilities. The financial statements have been prepared on the going concern basis on the basis that the intermediate parent company, TUI Travel PLC, has confirmed its intention to provide such financial support to the Company as may be required 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**

Fixed asset investments are stated at cost less provision for diminution in value. Dividends from investments are recognised when received or receivable by the Company. Deferred consideration payable for investments is discounted to its net present value at the balance sheet date.

**Tangible fixed assets**

Tangible fixed assets are stated at historic cost, less accumulated depreciation and provision for impairment.

Depreciation is provided to write off the cost, less the estimated residual value of tangible fixed assets over their estimated useful lives as follows:

Leasehold property	Over the period of the lease
Fixtures and fittings	20% straight-line

**Pensions**

The Company participates in the Group Defined Contribution Pension Scheme. Pension liabilities are charged to the profit and loss account as they fall due. Further details of the Group Defined Contribution Pension Scheme can be found in the financial statements of TUI Travel PLC.

**Turnover**

Turnover represents the aggregate amount of revenue receivable in the ordinary course of business excluding Value Added Tax. Turnover is stated net of discounts. Turnover is recognised at the event completion date. Turnover originates primarily within the UK.

**Foreign currencies**

Transactions in overseas currencies are translated at the exchange rate ruling 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 in the season to which the contract relates.

**1 Accounting policies (continued)**

**Taxation**

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the balance sheet date and any adjustment to tax payable in respect of previous periods

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.

On 22 June 2010, the UK Government announced a phased reduction in the main UK corporation tax rate from 28% to 24%, with the first 1% reduction taking effect from 1 April 2011 (having been substantively enacted on 20 July 2010). Subsequent UK Budget Statements have announced additional reductions in the main UK corporation tax rate to 26% taking effect from 1 April 2011, and 24% taking effect from 1 April 2012.

At the balance sheet date, the Finance Act 2012 had been substantively enacted confirming that the main UK corporation tax rate will be 23% from 1 April 2013. Therefore, at 30 September 2012, deferred tax assets and liabilities have been calculated based on a rate of 23% where the temporary difference is expected to reverse after 1 April 2013.

Further proposals to reduce the main UK corporation tax rate to 21% on 1 April 2014 and to 20% on 1 April 2015 had not been substantively enacted at the balance sheet date and are therefore not included in these financial statements. This may reduce the company's future current tax charge accordingly. It has not yet been possible to quantify the full anticipated effect of the announced further 1% rate reduction. Although this should further reduce the company's future current tax charge and reduce the company's deferred tax liabilities / assets accordingly, it is estimated that this will not have a material effect on the Company.

**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.

**Leases**

Assets acquired under finance leases are capitalised and the outstanding future lease obligations are shown in creditors.

Rentals paid under operating leases are charged to profit and loss 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. Where the sale price is above fair value, gains arising on sale and operating leaseback transactions are deferred and amortised over the lease term. Where such a transaction is undertaken at fair value, any profit or loss is recognised immediately.

**2 Segmental analysis**

The Company has one class of business, namely acting as a tour operator.  
 Turnover analysed by geographical location (source market)

	Year ended 30 September 2012	Year ended 30 September 2011
	£000	£000
United Kingdom	34,194	4,662
Rest of World	580	2,859
	<u>34,774</u>	<u>7,521</u>

<b>3 Profit / (loss) on ordinary activities before taxation</b>	<b>Year ended 30 September 2012 £000</b>	<b>Year ended 30 September 2011 £000</b>
Profit / (loss) on ordinary activities before taxation is stated after charging / (crediting)		
Depreciation on fixed assets - owned	108	100
Depreciation on fixed assets - leased	61	62
Amortisation charged in the year	-	20
Exchange losses / (gains)	1	(13)
Intercompany trade balances written off	-	1,349
Impairment of investments	255	-
Impairment of goodwill	-	340
Operating leases - land and buildings	-	113

The exceptional cost relates to a provision for redundancy costs following the announcement of a restructure of the business of £90,000, and legal expenses of £467,444

In 2011 and 2012, the auditors' remuneration was borne by another Group company. It has not been possible to separately identify the audit fee related to this entity

#### 4 Employee numbers and remuneration

The average monthly number of employees, including Directors, during the year, analysed by category, was as follows

	<b>Year ended 30 September 2012 Number</b>	<b>Year ended 30 September 2011 Number</b>
Selling and administration	68	43

