

Crown Travel Limited

**Reports of the Directors' and financial statements
for the year ended 30 September 2015**

Company number 2095375

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Crown Travel Limited
Reports of the Directors for the year ended 30 September 2015

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

STRATEGIC REPORT

The Company's principal activity is the provision of inland waterways boating holidays within the TUI AG group of companies ("the Group"). The Company operates this activity through branches located in France and the United Kingdom.

Review of the business

The Company's loss on ordinary activities before taxation for the year ended 30 September 2015 was £222,981 (2014: £1,514,369 profit). No dividend was paid during the year (2014: £nil) and the Directors do not recommend the payment of a final dividend.

The Company's net current assets at 30 September 2015 were £590,920 (2014: £743,758) and its net assets were £1,438,127 (2014: £1,629,890 assets). Debtors have reduced by £4.5m due to settlement of intercompany balances from fellow group companies.

Compared to the previous year, turnover increased by 5.6%, and gross margin fell by 32.4%. Turnover growth was mainly from two core markets of Germany and the UK. The business saw an increase in short break holidays where the company earned a lower margin resulting in a decrease in gross margin. Margin was also affected by an increase in sales commission paid to other group companies.

The increase in administration costs was mainly driven by a movement in foreign exchange of £565,792, salary recharges from fellow group companies of £195,688 and a reallocation of costs from cost of sales to admin costs of (£348,000).

The business plans to continue growing, assisted by access to a new and improved fleet.

Key performance indicators

The Directors use the following key performance indicators ("KPIs") for the Company to gain an understanding of the development, performance and positioning of its business:

	Year ended 30 September 2015 £	Year ended 30 September 2014 £
Revenue	21,983,158	20,821,911
Gross margin	11.9%	18.5%
Operating (loss)/profit	(231,008)	1,510,686
Net assets	1,438,127	1,629,890

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.

STRATEGIC REPORT (continued)

Principal risks and uncertainties (continued)

- **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.
- **Input cost volatility.** A significant proportion of operating expenses is in non-local currency which therefore exposes the business to changes in both 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.
- **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.
- **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.
- **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.
- **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.

STRATEGIC REPORT (continued)

Principal risks and uncertainties (continued)

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 19 of these financial statements

On behalf of the Board



S B M Cross
Director
Company Number: 2095375

24 March 2016

DIRECTORS' REPORT

The Directors present their report and the audited financial statements of the Company for the year ended 30 September 2015.

Directors

The Directors who held office during the year and up to the signing the financial statements are:

C F Powell
M R Prior
S B M Cross (appointed 28 April 2015)

Directors who also served during the year:

C J Parselle (appointed 22 January 2015 and resigned 23 October 2015)
J Walter (resigned 18 December 2015)

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 of 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 development performance and position of the Company including details of dividends and post-balance sheet events are included in the Strategic Report. This also includes key performance indicators and a description of the principal risks and uncertainties facing the Company.

Funding and liquidity

The Directors have considered the funding and liquidity position of the Company. Following this review, the Directors consider it appropriate to continue to prepare the financial statements on the going concern basis.

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 Limited is the holder of all the issued shares of the Company, TUI Travel SAS Holdings Limited is entitled to serve an objection to the use of FRS 101 as the Company's accounting framework. Should TUI Travel SAS Holdings Limited 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.

DIRECTORS' REPORT (continued)

Intention to adopt FRS101 (continued)

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 Limited is no longer a shareholder of the Company.

Statement of directors' responsibilities

The Directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

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

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

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

On behalf of the Board



S B M Cross
Director

Company Number: 2095375

24 March 2016

Crown Travel Limited
Independent auditors' report to the members of Crown Travel Limited

Report on the financial statements

Our opinion

In our opinion, Crown Travel 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 ("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 matter 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 pages 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

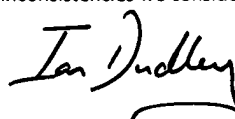
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error.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

24th March 2016

Crown Travel Limited
Profit and loss account for the year ended 30 September 2015

	Note	Year ended 30 September 2015 £	Year ended 30 September 2014 £
Turnover	2	21,983,158	20,821,911
Cost of sales		<u>(19,376,847)</u>	<u>(16,968,432)</u>
Gross profit		2,606,311	3,853,479
Administrative expenses		<u>(2,837,319)</u>	<u>(2,342,793)</u>
Operating (loss)/profit		(231,008)	1,510,686
Interest receivable and similar income	7	<u>8,027</u>	<u>3,683</u>
(Loss)/profit on ordinary activities before taxation	3	(222,981)	1,514,369
Tax on (loss)/profit on ordinary activities	8	31,218	(337,808)
(Loss)/profit for the financial year	16	<u>(191,763)</u>	<u>1,176,561</u>

