

**SUNSHINE CRUISES LIMITED
DIRECTORS' REPORT
AND
FINANCIAL STATEMENTS**

**for the 11-month period ended
30 September 2007**

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Company Number 3991465

SUNSHINE CRUISES LIMITED

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SUNSHINE CRUISES LIMITED

DIRECTORS' REPORT for 11- month period ended 30 September 2007

The Directors present their report and consolidated financial statements of the Sunshine Cruises Limited Group for the 11-month period ended 30 September 2007

On 3 September 2007, First Choice Holidays Limited (formerly First Choice Holidays PLC) merged with the Tourism Division of TUI AG to form TUI Travel PLC. During the period, the Company changed its accounting reference date from 31 October to 30 September to coincide with the accounting reference date of the other companies in the TUI Travel PLC Group of Companies

PRINCIPAL ACTIVITY

The Company is a Joint Venture between Royal Caribbean Cruises Ltd and First Choice Holidays Limited. The Company's principal activity is that of a Cruise Operator

RESULTS AND DIVIDENDS

The profit for the period after tax was £1,370,000 (2006 profit for year £3,459,000). The Directors do not propose the payment of a dividend for the period ended 30 September 2007 (2006 £Nil)

BUSINESS REVIEW

The overall holiday market during 2007 faced challenging trading conditions, additionally specific to the cruise market further challenges were faced as a consequence of additional capacity from other competitor cruise operators. However despite this the Company's performance has been satisfactory with continued growth in repeat passenger numbers and customer satisfaction levels. Unfortunately due to technical issues with one of its ships the Company had to cancel a cruise at the end of the season impacting on the results significantly.

The market in 2008 is expected to remain challenging due to macro economic conditions and also as a consequence of yet further capacity being added by other cruise operators. However, we believe that the Company is well equipped to face the challenges through careful management of costs and yields.

The directors continuously manage the risks and uncertainties of the Company. The principal risks and uncertainties are:

Geo-political events and natural disasters The nature of our business means that we continually face the risk of geo-political events or natural disasters. It is for this reason that we ensure we operate with a flexible and efficient business model which enables us to redeploy our assets and minimise the reliance on any one destination.

Commercial relationships We have well established and close relationships with our suppliers and spread our risk by not placing over-reliance on any one supplier in any particular area. However, if a relationship was lost or damaged with a major supplier this could have a detrimental effect on our business. The management team meets regularly with suppliers to maintain good working relationships.

Information technology We are heavily reliant upon information technology. Investment is being made to ensure that we have advanced and efficient systems in place but there is a risk if there were a major failure – particularly if it were to affect selling systems. Procedures are in place to minimise the time a selling system is unavailable in the event of such a failure.

The Directors manage the business with reference to a number of key performance indicators (KPIs). The KPIs which relate to the Company are:

Emphasis on maximising cabin occupancy and net ticket revenue
Achieving high customer satisfaction levels
Increasing control of the distribution of our products

SUNSHINE CRUISES LIMITED

DIRECTORS' REPORT (continued) for 11- month period ended 30 September 2007

DIRECTORS

The Directors at the date of this report are

D Blastland
A M Goldstein
S M Hooper
P J Long
P Ryan

POLICY AND PRACTICE ON PAYMENT OF SUPPLIERS

Due to the nature of the Company's operations, and common to the industry as a whole, payments are often made in advance of the provision of goods and services. It is Company policy that payments to suppliers, whether in advance or after the provision of the goods or services, are made on the basis of the terms agreed with them. At the period end, the number of creditor days outstanding was 13 days (2006 4 days)

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

DIRECTORS' INSURANCE

The Joint Venture parent companies maintain insurance policies on behalf of all the Directors of the Company against liabilities arising from negligence or a breach of duty of trust in relation to the Company

AUDITORS

The Company has elected to dispense with the holding of Annual General Meetings, the laying of accounts before the members in General Meeting and the appointment of auditors annually. Accordingly, KPMG Audit Plc will continue in office as auditors

