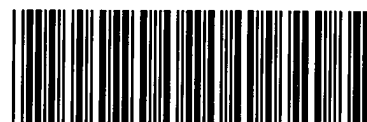


Future Travel Limited
Annual report and financial statements
for the year ended 30 September 2014

Registered number 03283092

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Future Travel Limited
Registered number 03283092

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Future Travel Limited

Registered number 03283092

Directors' report

The directors present their annual report on the affairs of Future Travel Limited, together with the audited financial statements. This annual report covers the year ended 30 September 2014.

The Company is reliant on the support of the fellow group undertaking Thomas Cook Group Plc. This support has been formally provided and accordingly the directors of Future Travel Limited have prepared these financial statements on a going concern basis.

Dividends

The directors do not recommend the payment of a dividend in respect of the year to 30 September 2014 (2013: £nil).

Directors

The directors of the Company who were in office during the year and up to the date of signing the financial statements were:

DJ Elstob
PA Hemingway
P Russell (appointed 19 March 2015)
JR Wild (resigned 9 January 2015)
Thomas Cook Group Management Services Limited
NA Arthur (appointed 14 March 2013; resigned 29 May 2014)

Company secretary

S Bradley

Directors' indemnities

In accordance with its Articles, the Company has made qualifying third party indemnity provisions, to the extent permitted by law, for the benefit of its directors. These were made during the year and remain in force at the date of this report. The Company also maintains Directors' and Officers' liability insurance.

Financial risk management and future outlook

The Company's financial risk management procedures and future outlook are set out in the Strategic Report on pages 4 and 5.

Equal opportunities

The Company 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 Company continues employment wherever possible and arranges retraining.

Employee involvement

The Company 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 the year the Company has held regular briefing meetings, supplemented by a range of staff magazines to encourage the involvement of employees. Surveys are held regularly as a means of measuring the effectiveness of the ways in which staff are managed.

Statement of directors' responsibilities

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

Future Travel Limited

Registered number 03283092

Directors' report (continued)

Statement of directors' responsibilities (continued)

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 *Reduced Disclosure Framework* (FRS 101).

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 United Kingdom Accounting Standards, including FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 101 used in the preparation of financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

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) they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Independent auditors

PricewaterhouseCoopers LLP have expressed their willingness to be re-appointed as auditors of the Company.

The Directors' report has been approved and is signed on behalf of the board by:



PA Hemingway
Director
31 March 2015

Registered office

The Thomas Cook Business Park
Coningsby Road
Peterborough
Cambridgeshire
PE3 8SB
England

Future Travel Limited

Registered number 03283092

Strategic report

Business review and activities

Future Travel Limited is a majority owned subsidiary of Thomas Cook Group plc, ('the Group') a company that is listed on the London Stock Exchange. The principal activities of the Company during the year were that of a Telesales Travel Agent and the provision of Travel agents Management services.

The results for the Company show a profit on ordinary activities before taxation of £215k (2013: £738k) for the year and turnover of £3,730k (2013: £4,261k). The Company has net liabilities of £849k (2013: £994k). The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of Thomas Cook Group Plc.

Business environment

There are two distinct segments in the UK leisure and travel market: direct suppliers and travel intermediaries. Direct suppliers are the airlines, hotels and cruise companies that sell directly to the customer. Thomas Cook, through its subsidiary companies, operates in the travel intermediary segment, made up of travel agents and tour operators.

The Group operates a multi-channel distribution strategy, selling through its own and third-party channels. The Group's own distribution channels, which include the operations of the Company, comprise retail stores, online via various Group websites and call centres.

Strategy and future outlook

Growth in international tourism is closely correlated to economic growth and has enjoyed strong and sustained growth for most of the last three decades. Despite a backdrop of subdued economic growth, demand for international leisure travel has remained reasonably strong as consumer spending has held up and unemployment in key source markets has remained stable.

In most of the Group's operating segments, retail stores remain a significant distribution channel for mainstream package holidays. However, over time, the Group's strategy is to increase the share of mainstream package holidays sold online.

The Company continues to supply Thomas Cook holiday products via a network of specialist travel advisors.

Financial risk management

The Company is subject to risks related to liquidity and cash flow risks, credit risk and counterparty credit risk within the framework of its business operations.

Liquidity and cash flow

The liquidity position of the Company is significantly influenced by the booking and payment pattern of customers. As a result, liquidity is at its lowest in the winter months and at its highest in the summer months. The Company manages the seasonal nature of its liquidity by making use of its bank revolving credit facility. Short-term liquidity is primarily invested in bank deposits.

