

Carousel Resorts International Limited

Annual report and financial statements

for the year ended 30 September 2012

Registered number: 3239665

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Carousel Resorts International Limited

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Carousel Resorts International Limited

Directors' report

The directors present their annual report on the affairs of the Company, together with the financial statements and auditors' report, for the year ended 30 September 2012

Business review & principal activities

The Company is a wholly owned subsidiary of Thomas Cook Group plc and operates as part of the Group's UK division

The principal activity of the Company was that of an investment holding company. These investments were written down to zero in past years and the only recognised income and expense relates to the impairment of amounts receivable from Group undertakings and foreign exchange movements on intra-group loans. The Company directors have no intention to change the principal activities at present.

During the year ended 30 September 2012 the Company made an operating profit of £560,837 (2011: loss of £189,062). The net liabilities of the Company as at 30 September 2012 were £14,790,645 (2011: £15,351,482). Both the level of business and the year end position were satisfactory.

Principal risks and uncertainties

Given that the Company trades only as a holding company, whose investments have been fully written down, the directors deem that there are no significant risks or uncertainties. Foreign exchange risk is minimised since both Inter-Group receivables and payables are denominated in the same foreign currency, minimising the Company's exposure to exchange gains and losses.

Environment and employees

As the Company trades only as a holding company and has no direct employees (2011: nil), the directors do not consider it necessary to report on environmental or employment policies.

Key performance indicators

As the Company is not actively trading, the directors are of the opinion that an analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

Results and dividends

The results for the year are set out on page 5.

The directors do not recommend the payment of an ordinary dividend for the year ended 30 September 2012 (2011: £ nil).

Directors

The directors of the Company who served throughout the year, except as noted, were as follows:

N Arthur (appointed 19 April 2013)

K-U G Sperl (appointed 19 April 2013)

Thomas Cook Group Management Services Ltd

M L MacMahon (resigned 19 April 2013)

Independent Auditors

The auditors PricewaterhouseCoopers LLP have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

In the case of each of the persons who are directors of the Company at the date when this report is approved:

- so far as each of the directors is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- each of the directors has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This information is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Carousel Resorts International Limited

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 prepared 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 judgements 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.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By order of the Board



A Carty
Representing Thomas Cook Group Management Services Limited
Director
26 June 2013

Carousel Resorts International Limited

Independent auditors' report to the members of Carousel Resorts International Limited

We have audited the financial statements of Carousel Resorts International Limited for the year ended 30 September 2012 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity 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 auditor

As explained more fully in the Statement of Directors' Responsibilities, set out on page 3, 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). 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. In addition, we read all the financial and non-financial information in the financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 2012 and of its profit for the year then ended,
- 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.



John Ellis (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

London

26 JUNE 2013

Carousel Resorts International Limited

Statement of Comprehensive Income

Year ended 30 September 2012

	Notes	Year ended 30 September 2012 £	Year ended 30 September 2011 £
Operating income / (expenses)		560,837	(189,062)
Operating profit / (loss)	3	560,837	(189,062)
Finance income	4	560,837	189,062
Finance costs	5	(560,837)	(189,062)
Profit / (Loss) before tax	3	560,837	(189,062)
Tax	6	-	-
Profit / (Loss) for the year attributable to equity owners of the parent		560,837	(189,062)

All activity arose from continuing operations. There is no other comprehensive income for the year.

Cash flow statement

The Company had no cash flows in either the current or prior year, its cash flow obligations were settled by a fellow group undertaking. Accordingly, no separate cash flow statement has been presented with these financial statements.

Carousel Resorts International Limited

Balance sheet as at 30 September 2012

Registered number: 3239665

	Notes	30 September 2012 £	30 September 2011 £
Non-current assets			
Investment in Group undertaking	7	-	-
Current assets			
Amounts due from Group undertakings	8	-	-
Total assets		<u>-</u>	<u>-</u>
Current liabilities			
Amounts due to Group undertakings	9	<u>(14,790,645)</u>	<u>(15,351,482)</u>
Net current liabilities		<u>(14,790,645)</u>	<u>(15,351,482)</u>
Net liabilities		<u>(14,790,645)</u>	<u>(15,351,482)</u>
Equity			
Called up share capital	10	1,495,664	1,495,664
Accumulated losses		<u>(16,286,309)</u>	<u>(16,847,146)</u>
Equity attributable to equity owners of the parent		<u>(14,790,645)</u>	<u>(15,351,482)</u>

The financial statements on pages 5 to 12 were approved by the board of directors and authorised for issue on 26 June 2013. They were signed on its behalf by



A Carty
Representing Thomas Cook Group Management Services Limited
Director
26 June 2013