The aggregate payroll costs for those employees were as follows

	<b>Year ended 30 September 2012 £000</b>	<b>Year ended 30 September 2011 £000</b>
Wages and salaries	3,583	1,894
Social security costs	254	182
Other pension costs	18	46
	<b>3,855</b>	<b>2,122</b>

#### 5 Directors' remuneration

	<b>Year ended 30 September 2012 £000</b>	<b>Year ended 30 September 2011 £000</b>
Directors' remuneration	151	149

**5 Directors remuneration (continued)**

The aggregate remuneration of the highest paid Director was £151,000 (2011 £149,000). No Company pension contributions were made to a money purchase scheme on his behalf in either year. 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. These Directors are also Directors of a number of companies within the Group. It is therefore not possible to make an apportionment of their remuneration in respect of the Company and each of the Group companies of which they are a Director.

**6 Interest receivable and similar income**

	Year ended 30 September 2012 £000	Year ended 30 September 2011 £000
Bank interest receivable	20	7

**7 Interest payable and similar charges**

	Year ended 30 September 2012 £000	Year ended 30 September 2011 £000
Bank loans and overdraft interest	-	2
Loan interest payable to Group undertakings	326	426
Finance charges and other similar charges payable	18	3
	<b>344</b>	<b>431</b>

**8 Tax on profit / (loss) on ordinary activities**

	Year ended 30 September 2012 £000	Year ended 30 September 2011 £000
<b>(i) Analysis of tax charge/(credit) in the year</b>		
Current tax		
Amount payable to/(receivable from) fellow subsidiaries for group relief	140	(113)
Adjustment in respect of previous periods	-	1,158
<b>Total current tax</b>	<b>140</b>	<b>1,045</b>
Deferred tax		
Origination and reversal of timing differences		
- current year	1,007	(211)
- effect of reduction in UK Corporation tax rate	21	101
- adjustment in respect of previous years	(1)	(990)
<b>Total deferred tax (note 16)</b>	<b>1,027</b>	<b>(1,100)</b>
<b>Tax charge/(credit) on profit/(loss) on ordinary activities</b>	<b>1,167</b>	<b>(55)</b>

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

(ii) Factors affecting the current tax charge for year

The current tax charge for the year is lower (2011 higher) than the standard rate of corporation tax in the UK of 25% (2011 27%). The difference are explained below

	Year ended 30 September 2012 £000	Year ended 30 September 2011 £000
Profit / (loss) on ordinary activities before tax	3,925	(2,914)
Profit / (loss) on ordinary activities at the standard rate of UK corporation tax of 25% (2011 27%)	981	(787)
Effect of		
- Amounts not deductible for tax purposes	166	463
- Depreciation for year in excess of capital allowances	26	27
- Losses (utilised) / not utilised	(1,083)	184
- Adjustment in respect of previous periods	-	1,158
- Movement in short term timing differences	50	-
Current tax charge for the year	140	1,045

(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. The statutory rate of UK corporation tax will reduce to 23% with effect from 1 April 2013

9 Tangible assets

	Leasehold property £000	Office fixtures and fittings £000	Total £000
Cost			
At 1 October 2011	306	527	833
Additions	-	12	12
At 30 September 2012	306	539	845
Depreciation			
At 1 October 2011	(239)	(259)	(498)
Charge for year	(61)	(108)	(169)
At 30 September 2012	(300)	(367)	(667)
Net book value			
At 30 September 2012	6	172	178
At 30 September 2011	67	268	335

**9 Tangible assets (continued)**

**Finance lease agreements**

Included within the net book value is £3,576 (2011 £67,263) relating to assets held under finance lease agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £63,687 (2011 £61,293).

**10 Investments**

**Investments  
in subsidiary  
undertakings  
£000**

Cost at 1 October 2011	318
Amounts written off investments	(255)
<b>Net book value at 30 September 2012</b>	<b>63</b>

As a result of the impairment review in the year, a £255,000 impairment has been made against the investment in Sport Abroad (UK) Limited.

**Investment in principal subsidiary undertakings**

The following companies are principal subsidiary undertakings of the Company

<b>Name</b>	<b>% ownership of voting shares</b>	<b>Country of incorporation</b>	<b>Principal activity</b>
Sportsworld Pacific Pty Ltd	100	Australia	Event Management
Sportsworld (Beijing) Sports Management Consulting Company Limited	100	China	Event Management
Sport Abroad (UK) Limited	100	England & Wales	Event Management
Vancouver Sportsworld Hospitality Inc	100	Canada	Operations office

The Directors believe that the book value of the investments is supported by their underlying net assets.