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

Crown Travel Limited
Balance sheet as at 30 September 2015

	Note	30 September 2015 £	30 September 2014 £
Fixed assets			
Tangible assets	9	<u>847,207</u>	<u>970,077</u>
		847,207	970,077
Current assets			
Stock	11	-	44
Debtors	10	<u>4,085,252</u>	<u>8,565,520</u>
Cash at bank and in hand		<u>15,998,478</u>	<u>9,189,817</u>
		20,083,730	17,755,381
Creditors: amounts falling due within one year	12	<u>(19,492,810)</u>	<u>(17,011,623)</u>
Net current assets		590,920	743,758
Provision for liabilities	14	-	(83,945)
Net assets		<u>1,438,127</u>	<u>1,629,890</u>
Capital and reserves			
Called up share capital	15	<u>50,000</u>	<u>50,000</u>
Profit and loss account	16	<u>1,388,127</u>	<u>1,579,890</u>
Total shareholders' funds	17	<u>1,438,127</u>	<u>1,629,890</u>

Notes from pages 9 to 15 form part of the financial statements.

The financial statements on pages 7 to 15 were approved by the Board of Directors on 24 March 2016 and signed on its behalf by:



S B M Cross
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 on the going concern basis in accordance with applicable United Kingdom accounting standards, the Companies Act 2006 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.

Turnover

Turnover represents the total amount, excluding Value Added Tax and discounts, receivable by the Company in the ordinary course of business for the provision of holidays and associated services as principal. Revenue is recognised on the date of departure and the related costs of distribution and of providing the holidays are charged to the profit and loss account on the same basis.

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.

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 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.

Defined contribution pension schemes

The Group operates a defined contribution pension scheme ("the Scheme") for employees eligible and willing to participate. The assets of the Scheme are held separately from the assets of the Group and the Company in independently administered funds.

Operating leases

Rentals payable and receivable under operating leases are charged or credited to the profit and loss account on a straight-line basis over the period of the lease.

Payments received in advance

Payments received at the balance sheet date relating to holidays commencing after the year end are included in creditors.

1. Accounting policies (continued)

Sales related costs and prepayments

Sales related costs which are incurred in advance of future holidays and 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 the benefit is recognised.

Foreign currencies

Transactions in foreign 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.

Tangible assets and depreciation

Tangible assets are recorded at historic cost which includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. They are depreciated on a straight-line basis to their residual value over their estimated useful lives:

Motor vehicles	5 years
Office equipment	4 years
Computer equipment	4 years

The carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the profit and loss statement.

Provisions

A provision is recognised in the balance sheet when the Company has a legal or constructive obligation as a result of a past event and it is probable that an outflow will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

2. Turnover

The Company has one class of business, namely the sale of inland waterway holidays. Turnover is analysed by geographical origin:

	Year ended 30 September 2015 £	Year ended 30 September 2014 £
UK and Ireland	4,470,342	3,753,923
Europe	13,566,539	13,361,330
Rest of world	3,946,277	3,706,658
	<u>21,983,158</u>	<u>20,821,911</u>

3. (Loss)/profit on ordinary activities before taxation

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

	Year ended 30 September 2015 £	Year ended 30 September 2014 £
Depreciation on fixed assets - owned	213,587	260,206
Operating lease rentals for plant and machinery	191	8,080
Exchange losses	766,573	200,781

In 2015 and 2014 auditors' remuneration was paid by another Group company. The allocated audit fee relating to the Company for 2015 and 2014 is as follows:

	Year ended 30 September 2015 £	Year ended 30 September 2014 £
Fees for the audit of the Company	29,000	26,500

4. Employees' remuneration

The average monthly number of employees (including Directors) employed by TUI UK Limited but working on behalf of the Company during the year was as follows:

	Year ended 30 September 2015 Number	Year ended 30 September 2014 Number
By activity:		
Administration	26	26
	26	26

(i) Employee costs for the above persons:

	Year ended 30 September 2015 £	Year ended 30 September 2014 £
Wages and salaries	1,150,841	859,847
Social security costs	144,305	117,803
Other pension costs	41,212	37,153
	1,336,358	1,014,803

The pension costs relating to the Scheme, and charged to the profit and loss account, amounted to £41,212 (2014: £37,153). There were no outstanding or prepaid contributions at either the beginning or the end of the financial year

5. Directors' remuneration

The Directors were paid by another Group company, which made a recharge of £195,688 (2014:nil) to the Company. The Directors received no remuneration for their services as Directors of the Company.