By order of the Board



P Ryan
Director
Date 31 March 2008

SUNSHINE CRUISES LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

For the 11- month period ended 30 September 2007

DIRECTORS' RESPONSIBILITIES

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

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

The group and parent financial statements are required by law to give a true and fair view of the state of affairs of the group and parent company and of the profit or loss for that period

In preparing those financial statements, the Directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable 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 group and parent company will continue in business

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the parent company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities

Under applicable law the directors are also responsible for preparing a Directors' Report that complies with that law

SUNSHINE CRUISES LIMITED

INDEPENDENT AUDITORS' REPORT

To the members of SUNSHINE CRUISES LIMITED

We have audited the financial statements of Sunshine Cruises Limited for the period ended 30 September 2007 which comprise the consolidated Profit and Loss Account, the consolidated and Company Balance Sheets, the consolidated Cash Flow Statement, and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors' responsibilities for preparing the Directors' Report and the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 3. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Group's and Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion:

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the Group's and the parent Company's affairs as at 30 September 2007 and of the group's profit for the period then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements.

KPMG Audit Plc

KPMG Audit Plc
Chartered Accountants
Registered Auditor
LONDON

Date 31 March 2008

SUNSHINE CRUISES LIMITED**CONSOLIDATED PROFIT AND LOSS ACCOUNT**
For the 11- month period ended 30 September 2007

	<i>Note</i>	<i>Period ended 30 September 2007</i>	<i>Year ended 31 October 2006</i>
		£000	£000
Turnover		93,104	94,634
Cost of sales		(78,947)	(76,186)
Gross profit		14,157	18,448
Operating expenses		(12,937)	(13,737)
Operating profit		1,220	4,711
Net interest receivable	2	198	257
Profit on ordinary activities before tax	3	1,418	4,968
Taxation on profit on ordinary activities	5	(48)	(1,509)
Profit on ordinary activities after tax		1,370	3,459
Minority interests		-	(59)
Profit for the financial period attributed to equity shareholders		1,370	3,400

The Company has no other recognised gains or losses for the period

A note on historical cost profits and losses has not been included as part of these financial statements as there is no difference between the results as disclosed in the profit and loss account and the results on an unmodified historical cost basis

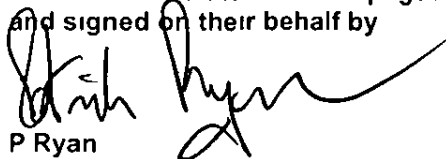
All results arose from continuing activities

SUNSHINE CRUISES LIMITED**CONSOLIDATED BALANCE SHEET**
As at 30 September 2007

	<i>Note</i>	<i>30 September 2007 £000</i>	<i>31 October 2006 £000</i>
Fixed assets			
Intangible assets	6	266	104
Tangible assets	7	55,037	58,575
		<u>55,303</u>	<u>58,679</u>
Current assets			
Stock		2,924	2,593
Debtors	9	20,906	10,851
Cash at bank and in hand		6,605	9,813
		<u>30,435</u>	<u>23,257</u>
Creditors			
amounts falling due within one year	10	<u>(16,481)</u>	<u>(13,990)</u>
Net current assets		<u>13,954</u>	<u>9,267</u>
Total assets less current liabilities		<u>69,257</u>	<u>67,946</u>
Provisions for liabilities and charges	11	<u>(5,515)</u>	<u>(5,493)</u>
Net assets		<u>63,742</u>	<u>62,453</u>
Capital and reserves			
Called up share capital	12	64,000	64,000
Profit and loss account	13	(258)	(1,628)
Minority interest	14	-	81
Equity shareholders' funds		<u>63,742</u>	<u>62,453</u>

The movement in equity shareholders' funds during the period is represented by the profit for the financial period

The financial statements on pages 5 to 18 were approved by the Board on
and signed on their behalf by