Credit risk

The Company's principal financial assets are trade and other receivables, and amounts due from other Group undertakings. The Company's credit risk is primarily attributable to these trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful 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. The Company has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Strategic report (continued)

Financial risk management (continued)

Counterparty credit risk

The Company is exposed to credit risk in relation to deposits, derivatives with a positive fair value and trade and other receivables. The maximum exposure in respect of each of these items at the balance sheet date is their carrying value. The Company assesses its counterparty exposure in relation to the investment of surplus cash, foreign exchange and undrawn credit facilities. The Company uses published credit ratings, credit default swap prices and share price performance in the previous 30-day period to assess counterparty strength and therefore to define the credit limit for each counterparty.

Principal risks and uncertainties

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

1. Transformation initiatives fail to deliver strategic and operational targets
2. Failure to expand products and services may have an adverse impact on customer demand
3. The IT operating model fails to support the business through the Transformation and the business as usual activities.
4. Failure to build an accurate understanding of the customer
5. A major health and safety incident impacting customers or colleagues.
6. Socio/political uncertainties
7. Failure to comply with legislative requirements in the legal jurisdictions where Thomas Cook operates.

These risks are mitigated as follows accordingly:

1. The CEO of Thomas Cook Group plc reviews all aspects of strategy every two weeks with the Executive Team and with the Board of Directors at every Board meeting. The CEO of Thomas Cook Group plc's Transformation Office holds monthly strategy review meetings during which progress and issues are discussed and addressed
2. Our IT transformation project will ensure delivery of IT services and technology will be fit to meet the needs of rapidly changing technologies, whilst maintaining integrity and performance of existing systems and operations.
3. Our customer centric vision and developing a trusted product that can be seen as a key differentiator in the medium and long-term strategy of Thomas Cook.
4. The assessment of health and safety risks is inbuilt into daily management routines and is monitored by a comprehensive structure of health and safety committees that are in turn overseen by a corporate Health, Safety & Environmental Committee with Board level oversight. Our health and safety programme measures standards, audits hotels and includes a clear escalation and decision process.
5. We continue to add new destinations to our portfolio thereby mitigating the effect of factors which may negatively impact demand for travel to certain regions.
6. We have a dedicated Legal team to ensure full compliance with formal regulatory requirements which monitors all current and emerging regulatory developments.

For further information on the potential impact of these risks, and the procedures implemented by the Group to mitigate these risks, please refer to pages 50 - 51 of the Group's annual report.

Future Travel Limited

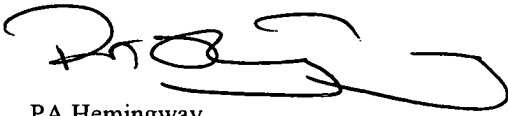
Registered number 03283092

Strategic report (continued)

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 Future 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 page 53 of the Group’s annual report which does not form part of this report.

The Strategic report has been approved and is signed on behalf of the board by:



PA Hemingway
Director
31 March 2015

Registered office

The Thomas Cook Business Park
Coningsby Road
Peterborough
Cambridgeshire
PE3 8SB
England

Independent auditors' report to the members of Future Travel Limited

Report on the financial statements

Our opinion

In our opinion, Future Travel Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 30 September 2014 and of its profit for the year then ended;
 - have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
 - have been prepared in accordance with the requirements of the Companies Act 2006.
-

What we have audited

Future Travel Limited's financial statements comprise:

- the balance sheet as at 30 September 2014;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 "Reduced Disclosure Framework".

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, the information given in the Strategic Report and the Director's report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Independent auditors' report to the members of Future Travel Limited (continued)

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of directors' responsibilities set out on page 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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

What an audit of financial statements involves

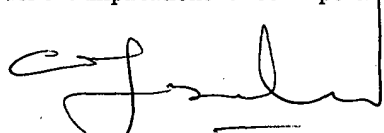
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error.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

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual report and financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Charles Joseland (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Cambridge
31 March 2015

Future Travel Limited

Registered number 03283092

Statement of comprehensive income Year ended 30 September 2014

	Notes	Year ended 30 September 2014 £'000	Year ended 30 September 2013 £'000
Turnover	3	3,730	4,261
Gross profit		3,730	4,261
Administrative expenses	4	(3,603)	(3,606)
Operating profit		127	655
Interest receivable and similar income	5	88	83
Profit on ordinary activities before taxation	6	215	738
Tax on profit on ordinary activities	8	(70)	425
Profit for the financial year and total comprehensive income for the year		145	1,163

All of the revenue and results arose from continuing operations.