Carousel Resorts International Limited

Statement of changes in equity

Year ended 30 September 2012

	Called-up share capital £	Accumulated Losses £	Total £
At 30 September 2010	1,495,664	(16,658,084)	(15,162,420)
Loss for the year and total comprehensive loss	-	(189,062)	(189,062)
At 30 September 2011	1,495,664	(16,847,146)	(15,351,482)
Profit for the year and total comprehensive income	-	560,837	560,837
At 30 September 2012	<u>1,495,664</u>	<u>(16,286,309)</u>	<u>(14,790,645)</u>

Carousel Resorts International Limited

Notes to the financial statements

30 September 2012

1. General information

Carousel Resorts International Limited is a Company incorporated in England and Wales under the Companies Act 2006. The address of the registered office is Thomas Cook Business park, Coningsby Road, Peterborough, Cambridgeshire, PE3 8SB. The nature of the Company's operations 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 England and Wales, which have been prepared in accordance with International Financial Reporting Standards 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.

Adoption of new or amended standards and interpretations in the current year

In the current year, the following new or amended standards have been adopted. Their adoption has not had a significant impact on the amounts reported or the disclosure and presentation in these financial statements, but may impact the accounting or the disclosure and presentation for future transactions and arrangements.

IAS 1 Revised – 'Presentation of Financial Statements' is effective for annual reporting periods commencing on or after 1 January 2010. The amendments require a number of presentational changes, including the introduction of a statement of comprehensive income and the requirement to present a statement of changes in equity as a primary statement. The statement of comprehensive income represents all items of recognised income and expense in either one statement or two linked statements. Management has elected to present one statement.

New or amended standards and interpretations in issue but not yet effective

The following new standards, amendments to standards and interpretations that are expected to impact the Company, which have not been applied in these financial statements, were in issue, but are not yet effective.

IAS 24 Amendment "Related parties" is effective for annual reporting periods commencing on or after 1 January 2011. The amendment clarifies the definition of related parties.

Management does not anticipate that the adoption of these new or amended standards and interpretations will have a material impact on the Company.

2. Significant accounting policies

The principal accounting policies applied in the preparation of the financial information presented in this document are set out below. These policies have been applied consistently to the periods presented.

Basis of accounting

These financial statements have been prepared in accordance with IFRS and IFRIC interpretations and with those parts of the Companies Act 2006 applicable to Companies reporting under IFRS. The financial statements have also been prepared in accordance with IFRS as adopted for use in the European Union.

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.

The Company is reliant on the support of its ultimate parent company Thomas Cook Group plc. This support has been formally provided and accordingly the directors of Carousel Resorts International Limited have prepared these financial statements on a going concern basis.

Statement of comprehensive income presentation

Profit or loss from operations includes the results from operating activities of the Company. It is stated before the results of investing activities such as the disposal of subsidiaries or joint ventures and the disposal of items of property, plant and equipment.

Carousel Resorts International Limited

Notes to the financial statements

30 September 2012

Tax

Tax represents the sum of tax currently payable and deferred tax. Tax is recognised in the statement of comprehensive income 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.

Foreign currency

Transactions in currencies other than the functional currency of an entity 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 statement of comprehensive income.

Investments

The fixed asset investment represents an interest in an unincorporated joint venture. The fixed asset investment is shown at cost less any provision for impairment in value.

3. Operating profit / (loss)

Operating profit / (loss) is stated after crediting / (charging)

	Year ended 30 September 2012 £	Year ended 30 September 2011 £
Reversal of impairment/(impairment) of amounts due from Group undertakings	560,837	(189,062)

The Company has no employees (2011: nil). Certain administrative expenses of the Company, including audit fees of £1,000 (2011: £1,000) and directors' remuneration, were borne by Thomas Cook Group plc, the Company's parent undertaking, during both accounting periods with no recharge made to the Company as the directors spend the majority of their time on other group companies.

4. Finance income

Finance income comprises

	Year ended 30 September 2012 £	Year ended 30 September 2011 £
Exchange gains	560,837	189,062

Carousel Resorts International Limited

Notes to the financial statements

30 September 2012

5. Finance costs

Finance costs comprises

	Year ended 30 September 2012 £	Year ended 30 September 2011 £
Exchange losses	560,837	189,062

6. Tax

	Year ended 30 September 2012 £	Year ended 30 September 2011 £
Current tax	-	-
Deferred tax	-	-
Tax charge	-	-

UK corporation tax is calculated at 25% (2011 27%) of the estimated assessable profit for the year. This is the weighted average tax rate applicable for the period following a reduction in the standard rate of UK Corporation Tax from 26% to 24% effective from 1st April 2012.