P Ryan
Director

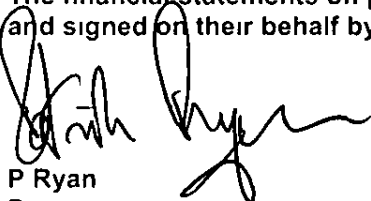
Date 31 March 2008

SUNSHINE CRUISES LIMITED**COMPANY BALANCE SHEET****As at 30 September 2007**

	<i>Note</i>	<i>30 September 2007 £000</i>	<i>31 October 2006 £000</i>
Fixed assets			
Tangible assets	7	54,999	58,538
Investments	8	234	125
		55,233	58,663
Current assets			
Stocks		2,924	2,593
Debtors	9	20,227	10,607
Cash at bank and in hand		6,496	9,602
		29,647	22,802
Creditors			
amounts falling due within one year	10	(16,019)	(13,762)
Net current assets		13,628	9,040
Total assets less current liabilities		68,861	67,703
Provisions for liabilities and charges	11	(5,514)	(5,492)
Net assets		63,347	62,211
Capital and reserves			
Called up share capital	12	64,000	64,000
Profit and loss account	13	(653)	(1,789)
Equity shareholders' funds		63,347	62,211

The movement in equity shareholders' funds during the period is represented by the profit for the financial period

The financial statements on pages 5 to 18 were approved by the Board on
and signed on their behalf by



P Ryan
Director

Date 31 March 2008

SUNSHINE CRUISES LIMITED**CONSOLIDATED CASH FLOW STATEMENT
for the 11- month period ended 30 September 2007**

	<i>Period ended 30 September 2007 £000</i>	<i>Year ended 31 October 2006 £000</i>
Net cash (outflow) / inflow from operating activities	<u>(1,832)</u>	<u>9,283</u>
Returns on investment and servicing of finance.		
Interest received	198	257
Net cash inflow from return on investments and servicing of finance	<u>198</u>	<u>257</u>
Taxation	(5)	-
Net cash outflow from capital expenditure		
Purchase of tangible fixed assets	(1,312)	(12,274)
Net cash outflow from acquisitions	<u>(257)</u>	<u>(1)</u>
Net cash outflow before financing	<u>(3,208)</u>	<u>(2,735)</u>
Decrease in cash	<u>(3,208)</u>	<u>(2,735)</u>

SUNSHINE CRUISES LIMITED**NOTES TO THE CASH FLOW STATEMENT
for the 11- month period ended 30 September 2007****a) RECONCILIATION OF OPERATING PROFIT TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	<i>Period ended 30 September 2007</i>	<i>Year ended 31 October 2006</i>
	<i>£000</i>	<i>£000</i>
Operating profit	1,220	4,711
Depreciation charge	4,850	5,104
Amortisation	14	6
(Increase) in stock	(331)	(1,717)
(Increase) / Decrease in debtors	(10,055)	1,847
Increase / (Decrease) in creditors	2,470	(668)
Net cash (outflow) / inflow from operating activities	(1,832)	9,283

b) ANALYSIS OF NET FUNDS

Decrease in cash in the period	(3,208)	(2,735)
Net cash at the start of the period	9,813	12,548
Net cash at the end of the period	6,605	9,813

SUNSHINE CRUISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the 11- month period ended 30 September 2007

1 ACCOUNTING POLICIES

Basis of preparation

The following accounting policies have been consistently applied in dealing with items considered material in relation to the Accounts

Accounting Convention

The accounts have been prepared in accordance with applicable accounting standards and under the historical cost convention

Basis of Consolidation

The Group accounts consolidate the accounts of Sunshine Cruises Limited and its subsidiary undertaking, Text Abroad Holidays Limited. These accounts are made up to 30 September 2007

The acquisition method of accounting has been adopted. Under this method, the results of subsidiary undertakings acquired during the year are included in the profit and loss account from the effective date of acquisition