There are no recognised income or expenses for either year other than the profit for the year; consequently no other comprehensive income has been presented.

Balance sheet
As at 30 September 2014

	Notes	30 September 2014 £'000	30 September 2013 £'000
Fixed assets			
Intangible assets	10	1	4
Tangible assets	9	205	244
		<u>206</u>	<u>248</u>
Current assets			
Debtors	12	7,082	7,043
Deferred tax asset	13	94	177
Cash at bank and in hand	14	971	7,231
		<u>8,147</u>	<u>14,451</u>
Total assets		<u>8,353</u>	<u>14,699</u>
Creditors: Amounts falling due within one year	15	(9,202)	(15,693)
		<u>(9,202)</u>	<u>(15,693)</u>
Net current liabilities		<u>(1,055)</u>	<u>(1,242)</u>
Total liabilities		<u>(9,202)</u>	<u>(15,693)</u>
Net liabilities		<u>(849)</u>	<u>(994)</u>
Capital and reserves			
Called up share capital	16	101	101
Profit and loss account		(950)	(1,095)
Total shareholders' deficit		<u>(849)</u>	<u>(994)</u>

The notes on pages 12 to 24 form part of these financial statements.

The financial statements were approved by the board of directors and approved for issue on 31 March 2015.

Signed on behalf of the board



PA Hemingway

Director

Future Travel Limited

Registered number 03283092

Statement of changes in equity Year ended 30 September 2014

	Called up share capital £'000	Profit and loss account £'000	Total shareholders' deficit £'000
Balance at 1 October 2013	101	(1,095)	(994)
Profit for the year and total comprehensive income for the year	-	145	145
Balance at 30 September 2014	<u>101</u>	<u>(950)</u>	<u>(849)</u>

Future Travel Limited

Registered number 03283092

Notes to the financial statements (continued) **Year ended 30 September 2014**

1 General information

Future Travel Limited is a limited liability company incorporated and domiciled in England and Wales under the Companies Act 2006. The address of its registered office is The Thomas Cook Business Park, Coningsby Road, Peterborough, Cambridgeshire, PE3 8SB, England. 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, which is the Company's functional currency because that is the currency of the primary economic environment in which the Company operates. The Company is a 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.

Basis of preparation

The financial statements of The Future Travel Limited have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101).

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of land and buildings and derivative financial assets and financial liabilities measured at fair value through profit or loss, and in accordance with the Companies Act 2006.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- IFRS 7, 'Financial Instruments: Disclosures'
- The following paragraphs of IAS 1, 'Presentation of financial statements':
 - 10(d), (statement of cash flows)
 - 10(f) (a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements),
 - 16 (statement of compliance with all IFRS),
 - 38A (requirement for minimum of two primary financial statements, including cashflow statements)
 - 38B-D (additional comparative information)
 - 40A-D (requirements for third statement of financial position)
 - 111 (cash flow statement information), and
 - 134 – 136 (capital management disclosures)
- IAS 7, 'Statement of cash flows'
- Paragraph 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective)
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation)
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.

Where relevant, equivalent disclosures have been given in the group financial statements of Thomas Cook Group plc. The group financial statements of Thomas Cook Group plc are available to the public and can be obtained as set out in note 19.

Future Travel Limited

Registered number 03283092

Notes to the financial statements (continued) **Year ended 30 September 2014**

1 General information (continued)

Basis of preparation (continued)

The financial statements have been prepared under the historical cost convention except for the revaluation of certain financial instruments. The principal accounting policies adopted are set out below.

The Company is reliant on the support of the fellow group undertaking Thomas Cook Group Plc. This support has been formally provided and accordingly the directors of Future Travel Limited have prepared these financial statements on a going concern basis.

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.

IFRS 7 (amendment) "Financial instruments: disclosures" is effective for annual reporting periods beginning on or after 1 January 2013, and amends the disclosures required where certain items have been offset.

IAS 19 (revised 2011) "Employee benefits" is effective for annual periods beginning on or after 1 January 2013.

2 Significant accounting policies

Fixed assets

Fixed assets are stated at historical 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 Statement of comprehensive income as incurred.

