Retail Travel Limited

Annual report

for the year ended 30 September 2009

Registered number 918380

Retail Travel Limited

Contents

Retail Travel Limited

Directors' Report

The directors present their annual report on the affairs of the Company, together with the financial statements and auditors' report This annual report covers the year ended 30 September 2009

Business Review & Activities

Retail Travel Ltd is a wholly owned subsidiary of Thomas Cook Group PLC ("TCG PLC") a company that is listed on the London Stock Exchange

The company is dormant and has not traded during the period and there are no plans to commence trading activities in the foreseeable future

Thomas Cook Group PLC operates in the UK through a number of subsidiary companies the activities of which include packaged holidays, airline operations, sales channels including retail & online dynamic packaging / component travel businesses and scheduled tour operators

Retail Travel Limited forms part of the Mainstream Operations business On 1 November 2007 the company sold its trading activities to Thomas Cook Retail Limited at their net book value

Business Environment

Following significant market consolidation in 2007 two major vertically integrated operators operate within the UK travel industry

- Thomas Cook Group PLC (created via the merger of Thomas Cook AG and MyTravel PLC)
- TUI Travel PLC

As has been the case in recent years the company has faced considerable volatility in its business environment In particular the UK market has seen a prolonged period of economic weakness and rising unemployment Continued weakness of Sterling against other major currencies, especially the Euro, has put pressure on package holiday input costs and has influenced the level of demand for some destinations

Strategy and future outlook

TCG PLC strategy is focused on four key growth drivers

- Maximising value of mainstream travel
- Establishing Thomas Cook as a leading provider of independent travel
- Building our position as a leading provider of travel related financial services
- Extending our business through mergers, acquisitions and partnerships

The merger of Thomas Cook AG and MyTravel PLC has generated considerable synergy benefits These have arisen principally in the UK as this is where the significant overlap of operations occurred The financial year, and the previous financial year saw considerable exceptional restructuring costs which accompanied the realisation of these benefits

Directors' Report (continued)

Principal Risks & Uncertainties

The UK group have identified a number of risks and uncertainties that could potentially damage the current business model and future growth opportunities

- Geo-political events and natural disasters – The nature of our business operations exposes the group to a wide range of geo-political risks and potential natural disaster scenarios To counter this, the group operates a flexible business model with the ability to shift capacity amongst destinations where necessary
- Information Technology – IT plays a major role in day to day operations, the group recognises this importance and invests accordingly in systems to ensure an efficient and reliable service is maintained
- Financial risk - the group is primarily exposed to the two key financial risk areas of fuel prices and foreign currency exchange rates We manage both of these risks appropriately through the use of various hedging instruments in accordance with polices that have been agreed with Thomas Cook Group PLC The objective of the foreign currency hedging policy is to minimise the potential exposure arising from any market change in exchange rates following the production of leisure travel brochures Appropriate fuel hedges are established in order to minimise the potential exposure arising from any market fuel price movements following the time that flight schedules are fixed
- Environmental risk – As a major tour operator we use aircraft to take people on holidays, sometimes to countries where tourism is just developing We take our corporate and social responsibilities very seriously We operate a modern, efficient airline and work with authorities and local suppliers in destinations to ensure that any environmental impact is minimised
- Synergy Delivery risk – There is a risk associated with the delivery of synergies in terms of anticipated timeframes and overall value and either of these will impact the profitability of the Group going forward There is also a risk that the costs associated with the merger will exceed the estimated amount (see above)

Key Performance Indicators ("KPI's")

The directors of Thomas Cook Group PLC manage the Group's operations on a segmental basis For this reason, the Company's directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of Retail Travel Limited, The development, performance and position of the UK segment of the Group, which include the results of the Company, are discussed in the financial review on pages 72 to 74 of the Group's annual report which does not form part of this report

Financial risk management

The Company's operations expose it to a variety of financial risks, including the effects of changes in currency exchange rates, credit exposure, liquidity and interest rates
The directors manage these risks in accordance with policies that have been agreed with TCG PLC
The main risks arising from the Company's financial instruments can be analysed as follows