There was no deferred tax balance at the current or prior year end, whether provided or unprovided.

The charge for the year can be reconciled to the profit/(loss) per the Statement of Comprehensive Income as follows:

	Year ended 30 September 2012 £	Year ended 30 September 2011 £
Tax reconciliation		
Profit / (Loss) before tax	560,837	(189,062)
Expected tax charge / (credit) at the UK corporation tax rate of 25% (2011 27%)	140,209	(51,047)
Expenses not deductible for tax purposes	-	51,047
Non-taxable income	(140,209)	-
Tax charge	-	-

The Finance (No 2) Act 2010 included legislation to reduce the main rate of UK Corporation Tax from 28% to 27% from 1st April 2011. This was amended by Finance Act 2011 which reduced the rate to 26% with effect from 1st April 2011. Finance Act 2011 also included legislation to reduce the main rate of Corporation Tax to 25% with effect from 1st April 2012, this was amended by Finance Act 2012 which reduced the rate to 24% with effect from 1st April 2012. Finance Act 2012 also included legislation to reduce the main rate of Corporation Tax to 23% with effect from 1st April 2013. These changes have had no effect on the financial statements.

A further reduction in the main rate of Corporation Tax in the UK by 2% to 21% by 1st April 2014 and to 20% effective from 1 April 2015 has also been proposed and is expected to be enacted separately. The change has not been substantially enacted at the balance sheet date and therefore is not recognised in these financial statements. The overall effect of the proposed change if applied at the balance sheet date, would be nil.

Carousel Resorts International Limited

Notes to the financial statements

30 September 2012

7. Investment in Group undertaking

	£
Cost	
At 30 September 2011 and at 30 September 2012	1,516,990
Provision for impairment	
At 30 September 2011 and at 30 September 2012	1,516,990
Net book value	
At 30 September 2011 and at 30 September 2012	-

The company has a 50% share in the Lake Eve Development, a Florida Law General Partnership

The impairment provision on investments arose in connection with the disposal of the assets of the Lake Eve Development during the year ended 31 October 2003. The carrying value of the investment was written down to £nil

The presumption of IAS 31 to account for the joint venture by either the equity method or proportionate consolidation is rebutted, in accordance with the provisions of IAS 31 (2)

8. Amounts due from Group undertakings

	Year ended 30 September 2012 £	Year ended 30 September 2011 £
Amounts due from Group undertakings	-	-

The amounts presented in the balance sheet are net of allowances for doubtful receivables of £14,790,645 (2011 £15,351,482). 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

Amounts due from Group undertakings are repayable on demand, do not bear interest and are denominated in US Dollars

9. Amounts due to Group undertakings

	Year ended 30 September 2012 £	Year ended 30 September 2011 £
Amounts due to Group undertakings	14,790,645	15,351,482

Amounts due to Group undertakings are repayable on demand, do not bear interest and are denominated in US Dollars

Carousel Resorts International Limited

Notes to the financial statements

30 September 2012

10. Called up share capital

	Year ended 30 September 2012 £	Year ended 30 September 2011 £
Authorised:		
3,000,000 (2011 3,000,000) ordinary shares of £1 each	<u>3,000,000</u>	<u>3,000,000</u>
Issued and fully paid		
1,495,664 (2011 1,495,664) ordinary shares of £1 each	<u>1,495,664</u>	<u>1,495,664</u>

The Company has one class of ordinary shares which carry no right to fixed income

11. Related party transactions

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

	Amounts owed to related parties	
Trading transactions	Year ended 30 September 2012 £	Year ended 30 September 2011 £
Parent	<u>14,790,645</u>	<u>15,351,482</u>

Finance income receivable and amounts owed by related parties are owed by the Lake Eve Development, a Florida Law General Partnership Finance income payable and amounts owed to related parties are owed to Thomas Cook Treasury Limited, a fellow Thomas Cook Group subsidiary

The amounts outstanding are unsecured, do not bear interest and will be settled in cash No guarantees have been given or received Provisions of £14,790,645 (2011 £15,351,482) have been made for doubtful debts in respect of the amounts owed by related parties

The directors consider that the carrying amount of amounts due to and from Group undertakings approximates to their fair value

12. Ultimate controlling party

The Company is a subsidiary of MyTravel Group plc, which is incorporated in England and Wales Thomas Cook Group plc, incorporated in England and Wales, is the Company's ultimate parent company The largest group in which the results of the company are consolidated is that of which Thomas Cook Group plc is the parent company The consolidated financial statements of Thomas Cook Group plc may be obtained from 6th floor South, Brettenham House, Lancaster Place, London, WC2E 7EN