The Company has taken advantage of the exemption under section 230 of the Companies Act 1985 from presenting its own profit and loss account

Goodwill

Purchased goodwill (representing the excess of the fair value of the consideration and associated costs given over the fair values of the separable net assets acquired) arising on consolidation in respect of acquisitions is capitalised. Positive goodwill is amortised to nil by equal instalments over its estimated useful life, normally 20 years

Dividends

Under FRS 21 dividends are recorded as liabilities in the period in which they are approved. Equity dividends are debited directly to equity

Turnover

Turnover represents the aggregate amount of revenue from cruise operations and travel agency commissions. Revenue from cruise operations is recognised on the date of departure, revenue from travel agency commissions is recognised when final payment is made

SUNSHINE CRUISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the 11- month period ended 30 September 2007

1 ACCOUNTING POLICIES (continued)

Stock

Stock consists of provisions, supplies and fuel carried at the lower of cost and net realisable value

Client Money Received In Advance

Client money received at the balance sheet date relating to holidays commencing after the year end is included in creditors

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 and any exchange differences arising are taken to the profit and loss account in the season to which the contract relates

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 or on another systematic basis, if this is more representative of the time pattern of the benefit from the leased asset

Deferred Taxation

Except as otherwise required by accounting standards, full provision without discounting is made for all 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 years different from their inclusion in the financial statements

Pensions

Employees of the Company participate in a defined contribution pension scheme operated by First Choice Holidays Limited ("First Choice"). Charges are made to the Company by First Choice for those employees who participate in the scheme. Pension liabilities are charged to the profit and loss account as they fall due

Tangible fixed assets and depreciation

Depreciation is provided on all tangible fixed assets on a straight line basis at rates calculated to write off the cost or valuation, less estimated residual value, of each asset over its expected useful life. The rates used are as follows

Ship	20 years
Leased Ship	6 years
Fixtures & Fittings	3-10 years
Computer equipment	3-6 years

SUNSHINE CRUISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the 11- month period ended 30 September 2007

1 ACCOUNTING POLICIES (continued)

Tangible fixed assets and depreciation (continued)

A residual of approximately 15% of the most recent valuation has been applied to the value of the owned ship. The Directors continuously reassess the residual value to ensure that it is appropriate.

2 NET INTEREST RECEIVABLE

	<i>Period ended 30 September 2007 £000</i>	<i>Year ended 31 October 2006 £000</i>
Bank interest receivable	198	258
Bank interest payable	-	(1)
	<u>198</u>	<u>257</u>

3 PROFIT ON ORDINARY ACTIVITIES BEFORE TAX

Profit on ordinary activities is stated after charging

	<i>Period ended 30 September 2007 £000</i>	<i>Year ended 31 October 2006 £000</i>
Depreciation	4,850	5,104
Amortisation	14	6
Hire of plant and machinery – rentals payable under operating leases	6,932	6,892
Hire of other assets – operating leases	<u>139</u>	<u>44</u>
Auditors' remuneration	30	25
Audit of these financial statements	20	15
Audit of financial statements of subsidiary pursuant to legislation	10	10

4 STAFF COSTS

	<i>Period ended 30 September 2007 £000</i>	<i>Year ended 31 October 2006 £000</i>
Wages and salaries	2,645	2,532
Social security costs	260	285
Pension costs	111	114
	<u>3,016</u>	<u>2,931</u>

Staff Numbers

The average number of persons employed by the Group (including directors) during the year, analysed by category, was as follows

	<i>Number</i>	<i>Number</i>
Operational	65	64
Administration and Management	22	21
	<u>87</u>	<u>85</u>

SUNSHINE CRUISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the 11- month period ended 30 September 2007

4. STAFF COSTS (continued)

Directors' Remuneration

	<i>Period ended 30 September 2007 £000</i>	<i>Year ended 31 October 2006 £000</i>
Directors' remuneration consists of		
Emoluments (including pension contributions)	274	272
Emoluments of highest paid director (excluding pension contributions)	247	247
Pension contributions attributable to highest paid director	27	25