Currency risk

The Company is exposed in its trading operations to the risk of changes in currency exchange rates where appropriate forward contracts are used to hedge this exposure

Credit risk

The Company's principal financial assets are bank balances, cash and trade and inter-company debtors which represent the Company's maximum exposure to credit risk in relation to financial assets Risk is managed through internal monitoring processes

Directors' Report (continued)

Price risk

The Company is not materially exposed to commodity price risk as a result of its operations

Liquidity risk

The Company has appropriate overdraft facilities in place with various banks where considered necessary The Company uses its annual budget and planning process to predict and mange expected future liquidity The liquidity forecast is reviewed and updated on a regular basis

Interest rate risk

The Company is subject to risks arising from interest rate movements in connection with the cost of servicing its short-term borrowings and the returns on its liquid assets The risks associated with this are managed at a Group level in conjunction with the liquidity risk

Equal opportunities

The group is committed to employment policies, which follow best practice, based on equal opportunities for all employees, irrespective of sex, race, colour, disability or marital status and offers appropriate training and career development for disabled staff If members of staff become disabled the group continues employment wherever possible and arranges retraining

Employee involvement

The group is also committed to providing employees with information on matters of concern to them on a regular basis, so that the views of employees can be taken into account when making decisions that are likely to affect their interests In addition, the group encourages the involvement of employee's by means of regular briefing meetings, supplemented by a range of staff magazines Surveys are held regularly as a means of measuring the effectiveness of the ways in which staff are managed

Dividends

The directors do not recommend the payment of a dividend in respect of the period to 30 September 2009 (2008 – £Nil)

Restatement of prior period comparative

On 1 November 2007, Retail Travel Limited sold its trading activities to Thomas Cook Retail Limited In the 2008 financial statements this disposal was recorded at book value, however, the share purchase agreement for this transaction stated that the disposal was made at fair value The prior period has therefore been restated in these accounts to reflect this (please refer to note 1)

Directors

The directors, who served for the whole of the year, were as follows

D M W Hallisey
Thomas Cook Group Management Services Limited

Company Secretary

Shirley Bradley

Directors' Report (continued)

Directors' indemnities

The Company has made qualifying third party indemnity provisions for the benefit of its directors, which were made during the year and remain in force at the date of this report

Charitable and political contributions

The Company made no charitable or political donations during the year (2008 –£nil)

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union 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 judgments and accounting estimates that are reasonable and prudent,
- state whether applicable International Financial Reporting Standards (IFRSs) as adopted by the European Union 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

Provision of information to auditors

In accordance with Section 418 of the Companies Act 2006, in the case of each director in office at the date the directors' report is approved, the following applies

(a) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
(b) he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

A resolution will be proposed at the next Annual General Meeting to re-appoint PricewaterhouseCoopers LLP as auditors of the company

The Thomas Cook Business Park
Coningsby Road
Peterborough
Cambs
PE3 8SB

By order of the Board, on behalf of

S Bradley

Thomas Cook Group Management Services Limited
19th February 2010 DIRECTOR

Retail Travel Limited

Registered number 918380

Independent auditors' report to the members of Retail Travel Limited

We have audited the financial statements of Retail Travel Limited for the year ended 30 September 2009 which comprise the Income Statement, the Statement of Recognised Income and Expense, the Balance Sheet, the Cash Flow Statement and the related notes The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 6, 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 the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 September 2009,
- have been properly prepared in accordance with IFRSs as adopted by the European Union, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

JEllis

John Ellis (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

Date 19 February 2010

Retail Travel Limited

Income statement
Period ended 30 September 2009

	Note	30 September 2009 £'000	Restated 30 September 2008 £'000
Gain on disposal of business	3	-	70,000
Gain from operations		-	70,000
Tax charge	4	-	-
Gain for the period		-	70,000
Attributable to			
Equity holders of the company		-	70,000

There are no recognised income or expenses for either period other than the loss for the period, consequently no separate statement of recognised income and expenses has been presented

