Sportsworld Group Limited
Reports of the Directors and financial statements
for the year ended 30 September 2015
Company number 1663571

STRATEGIC REPORT

The Directors present their reports and the audited financial statements of Sportsworld Group Limited ("the Company") for the year ended 30 September 2015.

The Company acts as a tour operator and organiser of corporate hospitality, conferences, incentive travel programmes, sponsor hospitality and travel packages to sporting events within the TUI AG group of companies ("the Group") and will remain as such for the foreseeable future.

Review of the business

The loss on ordinary activities before taxation for the year ended 30 September 2015 amounted to £1,738,000 (2014: loss £3,162,000). There were no dividends paid during the year (2014: £nil). The Directors are unable to recommend the payment of a final dividend.

Business improved in 2015 following very successful events such as Wimbledon, America's Cup and the acclaimed Tribal Series. 2015 also focused on the development of programmes for the 2016 Olympics in Brazil together with other projects. Services for the Olympics include advising sponsors on hosting and packages and in some cases providing the hospitality and event management for them.

The 'Sportsworld' brand reputation provided a very successful offering and won awards in 2014 for its Wimbledon Hospitality Suite and in 2015 for Tribal Series. The FLEXI business team successfully managed unique events for its corporate clients.

The cash inflows from increased sales and the corporate restructure of 2014 were invested to a significant degree in developing the Sportsworld Rio Olympics offering. This resulted in reduced cash balances for the business.

At 30 September 2015, the Company had net current liabilities of £992,000 (2014: £147,000) and net assets of £10,772,000 (2014: £12,110,000). The financial statements are prepared on the going concern basis as the ultimate parent company, TUI AG, has agreed to provide financial support to the Company in order that it can continue to trade and meet its liabilities as they fall due.

During the year the Company impaired its costs of investment in subsidiaries by £531,000 primarily in relation to Gulliver Group Limited (2014: £11,266,000). In 2014 the impairments also mainly related to Gulliver Group Limited. The subsidiaries Sportsworld Pacific Pty, Events Logistics UK Limited and Events Logistics International Limited were dissolved in the year. No charge was made to the profit and loss account as the investments has been fully impaired prior to dissolution. Details of the Company's investments, including impairment charges are provided in Note 11.
The Directors have assessed the status of ongoing legal matters and have concluded that, based upon the facts known to date, they do not believe there to be a material exposure to the company.

To effectively measure the development, performance and position of the Company, the following Key Performance Indicators (KPIs) are of most relevance.

	Year ended 30 September 2015	Year ended 30 September 2014
	£	£
Turnover	**£8,746,000**	£6,989,000
Loss on ordinary activities before taxation	**(1,738,000)**	(3,162,000)
Net assets	**10,772,000**	12,110,000

Future Outlook

The Company continues to develop new business carefully ensuring the quality service for which the Sportsworld and FLEXI brands are known. The Company will continue to monitor its cost base carefully whilst providing a top professional service to its clients. This strategy will continue for the future.

STRATEGIC REPORT (continued)

Principal risks and uncertainties

The principal risks and uncertainties which are common to the Group and the Company are:

- **Destination disruption risk.** Providers of holiday and travel services are exposed to the inherent risk of incidents affecting some countries or destinations within their operations. This can include natural catastrophes such as hurricanes or tsunamis; outbreaks of disease such as Ebola; political volatility as has been seen in Egypt and Greece in recent years; the implications of war in countries close to our source markets and destinations; and terrorist events such as the tragic incident in Tunisia this year.

- **Consumer demand.** Spending on travel and tourism is discretionary and price sensitive. The economic outlook remains uncertain with different destinations at different points in the recovery cycle. Consumers are also waiting longer to book their trips in order to assess their financial situation. If we do not respond successfully to changes in consumer demands and preferences, our short-term growth rates and margins will fall below expectations.

- **Consumer preferences and desires.** The tourism industry is fast-paced and competitive with the emergence of new market participants operating new business models, combined with consumer tastes and preferences evolving all the time. In recent years there has been an emergence of successful substitute business models such as web-based travel and hotel portals which allow end users to combine the individual elements of a holiday trip on their own and book them separately. Consumer tastes and preferences have evolved in recent years as well, with more consumers booking their holidays online and via mobiles and tablets, and booking closer to the time of travel. There is the risk that if we do not respond adequately to such business model disruption or if our products and services fail to meet changing customer demands and preferences, that our turnover, market share and profitability will suffer as a result.