6. Operating lease commitments

The future aggregate minimum annual lease payments under non-cancellable operating leases are as follows:

	Year ended 30 September 2015	Year ended 30 September 2014
	£	£
Photocopiers		
Payable within one year	-	1,378

7. Interest receivable and similar income

	Year ended 30 September 2015	Year ended 30 September 2014
	£	£
Bank interest receivable	8,027	3,683

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

	Year ended 30 September 2015	Year ended 30 September 2014
	£	£
(i) Analysis of tax (credit) / charge in the year		
Current tax:		
Amount (receivable from)/payable to fellow subsidiaries for group relief	(61,772)	296,592
Adjustment in respect of previous periods	8	-
Total current tax	(61,764)	296,592
Deferred tax:		
Origination and reversal of timing differences:		
- current year	31,275	45,586
- adjustment in respect of previous periods	33	(226)
- effect of reduction in UK corporation tax rate	(762)	(4,144)
Total deferred tax (Note 13)	30,546	41,216
Tax (credit) / charge on (loss)/profit on ordinary activities	(31,218)	337,808

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

The current tax credit (2014: charge) 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 shown below:

	Year ended 30 September 2015	Year ended 30 September 2014
	£	£
(Loss)/profit on ordinary activities before tax	(222,981)	1,514,369
(Loss)/profit on ordinary activities at the standard rate of UK corporation tax of 20.5% (2014: 22%)	(45,711)	333,161
Effect of:		
- Amounts not deductible for tax purposes	15,214	9,017
- Fixed asset timing differences	(31,275)	(45,586)
- Adjustment in respect of previous periods	8	-
Current tax (credit)/charge for the year	(61,764)	296,592

8. Tax on (loss)/profit on ordinary activities (continued)**(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 to 19% on 1 April 2017 and 17% on 1 April 2020 had not been substantively enacted at the balance sheet date and are therefore not included in these financial statements.

These reductions may 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 reduce the Company's deferred tax assets/liabilities accordingly, it is estimated that this will not have a material effect on the Company.

9. Tangible fixed assets

	Computer equipment £	Office equipment £	Motor vehicles £	Total £
Cost				
At 1 October 2014	3,600,453	27,900	3,064	3,631,417
Additions	90,717	-	-	90,717
At 30 September 2015	3,691,170	27,900	3,064	3,722,134
Accumulated depreciation				
At 1 October 2014	2,631,322	26,954	3,064	2,661,340
Charge for year	213,019	568	-	213,587
At 30 September 2015	2,844,341	27,522	3,064	2,874,927
Net book value				
At 30 September 2015	846,829	378	-	847,207
At 30 September 2014	969,131	946	-	970,077

10. Debtors

	30 September 2015 £	30 September 2014 £
Amounts owed by Group undertakings	3,823,924	7,796,304
Other debtors	-	378,358
Deferred tax asset (Note 13)	164,187	194,733
Prepayments and accrued income	97,141	150,134
Taxation and social security	-	45,991
	4,085,252	8,565,520

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

11. Stock

	30 September 2015	30 September 2014
	£	£
Raw materials and consumables	-	44
	<u>-</u>	<u>44</u>

12. Creditors: amounts falling due within one year

	30 September 2015	30 September 2014
	£	£
Payments received in advance	1,163,918	714,748
Trade creditors	62,800	314,245
Amounts owed to Group undertakings	17,192,603	14,185,967
Group relief payable	234,828	1,550,115
Other creditors	20,008	25,770
Taxation and social security	80,453	-
Accruals and deferred income	738,200	220,778
	<u>19,492,810</u>	<u>17,011,623</u>

Amounts owed to Group undertakings are unsecured, interest free and payable on demand

13. Deferred tax asset

The movement in deferred taxation during the year was:

	£
At 1 October 2014	194,733
Charged to the profit and loss account (Note 8)	(30,546)
At 30 September 2015	<u>164,187</u>

The elements of deferred taxation are as follows:

	30 September 2015	30 September 2014
	£	£
Fixed asset timing differences	164,187	194,733
	<u>164,187</u>	<u>194,733</u>

There are no unrecognised deferred tax assets or unprovided deferred tax liabilities at either 30 September 2015 or 30 September 2014.

14. Provisions for liabilities and charges

	Restructuring	Total
	£	£
At 1 October 2014	83,945	83,945
Released in the year through the profit and loss account	(83,945)	(83,945)
At 30 September 2015	<u>-</u>	<u>-</u>

The restructuring provision relates to the closure costs of The Port House, Port Solent, PO6 4TH, England.

15. Called-up share capital

	30 September 2015 £	30 September 2014 £
Issued and fully paid		
50,000 (2014: 50,000) ordinary shares of £1.00 each	<u>50,000</u>	<u>50,000</u>

16. Profit and loss account

	Profit and loss account £
At 1 October 2014	1,579,890
Loss for the financial year	(191,763)
At 30 September 2015	<u>1,388,127</u>

17. Reconciliation of movements in shareholders' funds

	30 September 2015 £	30 September 2014 £
Opening shareholders' funds	1,629,890	453,329
(Loss)/profit for the financial year	<u>(191,763)</u>	1,176,561
Closing shareholders' funds	<u>1,438,127</u>	<u>1,629,890</u>

18. 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. The Directors confirm that there are no other related party transactions which require disclosure.

19. Ultimate parent company

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 Limited.

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.