Retail Travel Limited

Balance sheet
30 September 2009

	Note	30 September 2009 £'000	Restated 30 September 2008 £'000
Non-current assets			
Intangible assets	5	-	-
Property and equipment	6	-	-
Investments in subsidiary undertakings	7	1	1
Deferred tax asset	10	-	-
		1	1
Current assets			
Trade and other receivables	8	110,000	110,000
		110,000	110,000
Total assets		110,101	110,101
Current liabilities			
Trade and other payables	9	(50,298)	(50,298)
		(50,298)	(50,298)
Total liabilities		(50,298)	(50,298)
Net liabilities		59,803	59,803
Equity			
Called up share capital	11	1,000	1,000
Retained earnings	12	18,803	18,803
Other reserves	13	40,000	40,000
Equity attributable to equity holders of the company		59,803	59,803

The financial statements were approved by the board of directors and authorised for issue on 19th February 2010
They were signed on its behalf by

S Bradley representing

Thomas Cook Group Management Services Limited
DIRECTOR

Retail Travel Limited

Cash flow statement
Year ended 30 September 2009

	Year ended 30 September 2009 £'000	Eleven months ended 30 September 2008 £'000
Cash flows from operating activities		
Cash used in operations	-	-
Income taxes paid	-	-
	-	-
Investing activities		
Proceeds on disposal of business	-	(194,922)
Net cash used in investing activities	-	(194,922)
Net increase/(decrease) in cash and cash equivalents	-	(194,922)
Cash and cash equivalents at beginning of the period	-	194,922
Cash and cash equivalents at end of the period	-	-

Retail Travel Limited

Notes to the financial statements
Year ended 30 September 2009

1 General information

Retail Travel Limited is a company incorporated in Great Britain under the Companies Act 2006 The address of its registered office is The Thomas Cook Business Park, Coningsby Road, Peterborough, PE3 8SB The nature of the Company's operation and its principal activities are set out in the Directors' report These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Company operates The Company is a wholly-owned subsidiary company and is included within the audited consolidated financial statements of Thomas Cook Group PLC, a company incorporated in Great Britain which have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union and filed with the Registrar of Companies The company is therefore exempt from the obligation to prepare consolidated financial statements in accordance with section 400 of the Companies Act 2006

Restatement of prior period comparative

On 1 November 2007, Retail Travel Limited sold its trading activities to Thomas Cook Retail Limited In the 2008 financial statements this disposal was recorded at book value, however, the share purchase agreement for this transaction stated that the disposal was made at fair value The prior period has therefore been restated in these accounts to reflect this The impact of this has resulted in a gain on disposal of businesses of £70 million, an increase in amounts due from Group undertakings of £110 million and a capital contribution through equity of £40 million

At the date of authorisation of these financial statements, the following Standards and interpretations that are expected to impact on the Company but which have not been applied in these financial statements, were in issue but not yet effective

IFRS 8 'Operating segments', issued in November 2006, effective for periods beginning on or after 1 January 2009 This may change the way in which we report operating segments in the future

IFRS 3 (Revised) 'Business combinations', effective prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 July 2009 This will significantly change the recognition of goodwill, acquisition costs and contingent consideration relating to future acquisitions

IAS 28 (Amendment) 'Investments in associates', and amendments to IAS 31, 'Interests in joint ventures' (with consequential amendments to IAS 32, 'Financial instruments presentation' and IFRS 7, 'Financial instruments disclosures'), effective for annual periods beginning on or after 1 January 2009 These amendments are part of the IASB's annual improvements project published in May 2008 and will change the disclosure requirements for investments accounted for in accordance with IAS 39' Financial instruments recognition and measurement' The adoption of these amendments is not expected to have material impact on the Company

IFRS 27 (Amendment) 'Consolidated and separate financial statements' is effective for annual periods beginning on or after 1 July 2009 The revised standard requires different accounting treatment for minority interest but it is not expected to affect the Company's financial results or position materially

IFRS 2 (Amendment) 'Share based payment', effective for annual periods beginning on or after 1 January 2009 This provides a definition of vesting conditions and specifies the accounting treatment for non-vesting conditions It is not expected to materially affect the share based payment charge recognised in the Company accounts