- **Input cost volatility.** A significant proportion of operating expenses is in non-local currency which therefore exposes the business to changes in exchange rates. There is the risk that if we do not manage adequately the volatility of exchange rates and other input costs, then this could result in increased costs and lead to margin erosion, impacting on our ability to achieve profit targets.

- **Business improvement opportunities**. The Group is heavily reliant on legacy systems, processes and structures which, in some cases, are outdated, complex and inefficient. If we do not address the systems' inefficiencies we may incur higher costs due to inefficiencies and impact our ability to optimise business performance and provide a value added service to our consumers.

- **Legal & regulatory compliance.** The Company operates in a highly-regulated environment, particularly in relation to consumer protection, tax, aviation and the environment. If we do not establish an effective system of internal control that ensures we operate in compliance with all legal and regulatory requirements, we will suffer negative impact, damage to our reputation and reduced revenues and/or higher input costs.

- **Health & Safety.** For all providers of holiday and travel services, ensuring the health and safety of customers is of paramount importance. There is the risk of accidents occurring causing injury or death to customers or colleagues whilst on one of our holidays. This could result in reputational damage to the Company and/or financial liabilities through legal action being taken by the affected parties.

- **Cyber security**. Our responsibility is to protect the confidentiality, integrity and availability of the data we have and the services we provide to our customers, our employees, our suppliers and service delivery teams. There is a risk that our increasing dependence on online sales and customer care channels increases our exposure and susceptibility to cyber-attacks and hacks. If we do not ensure we have the appropriate level of security controls in place across the Group, this could have a significant negative impact on our key stakeholders, associated reputational damage and potential for financial implications.

STRATEGIC REPORT (continued)

Principal risks and uncertainties (continued)

- **Talent management.** The Company's success depends on its ability to retain key management and it relies on having good relations with its colleagues. If we are unable to attract and retain talent, build future leadership capability and maintain the commitment and trust of our employees, we risk not maximising our operating results and financial performance.

During the year, the Directors managed these risks and uncertainties of the Company in co-ordination with its fellow subsidiaries within the *Specialist Travel Sector* of the Group and in conjunction with the management of the ultimate parent undertaking, TUI AG. Further information on these risks, together with how they are mitigated, can be found on pages 97-114 of the TUI AG Annual Report and Accounts, 2014/15. Details of where these financial statements can be obtained are in Note 20 of these financial statements of the TUI AG annual report 2015.

On behalf of the Board

R W Isaacs
Director

Dated: 9 March 2016

DIRECTORS' REPORT

Directors

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

M Froggatt
R W Isaacs
C C Lion-Cachet
L Olender

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.

Business review

A fair review of the business, including an analysis of the development, performance and financial position of the Company, together with key performance indicators and a description of the principal risks and uncertainties facing the Company, has been included within the Strategic Report.

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.

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 TUI Travel SAS Holdings Ltd is the holder of all of the issued shares of the Company, it is entitled to serve an objection to the use of FRS 101 as the Company's accounting framework. Should TUI Travel SAS Holdings Ltd 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 TUI Travel SAS Holdings Ltd is no longer a shareholder of the Company.

DIRECTORS' REPORT (continued)

Statement of Directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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;
- 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.

On behalf of the Board

R W Isaacs
Director

Company Number 1663571

Dated: 9 March 2016

Independent auditors' report to the members of Sportsworld Group Limited

Report on the financial statements

Our opinion

In our opinion, Sportsworld Group 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 loss 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 Reports of the Directors 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 the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the Directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of Directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' responsibilities set out on page 5, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the Directors; and
- the overall presentation of the financial statements.

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

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

In addition, we read all the financial and non-financial information in the 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 (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Gatwick
9 March 2016

Sportsworld Group Limited
Profit and loss account for the year ended 30 September 2015

	Note	Year ended 30 September 2015 £000	Year ended 30 September 2014 £000
Turnover	2	**8,746**	6,989
Cost of sales		**(7,607)**	(5,552)
Gross profit		**1,139**	1,437
Administrative expenses		**(2,980)**	(2,483)
Operating loss		**(1,841)**	(1,046)
Income from shares in group undertakings	4	**759**	9,274
(Loss) / profit on ordinary activities before interest and taxation		**(1,082)**	8,228
Amounts written off investments	3,11	**(531)**	(11,266)
Interest receivable and similar income	7	**5**	4
Interest payable and similar charges	8	**(130)**	(128)
Loss on ordinary activities before taxation	3	**(1,738)**	(3,162)
Tax on loss on ordinary activities	9	**400**	232
Loss for the financial year	18	**(1,338)**	(2,930)