5 TAXATION

The tax charge can be summarised as follows

	<i>Period ended 30 September 2007 £000</i>	<i>Year ended 31 October 2006 £000</i>
Tax on profit on ordinary activities:		
(i) Analysis of charge in period		
Current tax		
UK corporation tax on profit for the period	109	180
Adjustment in respect of previous period		
- permanent	(83)	-
- origination of timing differences	-	8
Total current tax	26	188
Deferred tax		
Origination and reversal of timing differences		
- current year UK	332	1,320
- impact of reduction in UK corporation tax rate from 30% to 28% in future periods	(394)	-
- adjustment in respect of previous period	84	1
Total deferred tax (see note 11)	22	1,321
Tax on profit on ordinary activities	48	1,509

(ii) Factors affecting tax charge for the period

The tax charge for the year is lower (2006 lower) than the standard rate of corporation tax in the UK (30%). The differences are explained below

	<i>Period ended 30 September 2007 £000</i>	<i>Year ended 31 October 2006 £000</i>
Profit on ordinary activities before tax	1,418	4,968
Profit on ordinary activities at the standard rate of UK corporation tax of 30% (2006 30%)	426	1,490
Effects of		
- Expenses not deductible for tax purposes	15	8
- Capital allowances for year in excess of depreciation	(225)	(382)
- Adjustment to tax charge in respect of previous years	(83)	8
- Utilisation of tax losses	(107)	(936)
Current tax charge for the period	26	188

SUNSHINE CRUISES LIMITED**NOTES TO THE FINANCIAL STATEMENTS**
for the 11- month period ended 30 September 2007**6 INTANGIBLE ASSETS****Goodwill**

	Group 2007 £000
Cost	
At beginning of period	120
Additions	176
At end of period	<u>296</u>
Amortisation	
At beginning of period	16
Charged in period	14
At end of period	<u>30</u>
Net Book Value	
At 30 September 2007	<u>266</u>
At 31 October 2006	<u>104</u>

The goodwill relates to the acquisition of Text Abroad Holidays Limited in 2004 and further additions on 1 November 2005 and 1 November 2006 (see note 8)

7 TANGIBLE ASSETS

GROUP	<i>Owned Ship</i>	<i>Owned Ship Fixtures & Fittings</i>	<i>Leased Ship Fixtures & Fittings</i>	<i>Office Fixtures & Fittings</i>	<i>Computers</i>	<i>Total</i>
	£000	£000	£000	£000	£000	£000
Cost						
At 1 November 2006	67,350	9,990	8,408	63	1,751	87,562
Transfers	-	-	-	10	-	10
Additions	-	25	625	56	606	1,312
Disposals	-	-	-	(1)	-	(1)
At 30 September 2007	<u>67,350</u>	<u>10,015</u>	<u>9,033</u>	<u>128</u>	<u>2,357</u>	<u>88,883</u>
Depreciation						
At 1 November 2006	(19,989)	(6,531)	(1,276)	(18)	(1,173)	(28,987)
Transfers	-	-	-	(10)	-	(10)
Provided in the period	(2,627)	(556)	(1,380)	(18)	(269)	(4,850)
Disposals	-	-	-	1	-	1
At 30 September 2007	<u>(22,616)</u>	<u>(7,087)</u>	<u>(2,656)</u>	<u>(45)</u>	<u>(1,442)</u>	<u>(33,846)</u>
Net Book Value						
At 30 September 2007	<u>44,734</u>	<u>2,928</u>	<u>6,377</u>	<u>83</u>	<u>915</u>	<u>55,037</u>
At 31 October 2006	<u>47,361</u>	<u>3,459</u>	<u>7,132</u>	<u>45</u>	<u>578</u>	<u>58,575</u>