IAS 23 (Amendment) 'Borrowing Costs', revised version issued in March 2007, effective for annual periods beginning on or after 1 January 2009 This eliminates borrowing costs when they are incurred and is not expected to have a material impact to the Company

IFRS 7 (Amendment) 'Financial instruments – disclosures', effective 1 January 2009 The amendment requires enhanced disclosures about fair value and measurement risk As the change only results in disclosure changes there is no impact on the results of the Company

Notes to the financial statements
Year ended 30 September 2009

1 General information (continued)

IAS 1 (Revised) 'Presentation of financial statements', is effective for annual period beginning on or after 1 January 2009 This requires the reconciliation of movements in equity to be presented as a primary financial statement and increased disclosures when there is a restatement of comparatives Adopting this standard will not affect the recognition or measurement of any transactions or events

IAS 32 (Amendment) 'Financial statement Presentation', issued in February 2008, effective for annual periods beginning on or after 1 January 2009 This clarifies the treatment of puttable financial instruments The adoption of this amendment is not expected to have a material impact on the Company

IAS 38 (Amendment) 'Intangible assets', effective for annual periods beginning on or after 1 January 2009 The amendment is part of the IASB's annual improvements project published in May 2008 This will change the way in which the Company accounts for brochure costs

IFRIC 13 'Customer loyalty programmes', issued in June 2007, effective for annual periods beginning on or after 1 January 2009 The interpretation is not expected to have a material impact on the Company

IFRIC 14 'IAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction', issued in July 2007, effective for periods beginning on or after 1 January 2009 The interpretation is not expected to have a material impact on the Company

Directors anticipate that the company will adopt these standards and interpretations on their effective dates

2 Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below These policies have been applied consistently to the periods presented unless otherwise stated

Basis of accounting
These financial statements have been prepared in accordance with IFRSs as adopted by the EU, IFRIC interpretations and the Companies Act 2006 as applicable to Companies reporting under IFRS The financial statements have been prepared on a going concern basis Adequate bank facilities have been obtained and the directors of the ultimate parent Company, Thomas Cook Group PLC intend to make sufficient amounts available to the Company to enable it to meet its liabilities as they fall due and to continue as a going concern The financial statements have been prepared under the historical cost convention, except for revaluation of certain financial instruments The principal accounting policies adopted are set out below

Income statement presentation
As the company has not traded during the period, an income statement has not been prepared

Subsidiary undertakings
Investments in subsidiary undertakings are accounted for at cost less provision for impairment

Intangible assets
Goodwill arising on the acquisition of the assets and trade of a business represents any excess of the fair value of the consideration given over the fair value of the identifiable net assets or liabilities acquired Goodwill is recognised as an asset, and is reviewed for impairment at least annually Any impairment is recognised immediately in the Company's income statement and is not subsequently reversed For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units) The allocation of goodwill is made to those cash-generating units that are expected to benefit from the business combination in which the goodwill arose

2 Significant accounting policies (continued)

Property and equipment
Property and equipment is stated at cost, net of accumulated depreciation and any provision for impairment Where costs are incurred as part of the start-up or commissioning of an item of property, plant or equipment, and that item is available for use but incapable of operating in the manner intended by management without such a start-up or commissioning period, then such costs are included within the cost of the item Costs that are not directly attributable to bringing an asset to the location and condition necessary for it to be capable of operating in the manner intended by management are charged to the income statement as incurred

Depreciation on property, plant and equipment, other than freehold land, upon which no depreciation is provided, is calculated on a straight line basis and aims to write down their cost to their estimated residual value over their expected useful lives as follows

Freehold buildings	2% per annum
Long leasehold premises	2% per annum
Short leasehold premises	10% per annum or life of lease if shorter
Fixtures, fittings and equipment	between 10% and 50% per annum

Inventories
Inventories are stated at the lower of cost and net realisable value Cost represents purchase price Net realisable value represents the estimated selling price less all costs to be incurred in marketing, selling and distribution