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

Furniture, fittings and equipment	3 – 5 years
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The residual values and useful economic lives are reviewed, and adjusted if appropriate, at each balance sheet date.

The gain or loss on disposal of property, plant and equipment is calculated as the difference between the proceeds received and the net book value of the asset on disposal, and is recognised on the date of disposal in operating profit.

Future Travel Limited

Registered number 03283092

Notes to the financial statements (continued) **Year ended 30 September 2014**

2 Significant accounting policies (continued)

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 recorded at cost less accumulated impairment losses, and is reviewed for impairment at least annually. Any impairment is recognised immediately in the Company's Statement of comprehensive income and is not subsequently reversed.

Intangible assets other than goodwill are carried at cost less accumulated amortisation and are tested for impairment when there is an indication that the carrying value may not be recoverable. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Amortisation is charged over the assets useful life as follows:

Computer software 3 – 10 years

The gain or loss on disposal of computer software is calculated as the difference between the proceeds received and the net book value of the asset on disposal, and is recognised on the date of disposal in operating profit.

Revenue recognition and associated costs

Revenue represents the aggregate amount of travel agency commissions receivable and other services supplied to customers in the ordinary course of business. Travel agency commission, insurance and other incentives, are recognised on holiday departure. Other revenue and associated expenses are recognised as earned or incurred.

Statement of comprehensive income presentation and exceptional items

Profit or loss from operations includes the results from operating activities of the Company, before its share of the results of associates and joint ventures.

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.

Deferred income tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

Pensions

Pension costs charged against profits in respect of the Company's defined contribution scheme represent the amount of the contributions payable to the schemes in respect of the accounting period.

Future Travel Limited

Registered number 03283092

Notes to the financial statements (continued) **Year ended 30 September 2014**

2 Significant accounting policies (continued)

Foreign currency

Transactions in currencies other than the functional currency of the Company are translated at the exchange rate at the date of the transaction. Foreign currency monetary assets and liabilities held at the year end are translated at year end exchange rates. The resulting exchange gain or loss is recognised in the Statement of comprehensive income.

Leases

Operating lease rentals are charged to the Statement of comprehensive income 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 included within trade payables.

Financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognised when the Company transfers the financial asset or when the contractual rights expire. Financial liabilities are derecognised when the obligation is discharged, cancelled or expires. The measurement of particular financial assets or liabilities is set out below.

Non derivative financial instruments

The treatment of non-derivative financial instruments is set out below.

Trade receivables

Trade and other receivables are recognised initially at fair value less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Company 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 Statement of comprehensive income 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 Statement of comprehensive income.

Trade payables

Trade payables are recognised at their fair value.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings in current liabilities.

Future Travel Limited

Registered number 03283092

Notes to the financial statements (continued) **Year ended 30 September 2014**

2 Significant accounting policies (continued)

Provisions

Provisions are recognised 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 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 Company has approved a detailed and formal restructuring plan, and the restructuring has either commenced or has been announced to those affected by it.

A provision for onerous contracts is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract.

Share capital

Ordinary shares are classified as share capital.

Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

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.

Gross or net recognition revenue streams

Judgments have to be made on an individual revenue stream basis as to whether it is most appropriate to recognise revenue at gross cost to the consumer or on a net commission receivable basis. This judgement centres around risk considerations and the extent of added value, amongst other factors.

Key sources of estimation uncertainty

The key assumptions concerning the 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 of assets and liabilities within the next financial year are discussed below:

Tax

Tax assets and liabilities represent management's estimate of tax that will be payable or recoverable in the future and may be dependent on estimates of future profitability.

In addition, estimates have been made in respect of the probable future utilisation of tax losses and deferred tax assets have been recognised. The recoverability of these assets is dependent on the agreement of the losses with the relevant authorities and the estimates of future profitability.

Provisions

Judgment and estimation is required in determining provisions.

Future Travel Limited

Registered number 03283092

Notes to the financial statements (continued) Year ended 30 September 2014

3 Turnover

	2014 £'000	2013 £'000 Restated
An analysis of the Company's revenue is as follows:		
Commission from sale of leisure travel services in the United Kingdom	3,730	4,261

4 Administrative expenses

	2014 £'000	2013 £'000
Administrative expenses	(3,603)	(3,606)

5 Interest receivable and similar income

	2014 £'000	2013 £'000
Bank interest receivable	88	83

6 Profit on ordinary activities before taxation

Profit before tax has been arrived at after charging:

	2014 £'000	2013 £'000
Depreciation of property, plant and equipment – owned assets	39	50
Staff costs (see note 7)	151	310

Auditors' remuneration is paid for centrally by Thomas Cook Retail Limited. The audit fee is apportioned across the entities within the Group based on an allocation method. No apportionment of fees has been made to the Company. No audit fees or non-audit fees were paid directly by the Company. Amounts payable to PricewaterhouseCoopers LLP and their associates by the Company in respect of non-audit services are disclosed in the financial statements of Thomas Cook Group plc.