SUNSHINE CRUISES LIMITED**NOTES TO THE FINANCIAL STATEMENTS**

for the 11- month period ended 30 September 2007

7 TANGIBLE ASSETS (continued)

COMPANY	<i>Owned Ship</i>	<i>Owned Ship Fixtures & Fittings</i>	<i>Leased Ship Fixtures & Fittings</i>	<i>Office Fixtures & Fittings</i>	<i>Computers</i>	<i>Total</i>
	£000	£000	£000	£000	£000	£000
Cost						
At 1 November 2006	67,350	9,990	8,408	21	1,727	87,496
Additions	-	25	625	41	602	1,293
At 30 September 2007	67,350	10,015	9,033	62	2,329	88,789
Depreciation						
At 1 November 2006	(19,989)	(6,532)	(1,276)	-	(1,161)	(28,958)
Provided in the year	(2,627)	(555)	(1,380)	(9)	(261)	(4,832)
At 30 September 2007	(22,616)	(7,087)	(2,656)	(9)	(1,422)	(33,790)
Net Book Value						
At 30 September 2007	44,734	2,928	6,377	53	907	54,999
At 31 October 2006	47,361	3,458	7,132	21	566	58,538

8 INVESTMENTS

	Company
Cost	£000
At beginning of period	125
Additions	109
At end of period	<u>234</u>
Net Book Value	
At 30 September 2007	<u>234</u>
At 31 October 2006	<u>125</u>

Principal operating subsidiary

The Group comprises the Company and one subsidiary undertaking, Text Abroad Holidays Limited. At 30 September 2007 Sunshine Cruises Limited held 100% of the shares in Text Abroad Holidays Limited (a company incorporated in England and Wales whose principal activity is that of a Travel Agency).

On 1 November 2006, the Company acquired 37 shares in Text Abroad Holidays Limited for a cash consideration of £109,000, taking the percentage of ordinary shares held to 100%. Goodwill of £111,000 arose from this transaction (see note 6).

SUNSHINE CRUISES LIMITED**NOTES TO THE FINANCIAL STATEMENTS
for the 11- month period ended 30 September 2007****9 DEBTORS**

	Group 2007 £000	Group 2006 £000	Company 2007 £000	Company 2006 £000
Trade receivables	1,982	1,590	1,744	1,350
Consortium relief receivable	5,244	5,244	5,297	5,297
Amounts due from Joint Venture Companies	6,961	-	6,961	-
Other receivables	2,742	1,769	2,276	1,730
Prepayments	3,977	2,248	3,949	2,230
	20,906	10,851	20,227	10,607

10 CREDITORS - amounts falling due within one year

	Group 2007 £000	Group 2006 £000	Company 2007 £000	Company 2006 £000
Trade payables	2,908	975	2,815	913
Other payables	785	247	503	83
Amounts due to Joint Venture Companies	-	2,174	-	2,174
Accruals and deferred income	3,434	3,703	3,347	3,701
Client money received in advance	9,354	6,891	9,354	6,891
	16,481	13,990	16,019	13,762

11 PROVISIONS FOR LIABILITIES AND CHARGES

Deferred Tax	Group £000	Company £000
At 1 November 2006	5,493	5,492
Provided in the period	416	416
Impact of reduction in UK Corporation tax rate from 30% to 28% in future periods	(394)	(394)
At 30 September 2007	<u>5,515</u>	<u>5,514</u>

The net deferred tax provision as at 30 September 2007 is as follows	Group 2007 £000	Group 2006 £000	Company 2007 £000	Company 2006 £000
Accelerated capital allowances	10,124	10,213	10,124	10,213
Other short term timing differences	(4,609)	(4,720)	(4,610)	(4,721)
	<u>5,515</u>	<u>5,493</u>	<u>5,514</u>	<u>5,492</u>

There is no unprovided deferred taxation at either 30 September 2007 or 31 October 2006