Revenue recognition and associated costs
Revenue represents the aggregate amount of gross revenue receivable from inclusive tours, published material and other services supplied to customers in the ordinary course of business Revenues and direct expenses relating to package holidays are taken to the income statement on a flight or holiday departure date basis Direct expenses include all accommodation, transport and commission costs and other direct operational costs, which are classified as "cost of sales" within the Income Statement

Tax
Tax represents the sum of tax currently payable and deferred tax Tax is recognised in the income statement unless it relates to an item recognised directly in equity, in which case the associated tax is also recognised directly in equity Tax currently payable is provided on taxable profits based on the tax rates and laws that have been enacted or substantively enacted at the balance sheet date Provision is made for deferred tax so as to recognise all temporary differences which have originated but not reversed at the balance sheet date that result in an obligation to pay more tax, or a right to pay less tax, in the future, except as set out below This is calculated on a non-discounted basis by reference to the average tax rates that are expected to apply in the relevant jurisdictions and for the periods in which the temporary differences are expected to reverse Deferred tax assets are assessed at each balance sheet date and are only recognised to the extent that their recovery against future taxable profits is probable

Notes to the financial statements
Year ended 30 September 2009

2 Significant accounting policies (continued)

Provisions
Provisions are recognised in the balance sheet when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the balance sheet date 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 A provision for restructuring is recognised when the Group has approved a detailed and formal restructuring plan, and the restructuring has either commenced or has been announced to those affected by it Future operating costs are not provided for In accordance with the Group's published environmental policy and applicable legal requirements, a provision for site restoration in respect of contaminated land is recognised when the land is contaminated A provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract

Pension
Pension costs charged against profits in respect of the Company's defined contribution scheme represented the amount of the contributions payable to the schemes in respect of the accounting period The company also operated a defined benefit scheme The pension liabilities recognised on the balance in respect of this scheme represents the difference between the present value of the company's obligations (calculated using the projected unit credit method) under the scheme and the fair value of the scheme's assets Actuarial gains or losses were recognised in the period in which they arose within the statement of recognised income and expense Other movements in the pension liability were recognised in the income statement Past service costs were recognised immediately in the income statement The assets and liabilities of the pension schemes were transferred to Thomas Cook Retail Limited as part of the disposal of Retail Travel Limited's trading activities

Foreign currency
Transactions in currencies other than the functional currency the company are translated at the exchange rate at the date of the transaction Foreign currency monetary assets and liabilities held at the period end are translated at period end exchange rates The resulting exchange gain or loss is dealt with in the income statement

Leases
Operating leases rentals are charged to the income statement on a straight-line basis over the lease term

Revenue in advance
Customer monies received at the balance sheet date relating to holidays commencing and flights departing after the year end is deferred and classified as revenue in advance

Dividends
Dividend distributions to the Company's equity shareholder are recognised as a liability either in the period in which the dividends are approved by the Company's shareholders or, in the case of interim dividends when the dividend is paid Non-equity dividends in respect of preference shares are recognised as a liability in the period to which they relate Under IAS 32, thee dividends are now recognised as an interest cost

Trade payables
Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method

2 Significant accounting policies (continued)

Trade receivables – non derivative financial assets

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment A provision for impairment of trade receivables is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the receivables Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the income statement within 'selling and marketing costs' When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables Subsequent recoveries of amounts previously written off are credited against 'operating costs' in the income statement

Critical judgments in applying the Company's accounting policies

In the process of applying the Company's accounting policies, described above, management has made the following judgments that have the most significant effect on the amounts recognised in the financial statements

Residual values of tangible fixed assets

Judgments have been made in respect of the residual values of property, plant and equipment Those judgments determine the amount of depreciation charged in the income statement

Key sources of estimation uncertainty

The key assumptions concerning future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts as assets and liabilities within the next financial year, are discussed below

Supplier debit balances

The provision made in respect of supplier debit balances has been calculated on an estimation of the likely recovery of aged debt outstanding, and through evaluation of continued trading with the hotelier concerned

