

Unijet Leisure Limited

**Directors' report and financial statements
for the year ended 30 September 2013**

Company number 2669334



The Directors present their report and the audited financial statements of Unijet Leisure Limited ("the Company") for the year ended 30 September 2013.

Principal activity

The Company's principal activity continued to be the leasing of an aircraft and engines to another company within the TUI Travel PLC group of companies ("the Group"). The Company transferred ownership of its aircraft and engines to another Group company on 18 June 2013.

Results and dividends

The Company's loss on ordinary activities before taxation for the year ended 30 September 2013 was £954,000 (2012: £5,129,000 loss, including a fixed asset impairment charge of £5,128,000). No interim dividend (2012: £9,000,000) was paid in the year. The Directors do not recommend payment of a final dividend (2012: £nil).

Funding, liquidity and going concern

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.

Directors

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

I J Strachan (appointed 20 November 2013)

J Walter

A L John also served during the year and resigned on 26 November 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.

Post balance sheet events

There are no post balance sheet events.

Statement of Directors' responsibilities

The Directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

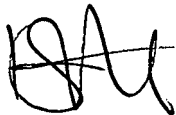
Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company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



I J Strachan
Director

Dated 27 March 2014

Company Number 2669334

Report on the financial statements

Our opinion

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 September 2013 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.

This opinion is to be read in the context of what we say below.

What we have audited

The financial statements for the year ended 30 September 2013, which are prepared by Unijet Leisure Limited, comprise:

- the Profit and Loss Account;
- the Balance Sheet; and
- the related notes.

The financial reporting framework that has been applied in their preparation comprises 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 Report of the Directors 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 Report of the Directors 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

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; or
- certain disclosures of Directors' remuneration specified by law have not been made; or
- the Directors were not entitled to take advantage of the small companies' exemption in preparing the Report of the Directors.

We have no exceptions to report arising from this responsibility.

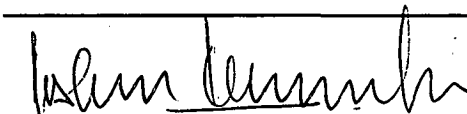
Responsibilities for the financial statements and the audit

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.



Deshan Karunaratne (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
St Albans
27 March 2014

Unijet Leisure Limited
Profit and loss account for the year ended 30 September 2013

		Year ended 30 September 2013 £'000	Year ended 30 September 2012 £'000
	Note		
Turnover		-	2,016
Cost of sales	2	<u>(954)</u>	<u>(7,145)</u>
Loss on ordinary activities before taxation	2	(954)	(5,129)
Tax on loss on ordinary activities	4	237	1,068
Loss for the financial year	10	<u>(717)</u>	<u>(4,061)</u>

The results stated above are all derived from discontinued operations.

There are no material differences between the losses on ordinary activities before taxation and the losses for the financial years stated above and their historical equivalents.

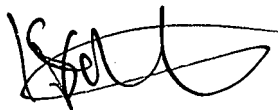
The Company has no recognised gains and losses other than those included in the profit and loss account. Accordingly, no statement of total recognised gains and losses is presented.

Unijet Leisure Limited
Balance sheet as at 30 September 2013

		30 September 2013 £'000	30 September 2012 £'000
	Note		
Fixed assets			
Tangible assets	5	-	5,233
		-	5,233
Current assets			
Debtors	6	1,911	2,462
Creditors: amounts falling due within one year	7	(6,047)	(11,114)
Net current liabilities		(4,136)	(8,652)
Total assets less current liabilities		(4,136)	(3,419)
Capital and reserves			
Called-up share capital	9	-	-
Profit and loss account	10	(4,136)	(3,419)
Total shareholders' deficit	11	(4,136)	(3,419)

The notes on pages 6 to 11 form part of these financial statements.

The financial statements were approved by the Board on 27 March 2014 and signed on their behalf by:



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

Cash flow

Under Financial Reporting Standard 1 (revised 1996) the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements.

Going concern

At 30 September 2013, the Company had net current liabilities and net liabilities and incurred a loss in the year. 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 meet its liabilities as they fall due. This support will continue whilst the Company remains a member of the Group and for a period of at least one year from the date of signing the Company's financial statements.

Turnover

Turnover represents the aggregate amount of revenue, excluding value added tax, invoiced by the Company in respect of rental income receivable from leasing out aircraft and aircraft parts under operating leases. Turnover is recognised on a straight-line basis over the term of the lease. All turnover originates in the UK.

Tangible assets and depreciation

Tangible assets are stated at historical purchase cost, including any costs attributable to bringing an asset to its working condition for its intended use, less accumulated depreciation.

Depreciation is charged on a straight-line basis to the residual value over the estimated useful lives of tangible assets as follows:

Aircraft and aircraft engines	Up to 12 years
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Residual values are estimated by management who make use of external valuations of aircraft provided by specialist valuers.