Notes to the financial statements (continued)
Year ended 30 September 2014

7 Staff costs

The average monthly number of employees (excluding executive directors) was:

	2014 Number	2013 Number
Management and Admin	3	7*
	£'000	£'000
Their aggregate remuneration comprised:		
Wages and salaries	129	268
Social security costs	15	26
Other costs	7	16
	151	310

* Previously reported as 11, which included executive directors.

8 Tax on profit on ordinary activities

	2014 £'000	2013 £'000
Current tax		
Adjustments in tax in respect of prior years	(26)	(461)
UK corporation tax charge for the year	13	213
Total current tax	(13)	(248)
Deferred tax		
Deferred tax adjustment in respect of current years	83	(177)
Total deferred tax	83	(177)
Total tax charge/(credit)	70	(425)

Corporation tax is calculated at 22% (2013: 23.5%) of the estimated assessable profit for the year. This is the weighted average tax rate applicable for the year following a reduction in the standard rate of UK Corporation Tax from 23% to 21% effective from 1 April 2014.

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Notes to the financial statements (continued) Year ended 30 September 2014

8 Tax on profit on ordinary activities (continued)

The tax charge/(credit) for the year can be reconciled to the profit per the income statement as follows:

	2014 £'000	2013 £'000
Profit before tax	215	738
Profit before tax multiplied by the current tax rate of 22% (2013: 23.5%)	48	173
Tax effect of :		
Expenses that are not deductible for tax purposes	-	28
Adjustments in tax in respect of prior years	(26)	(461)
Utilisation of deferred tax assets not previously recognised	(42)	-
Deferred tax brought forward (no longer recognised)/ recognised	85	(188)
Other	7	-
Deferred tax effect of change in tax rate	(2)	23
Tax charge/(credit) for the year	70	(425)

Finance Act 2012 included legislation to reduce the main rate of Corporation Tax to 23% with effect from 1 April 2013. Finance Act 2013 included legislation to reduce the main rate of Corporation Tax to 21% with effect from 1 April 2014 and 20% with effect from 1 April 2015. The effect of these changes has been to increase the deferred tax asset by £2k as at 30 September 2014 (reduce deferred tax asset by £23k as at 30 September 2013).

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Notes to the financial statements (continued)
Year ended 30 September 2014**9 Tangible fixed assets**

	Furniture, fittings and equipment £'000	Total £'000
Cost or valuation		
At 1 October 2013	346	346
Additions	-	-
Disposals	-	-
At 30 September 2014	<u>346</u>	<u>346</u>
Accumulated depreciation and impairment		
At 1 October 2013	(102)	(102)
Charge for the year	(39)	(39)
Disposals	-	-
At 30 September 2014	<u>(141)</u>	<u>(141)</u>
Carrying amount		
At 30 September 2014	<u>205</u>	<u>205</u>
At 30 September 2013	<u>244</u>	<u>244</u>

10 Intangible Assets

	Goodwill £'000	Other Intangibles £'000	Computer Software £'000	Total £'000
Cost				
At 1 October 2013	230	10	-	240
Additions	-	-	-	-
At 30 September 2014	<u>230</u>	<u>10</u>	<u>-</u>	<u>240</u>
Accumulated amortisation and impairment				
At 1 October 2013	(230)	(6)	-	(236)
Amortisation charge	-	(3)	-	(3)
Disposals	-	-	-	-
At 30 September 2014	<u>(230)</u>	<u>(9)</u>	<u>-</u>	<u>(239)</u>
Carrying amount				
At 30 September 2014	<u>-</u>	<u>1</u>	<u>-</u>	<u>1</u>
At 30 September 2013	<u>-</u>	<u>4</u>	<u>-</u>	<u>4</u>

Amortisation of £3k (2013: £3k) has been included within administrative expenses.