Notes to the financial statements
Year ended 30 September 2009

3 Gain on disposal of business

	Year ended 30 September 2009 £'000	Restated Eleven months ended 30 September 2008 £'000
Gain on disposal of trade to Thomas Cook Retail Limited	-	70,000
	-	70,000

4 Tax

	Year ended 30 September 2009 £'000	Restated Eleven months ended 30 September 2008 £'000
Current tax		
UK corporation tax charge for the period	-	-
	-	-

Corporation tax is calculated at 28% (2008 28 91%) of the estimated assessable profit for the period In the prior period this was the weighted average tax rate applicable for the period following a reduction in the standard rate of UK Corporation Tax from 30% to 28% effective from 1st April 2008

The tax charge for the period can be reconciled to the profit per the income statement as follows

	Year ended 30 September 2009 £'000	Restated Eleven months ended 30 September 2008 £'000
Profit before tax	-	70,000
Expected tax (credit)/charge at the UK corporation tax rate of 28% (2008 28 91%)	-	20,237
Tax effect of expenses that are not deductible in determining taxable profit	-	(20,237)
Tax charge for the period	-	-

Notes to the financial statements
Year ended 30 September 2009

5 Intangible assets

	Software £'000
Cost	
At 1 November 2007	54,126
Disposal on transfer of trade	(54,126)
At 30 September 2008 and 30 September 2009	-
Accumulated depreciation	
At 1 November 2007	35,794
Disposal on transfer of trade	(35,794)
At 30 September 2008 and 30 September 2009	-
Carrying amount	
At 30 September 2009	-
At 30 September 2008	-

6 Property and equipment

	Freehold and long leasehold premises £'000	Sort leasehold premises £'000	Fixtures, fittings and equipment £'000	Total £'000
Cost				
At 1 November 2007	14,735	3,219	130,866	148,820
Disposal on transfer of trade	(14,735)	(3,219)	(130,866)	(148,820)
At 30 September 2008 and 30 September 2009	-	-	-	-
Accumulated depreciation				
At 1 November 2007	1,935	3,166	105,939	111,040
Disposal on transfer of trade	(1,935)	(3,166)	(105,939)	(111,040)
At 30 September 2008 and 30 September 2009	-	-	-	-
Carrying amount				
At 30 September 2009	-	-	-	-
At 30 September 2008	-	-	-	-

Notes to the financial statements
Year ended 30 September 2009

7 Investments in subsidiary undertakings

	Shares in group undertakings £'000
Cost	
At 31 October 2007	21
Disposals	(20)
At 30 September 2008 and 30 September 2009	1

	30 September 2009 £	Restated 30 September 2008 £
Thomas Cook Enterprises Limited	100	100
Hoteltech International Limited	100	100
In Touch (IT) Business Centres Limited	100	100
Thomas Cook GiftBond Limited	100	100
Going Places Leisure Travel Limited	100	100
Thomas Cook Guernsey Limited	100	100
Thomas Cook (Jersey) Limited	100	100
	700	700

Name of company	Country of incorporation	% ownership of ordinary shares	Principal activities
Thomas Cook Enterprises Limited	England & Wales	100%	Dormant
Hoteltech International Limited	England & Wales	100%	Dormant
In Touch (IT) Business Centres Limited	England & Wales	100%	Dormant
Thomas Cook GiftBond Limited	England & Wales	100%	Dormant
Going Places Leisure Travel Limited	England & Wales	100%	Dormant
Thomas Cook Guernsey Limited	Guernsey	100%	Dormant
Thomas Cook (Jersey) Limited	Jersey	100%	Dormant

Notes to the financial statements
Year ended 30 September 2009

7 Investments in subsidiary undertakings (continued)

In accordance with accounting standards, the ultimate parent company, Thomas Cook Group PLC, annually tests the carrying value of goodwill for impairment At 30 September 2009, the review was undertaken on a value in use basis The review determined that there had been no impairment and hence the investment in the company are also considered to be unimpaired

8 Trade and other receivables

	30 September 2009 £'000	Restated 30 September 2008 £'000
Current assets		
Amounts due from Group undertakings	110,000	110,000
	110,000	110,000