Impairment of fixed assets

The carrying amounts of the Company's fixed assets are reviewed for impairment when events or changes in circumstances indicate that the carrying amount of the fixed asset may not be recoverable. If such an indication exists the asset's recoverable amount is estimated. An impairment loss is recognised in the profit and loss account whenever the carrying amount of an asset exceeds its recoverable amount.

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.

1. Accounting policies (continued)

Foreign currency translation and financial instruments

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date, and the gains or losses on translation are included in 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, and any adjustment to tax payable in respect of previous periods, using tax rates enacted or substantively enacted at the balance sheet date.

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

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

2. Loss on ordinary activities before taxation

	Year ended 30 September 2013 £'000	Year ended 30 September 2012 £'000
The loss on ordinary activities before taxation is stated after charging:		
Depreciation – owned assets	716	2,017
<u>Exceptional Item</u>		
Loss on disposal of tangible assets	238	-
Impairment – owned assets	-	5,128

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

3. Employees' and Directors' remuneration

The Company had no employees in either the current or prior year.

The Directors received no remuneration for their services to the Company during the current and prior years. The Directors are also directors of a number of other Group companies and it is not possible to make an accurate apportionment of their remuneration in respect of each of the Group companies of which they are a director.

4. Tax on loss on ordinary activities**(i) Analysis of tax credit in the year**

	Year ended 30 September 2013 £'000	Year ended 30 September 2012 £'000
Current tax:		
Amounts (receivable from) / payable to fellow subsidiaries for group relief	(2,699)	504
Total current tax	(2,699)	504
Deferred tax:		
Origination and reversal of timing differences:		
- Current year	2,474	(1,786)
- Adjustment in respect of previous years	40	-
- Effects of reduction in UK corporation tax rate	(52)	214
Total deferred tax	2,462	(1,572)
Tax credit on loss on ordinary activities	(237)	(1,068)

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

The current tax credit (2012: charge) for the year is higher than (2012: different to) the standard rate of corporation tax in the UK of 23.5% (2012: 25.0%). The differences are shown below:

	Year ended 30 September 2013 £'000	Year ended 30 September 2012 £'000
Loss on ordinary activities before tax	(954)	(5,129)
Loss on ordinary activities at the standard rate of UK corporation tax of 23.5% (2012: 25.0%)	(224)	(1,282)
Effects of:		
- Capital allowances in excess of depreciation	(2,475)	1,786
Current tax (credit) / charge for the year	(2,699)	504

(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.

At the balance sheet date, the Finance Act 2013 had been substantively 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 reduce the Company's future current tax charges accordingly.

5. Tangible assets

	Aircraft and engines £'000
Cost:	
At 1 October 2012	33,374
Disposals	(33,374)
At 30 September 2013	-
Depreciation:	
At 1 October 2012	(28,141)
Charge for the year	(716)
Disposals	28,857
At 30 September 2013	-
Net book value:	
At 30 September 2013	-
At 30 September 2012	5,233

On 18 June 2013, the Company sold its aircraft to another Group undertaking for consideration of \$6,700,000 (£4,279,000) resulting in a loss of £238,000.

6. Debtors

	30 September 2013 £'000	30 September 2012 £'000
Group relief receivable	1,094	-
Amounts owed by Group undertakings	817	-
Deferred tax asset (Note 8)	-	2,462
	1,911	2,462

Amounts owed by Group undertakings are unsecured, interest-free and repayable on demand.

7. Creditors: amounts falling due within one year

	30 September 2013 £'000	30 September 2012 £'000
Amounts owed to Group undertakings	(6,047)	(9,509)
Group relief payable	-	(1,605)
	(6,047)	(11,114)

Amounts owed to Group undertakings are unsecured, interest-free and repayable on demand.

8. Deferred tax

The movement in deferred taxation during the year was:

	£'000
At 1 October 2012	2,462
Charged to the profit and loss account in the year	(2,462)
At 30 September 2013 (Note 6)	-

The elements of deferred taxation are as follows:

	30 September 2013 £'000	30 September 2012 £'000
Fixed asset timing differences	-	880
Amounts realisable on disposal of fixed asset	-	1,582
Net deferred tax asset in Debtors (Note 6)	-	2,462

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

9. Called-up share capital

	30 September 2013 £	30 September 2012 £
Issued and fully paid		
100 (2012: 100) ordinary shares of £1 each	100	100

10. Profit and loss account

	£'000
At 1 October 2012	(3,419)
Loss for the financial year	(717)
At 30 September 2013	(4,136)

11. Reconciliation of movement in shareholders' (deficit) / funds

	2013 £'000	2012 £'000
At 1 October	(3,419)	9,642
Dividend paid	-	(9,000)
Loss for the financial year	(717)	(4,061)
At 30 September	(4,136)	(3,419)

12. Related party transactions

The Company has taken advantage of the exemption contained in Financial Reporting Standard 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.

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 and controlling party. The intermediate holding company is TUI Travel PLC. The immediate holding company is Unijet Group 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.tuitravelplc.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.