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Notes to the financial statements (continued) **Year ended 30 September 2014**

11 Investments

The Company holds 75% of the ordinary share capital and voting rights of the following company:

Name of company	Country of incorporation	% ownership of ordinary shares	Principal activities
The Freedom Travel Group Limited	England & Wales	75%	Travel Agent

The cost of the investment (£98k) was fully provided against in previous years.

12 Debtors

	2014 £'000	2013 £'000
Amounts falling due within one year		
Trade debtors	12	185
Less: provision for impairment of trade receivables	(12)	-
Trade receivables – net	-	185
Deposits and prepayments	538	268
Other receivables	373	248
Amounts due from Group undertakings	6,171	6,342
	7,082	7,043

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

13 Deferred tax asset

There are no offset deferred tax assets or liabilities in these financial statements.

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

	2014 £'000	2013 £'000
Beginning of year	177	-
Income statement (charge)/credit	(83)	177
End of year	94	177

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Notes to the financial statements (continued) Year ended 30 September 2014

13 Deferred tax asset (continued)

Movements on the deferred taxation assets and liabilities are as follows:

Deferred tax assets	Tax losses £'000	Accelerated tax depreciation £'000	Total £'000
At 1 October 2013	-	177	177
Current year tax charge to the income statement	-	(83)	(83)
Balance at 30 September 2014	-	94	94

At the balance sheet date, the company had short term timing differences of £664,000 (2013: £853,000) available for offset against future profits based on the Company's three year plan. No deferred tax asset has been recognised in respect of short term timing differences of £198,000 (2013: 794,000) due to the unpredictability of future profits.

14 Cash at bank and in hand

	2014 £'000	2013 £'000
Cash at bank and in hand	971	7,231
	971	7,231

15 Trade and other payables

	2014 £'000	2013 £'000
Current liabilities		
Trade payables	(3,236)	(4,113)
Social security and other taxes	-	(230)
Accruals	(431)	(295)
Other payables	(25)	(20)
Amounts due to Group undertakings	(5,510)	(11,035)
	(9,202)	(15,693)

The amounts owed to the Group undertakings are unsecured, payable on demand and interest free.

Future Travel Limited

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Notes to the financial statements (continued) Year ended 30 September 2014

16 Called up share capital

	2014 £'000	2013 £'000
Authorised:		
1,000 (2013:1000) ordinary shares of £1 each	1	1
100,000 (2013:100,000) preference shares of £1 each	100	100
	<u>101</u>	<u>101</u>
Issued and fully paid:		
1,000 (2013:1,000) ordinary shares of £1 each	1	1
100,000 (2013:100,000) preference shares of £1 each	100	100
	<u>101</u>	<u>101</u>

The preference shares entitle the holder to receive a return of assets in the event that the company is wound up, in preference to the ordinary shareholders. The preference shares, which are irredeemable, do not carry rights to income, profits participation or voting at general meetings.

17 Directors' remuneration

Directors' emoluments

Directors' emoluments are paid by a fellow group member. Remuneration is apportioned across the entities within the Group based on an allocation method. No apportionment of emoluments has been made to the Company as a result of this exercise.

18 Related party transactions

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

	Sale of goods	Purchase of goods	Amounts owed by related parties	Amounts owed to related parties
<i>Trading transactions</i>	2014 £'000	2014 £'000	2014 £'000	2014 £'000
Fellow subsidiary undertakings	983	-	6,171	5,510
	Sale of goods	Purchase of goods	Amounts owed by related parties	Amounts owed to related parties
<i>Trading transactions</i>	2013 £'000	2013 £'000	2013 £'000	2013 £'000
Fellow subsidiary undertakings	1,310	-	6,342	(10,919)

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Notes to the financial statements (continued) **Year ended 30 September 2014**

18 Related party transactions (continued)

The Company's revenue represents the aggregate amount of travel agency commissions receivable and other services supplied to customers in the ordinary course of business. Only the commission receivable element of a holiday payment is recognised in the income statement - the balance of the amount payable by the customers is collected by the Company on behalf of the travel provider and is not included in either purchases or sales.

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 did not enter into any transactions with related parties who are not members of the Thomas Cook Group.

19 Ultimate controlling party

The Company is a subsidiary of Co-op Group Travel 2 Holdings Ltd, which is incorporated in England and Wales.

Thomas Cook Group plc, incorporated in England and Wales, is the Company's ultimate parent company and ultimate controlling party.

The largest and 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 financial statements of Thomas Cook Group plc may be obtained from 3rd floor, South Building, 200 Aldersgate, London, EC1A 4HD.