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 2015

	Note	30 September 2015 £000	30 September 2014 £000
Fixed assets			
Tangible assets	10	**49**	41
Investments	11	**11,773**	12,303
		11,822	12,344
Current assets			
Debtors	12	**3,465**	2,553
Cash at bank and in hand		**1,019**	5,492
		4,484	8,045
Creditors: amounts falling due within one year	13	**(5,476)**	(8,192)
Net current liabilities		**(992)**	(147)
Total assets less current liabilities		**10,830**	12,197
Provisions for liabilities	14	**(58)**	(87)
Net assets		**10,772**	12,110
Capital and reserves			
Called up share capital	17	**7,599**	17,599
Profit and loss account	18	**3,173**	(5,489)
Total shareholders' funds	18	**10,772**	12,110

The notes on pages 9 to 18 form part of these financial statements.

The financial statements on pages 7 to 18 were approved by the Board on 9 March 2016 and signed on their behalf by:

R W Isaacs
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 the Companies Act 2006 and applicable accounting standards in the United Kingdom, on a going concern 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 AG. These financial statements present information about the Company as an individual undertaking and not about its group.

Going concern

At 30 September 2015, the Company had recorded net current liabilities. The financial statements have been prepared on the going concern basis on the basis that the ultimate parent company, TUI AG, 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 a period of at least 12 months from the date of approval of these financial statements.

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.

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:

Fixtures and fittings	5 years

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 AG.

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. Revenue is recognised on the date of departure and the related costs of events and flights are charged to the profit and loss account on the same basis. Where non-travel services are provided over a period of time and not fulfilled at the reporting date, revenue is recognised for the proportion of services which can be clearly identified as complete. The Company's business is that of tour operator and organiser of hospitality and sporting event packages. Turnover originates primarily within the UK.

Sales related costs and prepayments

Sales related costs which are incurred in advance of future events are expensed as incurred, unless these costs result in a right to future economic benefit, in which case they are held as prepayments and expensed as that benefit is recognised.

1. Accounting policies (continued)

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.

Taxation
Taxation comprises current and deferred tax. Current tax is the expected tax payable (or recoverable) for the current period, using the average rate for the period and any adjustment to tax payable in respect of previous period.

Except as otherwise required by accounting standards, full provision without discounting is made for all deferred taxation timing differences which have arisen but not reversed at the balance sheet date. Timing differences arise when items of income and expenditure are included in tax computations in periods which are different from their inclusion in the financial statements. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be used.

Deferred tax assets and liabilities are measured at the tax rate that is expected to apply to the period when the asset is realised or the liability is settled, based on the rates that have been enacted or substantively enacted at the balance sheet date.

Marketing and other direct sales costs
Marketing, advertising and other promotional costs, including those related to the production of brochures, are expensed as incurred.

Client money received in advance
Client money received at the balance sheet date relating to holidays commencing and flights departing after the year end is included in creditors.

2. Turnover

Origin of turnover analysed by geographical location :

	Year ended 30 September 2015 £000	Year ended 30 September 2014 £000
United Kingdom	**7,750**	4,865
Rest of World	**996**	2,124
	8,746	6,989

3. Loss on ordinary activities before taxation

Loss on ordinary activities before taxation is stated after charging/(crediting):

	Year ended 30 September 2015 £000	Year ended 30 September 2014 £000
TUI Sport division management costs (recharges)/charges	**(1,152)**	496
Depreciation on fixed assets - owned	**65**	73
Impairment of investments (Note 11)	**531**	11,266
Exchange losses / (gains)	**52**	(29)
Auditors' remuneration	**19**	18

In 2015 net management costs of £1,152,000 were recharged to Group companies whilst in 2014 the Company suffered a net cost of £496,000.

Following a review of the book value of investments a provision for impairment of £531,000 was charged (2014: £11,266,000). The impairment in 2015 was in relation to the investments in Gullivers Group Limited, Events Logistics (UK) Limited and Events Logistics International Limited. The impairment in 2014 related to Gullivers Group Limited.