**11 Debtors**

	<b>30 September 2012 £000</b>	<b>30 September 2011 £000</b>
Trade debtors	825	2,103
Amounts owed by Group undertakings	1,949	2,128
Group relief receivable	-	79
Overseas tax recoverable	45	45
VAT recoverable	848	203
Deferred tax asset (note 16)	241	1,268
Prepayments and accrued income	1,734	6,086
	<b>5,642</b>	<b>11,912</b>

Amounts owed from Group undertakings are unsecured, non interest bearing and have no fixed date of repayment.

**Sportsworld Group Limited**  
**Notes to the financial statements for the year ended 30 September 2012**

**12 Creditors amounts falling due within one year**

	<b>30 September 2012 £000</b>	<b>30 September 2011 £000</b>
Trade creditors	<b>206</b>	3,548
Amounts owed to Group undertakings	<b>4,925</b>	6,313
Finance lease agreements	-	20
Group relief payable	<b>61</b>	-
Other creditors including taxation and social security	-	25
Accruals and deferred income	<b>2,959</b>	6,381
	<b>8,151</b>	16,287

Included within amounts owed to Group undertakings is £nil (2011 £3,000,000) unsecured, interest bearing loan due for repayment on 30 September 2012 at LIBOR +5% The remaining amounts are unsecured and have no fixed date of repayment

**13 Creditors falling due after more than one year**

	<b>30 September 2012 £000</b>	<b>30 September 2011 £000</b>
Amounts owed to Group undertakings	<b>2,283</b>	2,283

Included within amounts owed to Group undertakings are loans of £2,282,566, which are unsecured, interest bearing and due for repayment in September 2015

**14 Provisions for liabilities**

	<b>Onerous lease provision £000</b>
At 1 October 2011	170
Utilised during the year	(41)
At 30 September 2012	<b>129</b>

**15 Lease commitments**

Annual commitments under non-cancellable operating leases are as follows

	<b>30 September 2012 Land and buildings £000</b>	<b>30 September 2011 Land and buildings £000</b>
Operating leases expiring		
Within one year	<b>-</b>	<b>113</b>

## 16 Deferred tax asset

The movement in deferred taxation during the year was

	£000
At 1 October 2011	(1,268)
Credited in the year (note 8)	1,027
<b>At 30 September 2012</b>	<b>(241)</b>

The elements of deferred tax are as follows

	30 September 2012 £000	30 September 2011 £000
Short-term timing differences	(46)	-
Fixed asset timing differences	(195)	(168)
Tax losses	-	(1,082)
	<b>(241)</b>	<b>(1,268)</b>

A deferred tax asset has not been recognised in respect of timing differences relating to capital losses and non-trading loan relationship deficits as there is insufficient evidence that the asset will be recovered. The amount of the asset not recognised is as follows

	30 September 2012 £000	30 September 2011 £000
Capital losses	9	10
Non-trading loan relationship deficits	36	148
	<b>45</b>	<b>158</b>

These assets would be recovered if there were sufficient capital gains and non-trading loan relationship income respectively in the future against which to offset the assets

There are no other unrecognised deferred tax assets or unprovided deferred tax liabilities as at 30 September 2012 or at 30 September 2011

## 17 Share capital

	30 September 2012 £000	30 September 2011 £000
<b>Issued and fully paid</b>		
50,000 (2011: 50,000) ordinary shares of £1 each	<b>50</b>	<b>50</b>

**18 Profit and loss account**

	£000
At 1 October 2011	(4,604)
Profit for the financial year	2,758
<b>At 30 September 2012</b>	<b>(1,846)</b>

**19 Equity shareholders' deficit**

	30 September 2012 £000	30 September 2011 £000
Opening shareholders' deficit	(4,554)	(1,695)
Profit / (loss) for the financial year	2,758	(2,859)
<b>Closing shareholders' deficit</b>	<b>(1,796)</b>	<b>(4,554)</b>

**20 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.

**21 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 intermediate holding company is TUI Travel PLC. The immediate parent 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.tuitravelpc.com](http://www.tuitravelpc.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).