12 SHARE CAPITAL

	2007 £000	2006 £000
Authorised		
50,000,000 A Ordinary Shares of £1 each	50,000	50,000
50,000,000 B Ordinary Shares of £1 each	50,000	50,000
	100,000	100,000
Allotted, called up and fully paid		
32,000,001 A Ordinary Shares of £1 each	32,000	32,000
32,000,001 B Ordinary Shares of £1 each	32,000	32,000
	64,000	64,000

SUNSHINE CRUISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the 11- month period ended 30 September 2007

13 PROFIT AND LOSS ACCOUNT

	Group 2007 £000	Group 2006 £000	Company 2007 £000	Company 2006 £000
At beginning of the period	(1,628)	(5,028)	(1,789)	(5,018)
Profit for the financial period	1,370	3,400	1,136	3,229
At end of the period	(258)	(1,628)	(653)	(1,789)

14 MINORITY INTEREST

As a result of the Company purchasing the remaining shares in Text Abroad Holidays Limited during the year there was no minority interest as at 30 September 2007 (31 October 2006 £81,000 representing a 25% interest)

15 OPERATING LEASE COMMITMENTS

	Group & Company Ship 2007 £000	Group & Company Property 2007 £000	Group & Company Ship 2006 £000	Group & Company Property 2006 £000
Annual Commitments under non-cancellable operating leases which expire				
Within 1 year	-	67	-	84
Between 2 – 5 years	7,156	-	7,561	-
More than 5 years	-	52	-	51
	7,156	119	7,561	135

16 CAPITAL COMMITMENTS

The Group and Company had no capital commitments which were contracted but not provided for at either 30 September 2007 or 31 October 2006

SUNSHINE CRUISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

for the 11- month period ended 30 September 2007

17 RELATED PARTY TRANSACTIONS

The Company was charged £15,982,000 (2006 £16,109,000) by First Choice Holidays Limited ("First Choice") subsidiary companies for marketing contributions and flying, commission and administrative services and £7,040,000 (2006 £7,027,000) for bareboat ship rental and administrative services by Royal Caribbean Cruises Ltd ("RCCL") At 30 September 2007 the Company was owed £6,847,000 (2006 £4,600,000) by First Choice Holidays & Flights Limited ("FCH&F") a subsidiary of First Choice, and £101,000 from RCCL (2006 £9,000) In addition the Company owed £Nil to RCCL (2006 £3,450,000) and £Nil to First Choice (2006 £3,316 000) These are included in amounts due from / to Joint Venture Companies The Company was also owed £5,297,000 (2006 £5,244,000) in surrendered tax relief from the First Choice Group

18 ULTIMATE PARENT COMPANY

The Company is jointly owned and controlled by Royal Caribbean Cruises Ltd and First Choice Holidays Limited ("First Choice") (formerly First Choice Holidays PLC) Following the merger between First Choice and the Tourism Division of TUI AG which took place on 3 September 2007, the new parent company of First Choice is TUI Travel PLC With effect from 3 September 2007, the ultimate parent company of TUI Travel PLC is TUI AG – a company registered in Berlin and Hanover (Federal Republic of Germany) The Company's two Shareholders both account for their interest in the Group as a joint venture and consolidate their respective shares of profits or losses and net assets or liabilities

For the 11 month period ended 30 September 2007 First Choice Holidays Limited and Royal Caribbean Cruises Ltd were the ultimate joint venture parent undertakings For future accounting periods, the Directors consider that the Group is jointly controlled by Royal Caribbean Cruises Ltd (incorporated in Liberia) and TUI Travel PLC (incorporated in the United Kingdom)

The latest financial statements of Royal Caribbean Cruises Ltd may be obtained by writing to the Company Secretary, Royal Caribbean Cruises Ltd , 1050 Caribbean Way, Miami, Florida 33132

The latest financial statements of First Choice Holidays Limited and TUI Travel PLC are available from the Company Secretary, TUI Travel PLC, TUI Travel House, Crawley Business Quarter, West Sussex, RH10 9QL