4. Income from shares in group undertakings

	Year ended 30 September 2015 £000	Year ended 30 September 2014 £000
Dividends received from group companies	**759**	9,274

In 2015 dividends were received as follows:

	Year ended 30 September 2015 £000
Gulllivers Group Limited	519
Sport Abroad Limited	229
Event Logistics UK Limited	5
Event Logistics International Ltd	6
	759

5. Employee numbers and remuneration

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

	Year ended 30 September 2015 Number	Year ended 30 September 2014 Number
Selling and administration	**32**	20

5. Employee numbers and remuneration (continued)

The aggregate payroll costs for those employees were as follows:

	Year ended 30 September 2015 £000	Year ended 30 September 2014 £000
Wages and salaries	1,769	985
Social security costs	199	108
Other pension costs	62	42
	2,030	1,135

6. Directors' remuneration

	Year ended 30 September 2015 £000	Year ended 30 September 2014 £000
Directors' remuneration	442	152

The highest paid director received total remuneration of £206,000 for his services to the Company (2014: £104,000). Pension contributions of £363 were made to a money purchase scheme on his behalf in 2015 (2014: £4,800).

Three directors received remuneration from the Company. The remaining director was remunerated by another Group Company, and received no remuneration for his services to the Company.

7. Interest receivable and similar income

	Year ended 30 September 2015 £000	Year ended 30 September 2014 £000
Bank interest receivable	5	4

8. Interest payable and similar charges

	Year ended 30 September 2015 £000	Year ended 30 September 2014 £000
Loan interest payable to Group undertakings	130	128

9. Tax on loss on ordinary activities

	Year ended 30 September 2015	Year ended 30 September 2014
(i) Analysis of tax credit in the year	**£000**	£000
Current tax:		
Amount receivable from fellow subsidiaries for group relief	**(413)**	(248)
Total current tax	**(413)**	(248)

	Year ended 30 September 2015 £000	Year ended 30 September 2014 £000
Deferred tax:		
Origination and reversal of timing differences		
- current year	**13**	18
- effect of reduction in UK corporation tax rate	**-**	(2)
Total deferred tax (Note 16)	**13**	16
Tax credit on loss on ordinary activities	**(400)**	(232)

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

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

	Year ended 30 September 2015	Year ended 30 September 2014
	£000	£000
Loss on ordinary activities before tax	**(1,738)**	(3,162)
Loss on ordinary activities at the standard rate of UK corporation tax of 20.5% (2014: 22%)	**(356)**	(696)
Effect of:		
- Amounts not deductible for tax purposes	**112**	2,507
- Income not taxable	**(156)**	(2,041)
- Fixed asset timing differences	**(13)**	(18)
Current tax credit for the year	**(413)**	(248)

(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 rate to 19% on 1 April 2017 and 18% on 1 April 2020 had not been substantively enacted at the balance sheet date and are therefore not included in these financial statements.

9. Tax on loss on ordinary activities (continued)

These reductions may also 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 and deferred tax liabilities accordingly, it is estimated that this will not have a material effect on the Company.

10. Tangible assets

	Fixtures and fittings £000
Cost	
At 1 October 2014	434
Additions	28
Intra Group transfers	103
Retirements	(59)
At 30 September 2015	**506**
Depreciation	
At 1 October 2014	(393)
Charge for year	(65)
Intra Group transfers	(58)
Retirements	59
At 30 September 2015	**(457)**
Net book value	
At 30 September 2015	**49**
At 30 September 2014	41

11. Investments

	Investment in subsidiary undertakings £000
Cost	
As at 1 October 2014	23,595
Disposals	(38)
At 30 September 2015	**23,557**
Provisions for impairment	
At 1 October 2014	(11,292)
Disposals	39
Impairment of investments	(531)
At 30 September 2015	**(11,784)**
Net book value at 30 September 2015	**11,773**
Net book value at 30 September 2014	12,303

11. Investments (continued)

Investment in principal subsidiary undertakings

Name	Date of acquisition	Year ended 30 September 2015 £000
Sportsworld Eventos Limitada	7 April 2014	38
Gullivers Group Limited	17 September 2014	11,747
Platinum Event Travel Limited	22 September 2014	931
Events International Limited	22 September 2014	10,804
Sportsworld (Beijing) Sports Management Consulting Company Limited	30 April 2007	37
		23,557

The following companies are the principal subsidiary undertakings of the Company.