All of the above financial assets are categorised as loans and receivables for the purposes of IFRS 7, "Financial instruments Disclosures" The directors consider that the carrying amount of other receivables approximates their fair value

The company's principal financial assets subject to a credit risk are these receivables, and as such the company's credit risk is attributable to these other receivables An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows No impairments have been made against these financial assets, and none of these assets are overdue

These receivables are not subject to restrictions on title and no collateral is held as security All these financial assets are denominated in pound sterling

The directors consider that the carrying amount of trade and other receivables approximates their fair value

At the period end, there were no trade or other receivables that were past due but not impaired

Notes to the financial statements
Year ended 30 September 2009

9 Trade and other payables

	30 September 2009 £'000	Restated 30 September 2008 £'000
Current liabilities		
Amounts due to Group undertakings	(50,298)	(50,298)
	(50,298)	(50,298)

	30 September 2009 £'000	Restated 30 September 2008 £'000
Aging analysis of trade and other payables		
Less than 3 months	-	-
Between 3 and 12 months	(50,298)	(50,298)
Between 1 and 5 years	-	-
More than 5 years	-	-
	(50,298)	(50,298)

Notes to the financial statements
Year ended 30 September 2009

10 Deferred tax

The gross movement on the deferred income tax account is as follows

	2009	Restated 2008
	£'000	£'000
Beginning of period	-	11,404
Disposed on transfer of trade	-	(11,404)
End of period	-	-

Movements on deferred taxation assets and liabilities, without taking into consideration the offsetting of balances within the same tax jurisdiction, were as follows

Deferred tax assets	Accelerated tax depreciation	Retirement benefit obligations	Other	Total
	£'000	£'000	£'000	£'000
At 31 October 2007	3,543	7,185	727	11,455
Disposed on transfer of trade	(3,543)	(7,185)	(727)	(11,455)
At 30 September 2008 and 30 September 2009	-	-	-	-

Deferred tax liabilities

	Other	Total
	£'000	£'000
At 31 October 2007	(51)	(51)
Disposed on transfer of trade	51	51
At 30 September 2008 and 30 September 2009	-	-

Notes to the financial statements
Year ended 30 September 2009

11 Called up share capital

	30 September 2009 £'000	30 September 2008 £'000
Authorised		
1,000,000 ordinary shares of £1 each	1,000	1,000
Allotted, issued and fully paid:		
1,000,000 ordinary shares of £1 each	1,000	1,000

The company has one class of ordinary share, which carries no right to fixed income

12 Retained earnings

	£'000
Balance at 31 October 2007	(51,197)
Restated net profit for the period	70,000
Balance at 30 September 2008	18,803
Net profit for the period	-
Balance at 30 September 2009	18,803

13 Other reserves

	£'000
Restated balance at 1 October 2008 and 30 September 2009	
Capital contribution reserve	40,000

Notes to the financial statements
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14 Related party transactions

Transactions between the Company and other members of the Thomas Cook Group PLC are disclosed below

Trading transactions	Amounts owed by related parties		Amounts owed to related parties	
	2009 £'000	Restated 2008 £'000	2009 £'000	Restated 2008 £'000
Parent and fellow subsidiary	110,000	110,000	(50,298)	(50,298)

The amounts outstanding are unsecured and will be settled in the normal course of business No guarantees have been given or received No provisions have been made for doubtful debts in respect of the amounts owed by related parties

Other trading transactions

During the year, the Company entered into no transactions with related parties who are not members of the Thomas Cook Group PLC

15 Ultimate controlling party

The Company is a subsidiary of Thomas Cook Retail Limited, which is incorporated in England and Wales

Thomas Cook Group PLC, incorporated in Great Britain, is the company's ultimate parent company

The smallest group in which the results of the company are consolidated is that of which Thomas Cook Group PLC is the parent company The consolidated accounts of Thomas Cook Group PLC may be obtained from The Thomas Cook Business Park, Coningsby Road, Peterborough, Cambridgeshire, PE3 8SB