Name of Undertaking	Country of incorporation	Share class	% held directly by the Company	Total % held by the Group
Events International (Sports Travel) Limited	United Kingdom	£1.00 Ordinary shares	-	100
Events International Limited	United Kingdom	£1.00 Ordinary shares	100	100
Gullivers Group Limited	United Kingdom	£1.00 Ordinary shares	100	100
Platinum Event Travel Limited	United Kingdom	£1.00 Ordinary shares	100	100
Sportsworld (Beijing) Sports Management Consulting Company Limited	China	US$1.00 Ordinary shares	100	100
Sportsworld Eventos Limitada	Brazil	BRL1.00 Ordinary shares	100	100

The investment in Traffic Sportswold Eventos was increased from 50% to a 100% subsidiary in exchange of the sum of 1 Brazilian Real. The joint venture partner Traffic, exited the partnership on the conclusion of the Football World Cup event with its share of profits earned. The company name has been changed to Sportsworld Eventos Limitada.

The book value of these investments has been assessed and it was concluded that a provision for impairment of £519,000 should be charged in relation to the investment in Gullivers Group Limited, £5,244 in relation to Events logistics (UK) Limited and £6,948 in relation to Events Logisitics International Limited.

Sportsworld Pacific Pty, Events Logistics UK Limited and Events Logistics International Limited all of which had been fully impaired, were dissolved in 2015.

Sport Abroad (UK) Limited which had previously been fully impaired was dissolved 20 October 2015.

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

12. Debtors

	30 September 2015 £000	30 September 2014 £000
Trade debtors	**687**	944
Amounts owed by Group undertakings	**700**	192
Group relief receivable	**821**	408
VAT recoverable	**-**	101
Deferred tax asset (Note 16)	**118**	131
Prepayments and accrued income	**1,139**	777
	3,465	2,553

Amounts owed by Group undertakings are unsecured, non- interest bearing and are payable on demand.

13. Creditors: amounts falling due within one year

	30 September 2015 £000	30 September 2014 £000
Trade creditors	**491**	103
Amounts owed to Group undertakings	**3,246**	6,858
VAT	**148**	-
Deferred income and accruals	**1,591**	1,231
	5,476	8,192

Included within amounts owed to Group undertakings are loans of £2,289,000 (2014: £2,289,000) which are unsecured, interest bearing loans due for repayment in September 2016 with interest at LIBOR +5%.

Other balances included within amounts owed to Group undertakings are unsecured, interest free and payable on demand.

14. Provisions for liabilities

	Onerous contract provisions £000
At 1 October 2014	87
Utilised during the year	(29)
At 30 September 2015	**58**

The Directors have assessed the status of ongoing legal matters and have concluded that, based upon the facts known to date, they do not believe there to be a material exposure to the company

15. Operating lease commitments

The Company has entered into no annual commitments under non-cancellable operating leases, terminating within one year (2014: £5,000).

16. Deferred tax

The movement in deferred taxation during the year was:

	£000
At 1 October 2014	131
Charged to the profit and loss account (Note 9)	(13)
At 30 September 2015	**118**

The elements of deferred taxation are as follows:

	30 September 2015	30 September 2014
	£000	£000
Fixed asset timing differences	118	131
Net deferred tax asset	**118**	131

A deferred tax asset has not been recognised in respect of timing differences relating to 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 2015	30 September 2014
	£000	£000
Non-trading loan relationship deficits	31	31
	31	31

The asset would be recovered if there were sufficient non-trading loan relationship income in the future to offset the deficits. There are no other unrecognised deferred tax assets or unprovided deferred tax liabilities as at 30 September 2015 or at 30 September 2014.

17. Called up share capital

	30 September 2015	30 September 2014
	£	£
Issued and fully paid		
7,599,000 (2014: 17,599,000) ordinary shares of £1 each	7,599,000	17,599,000

On 20th October 2014 the Company in agreement with its parent TUI Travel SAS Holdings Limited (SASH), cancelled 10,000,000 ordinary shares of £1 and transferred that amount to the Profit and Loss reserve.

18. Profit and loss account

	£000
At 1 October 2014	(5,489)
Loss for the financial year	(1,338)
Capital reduction	10,000
At 30 September 2015	**3,173**

18. Profit and loss account (continued)

Reconciliation of movements in shareholders' funds

	30 September 2015 £000	30 September 2014 £000
Share capital issue	-	17,549
Loss for the financial year	**(1,338)**	(2,930)
Net (reduction in)/ addition to shareholders' funds	**(1,338)**	14,619
Opening shareholders' funds /(deficit)	**12,110**	(2,509)
Closing shareholders' funds	**10,772**	12,110

19. 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.

20. 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 TUI Travel SAS Holdings Ltd.

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.