

MyTravel North America Limited

Annual report and financial statements

for the year ended 30 September 2016

Registered number: 4184683



MyTravel North America Limited

Contents

	Page
Strategic report	2
Directors' report	3
Independent auditors' report to the members of MyTravel North America Limited	5
Statement of comprehensive income	7
Balance sheet	8
Statement of changes in equity	9
Notes to the financial statements	10

MyTravel North America Limited

Strategic report

The Directors present their Strategic report for MyTravel North America Limited (the 'Company') for the year ended 30 September 2016.

Business review

The Company is a wholly owned subsidiary of the Thomas Cook Group Plc (the "Group"). The principal activity of the Company is that of an investment holding company.

The Company made a loss for the financial year of \$25.4m (2015: loss of \$17.9m) mainly due to impairment of investments in Group undertakings and interest payable on amounts owed to Group undertakings. The Company has net liabilities of \$382.8m (2015: net liabilities of \$357.4m) per the balance sheet.

During the year, an impairment charge of \$10,847k was recognised against the carrying value of the investment in Buzzard Leisure Limited to bring it in line with Buzzard Leisure Limited's net asset value.

The Directors intend to dissolve the Company. A capital injection will be required to return the company to a net asset position in preparation for liquidation.

Principal risks and uncertainties

The principal area of risk or uncertainty for the Company relates to the carrying amount of the Company's investments in subsidiary undertakings which are dependent on the financial performance of those undertakings. The Directors carry out an annual assessment of the carrying value of the investments by reference to the underlying net assets and the forecast future financial performance, including cash flows, of the subsidiary undertakings.

Key performance indicators

The Directors of Thomas Cook Group plc manage the Group's operation 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 its business. The development, performance and position of the Corporate segment of the Group, which include the results of the Company, are discussed in the financial review on page 38 of the Group's Annual Report and Accounts which does not form part of this report.

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



S Bradley representing Thomas Cook Group Management Services Limited
Director
22 December 2016

MyTravel North America Limited

Directors' report

The Directors present their report on the affairs of the Company, together with the audited financial statements and independent auditors' report for the year ending 30 September 2016.

Directors

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

P A Hemingway
Thomas Cook Group Management Services Limited

Company Secretary
S Bradley

Dividends

The Directors do not recommend the payment of an ordinary dividend for year ending 30 September 2016. (2015: \$nil).

Principal activities and future developments

The principal activity of the Company is that of an investment holding company. The Directors intend to dissolve the Company in the near future.

Directors' indemnities

In accordance with its Articles, the Company has granted a qualifying third party indemnity, to the extent permitted by law, to each Director which was in force during the year and as at the date of approval of these financial statements. The Company also maintains Directors' and Officers' liability insurance.

Charitable and political contributions

The Company made no charitable or political donations during the year (2015: \$nil).

Employees

The Company has no employees (2015: nil).

Environment

Thomas Cook Group plc recognises the importance of its environmental responsibilities, monitors its impact on the environment, and designs and implements policies to reduce any damage that might be caused by the Group's activities. The Company operates in accordance with the Group policies, which are described in the Group's Annual Report and Accounts which does not form part of this Report.

Financial risk management

Financial risks to the Company and the management of these risks have been disclosed in the Strategic report on page 2.

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.

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;

MyTravel North America Limited

Directors' report (continued)

Statement of Directors' responsibilities (continued)

- 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.

Going concern

The Directors decided to dissolve the Company in the financial year ending 30 September 2014 and therefore concluded in that financial year that the going concern basis of preparation was not appropriate. It remains the Directors' intention to dissolve the Company in the near future. Accordingly, these financial statements continue to be prepared on a basis other than going concern as described in note 2 to the financial statements.

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 Directors 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 provided an independent audit in respect of FY16. An audit tender was conducted for the audit of FY17 onwards. A resolution will be proposed to the members to appoint Ernst & Young LLP as auditors of the Company.

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



S Bradley representing Thomas Cook Group Management Services Limited
Director
22 December 2016

Registered Office:

Westpoint
Peterborough Business Park
Lynch Wood
Peterborough, Cambs
PE2 6FZ

MyTravel North America Limited

Independent auditors' report to the members of MyTravel North America Limited

Report on the financial statements

Our opinion

In our opinion, MyTravel North America 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 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter - Basis of preparation

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 2 to the financial statements concerning the basis of preparation. It remains the Directors' intention to dissolve the Company. Accordingly, the going concern basis of preparation is not appropriate and the financial statements have been prepared on a basis other than going concern as described in note 2 to the financial statements. Adjustments were made in prior period financial statements, updated as necessary in these financial statements, to reclassify fixed assets as current assets.

What we have audited

The financial statements, included within the Annual report and financial statements (the "Annual Report"), comprise:

- the Balance sheet as at 30 September 2016;
- 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 United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law (United Kingdom Generally Accepted Accounting Practice).

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

Opinion on other matter prescribed by the Companies Act 2006

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

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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

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

We have no exceptions to report arising from this responsibility.

MyTravel North America Limited

Independent auditors' report to the members of MyTravel North America Limited (continued)

Directors' remuneration

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

Responsibilities for the financial statements and the audit

Our responsibilities and those of the Directors

As explained more fully in the Statement of Directors' responsibilities set out on pages 3 and 4, 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 parent Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

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

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

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

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

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



Andrew Hodgekins (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
22 December 2016

MyTravel North America Limited
Statement of comprehensive income
For the year ended 30 September 2016

		Year ended 30 September 2016 \$'000	Year ended 30 September 2015 \$'000
	Note		
Amounts written off investments	6	(10,847)	-
Other operating (expense)/income	3	(113)	101
Operating (loss)/profit		(10,960)	101
Interest payable and similar charges	4	(14,438)	(14,409)
Loss on ordinary activities before taxation		(25,398)	(14,308)
Tax on loss on ordinary activities	5	-	(3,593)
Loss and total comprehensive expense for the year		(25,398)	(17,901)
Attributable to: Equity owners of the parent		(25,398)	(17,901)

The loss for the financial year is wholly attributable to the discontinued operations of the Company.

The notes on pages 10 to 14 are an integral part of these financial statements.

MyTravel North America Limited

Registered number: 4184683

Balance sheet as at 30 September 2016

	Note	30 September 2016 \$'000	30 September 2015 \$'000
Current assets			
Investments	6	70,395	81,242
Total assets		<u>70,395</u>	<u>81,242</u>
Current liabilities			
Creditors: amounts falling due within one year	7	(453,154)	(438,603)
Net current liabilities		<u>(382,759)</u>	<u>(357,361)</u>
Total assets less current liabilities		<u>(382,759)</u>	<u>(357,361)</u>
Net liabilities		<u>(382,759)</u>	<u>(357,361)</u>
Capital and reserves			
Called up share capital	8	190,866	190,866
Profit and loss account		(573,625)	(548,227)
Total shareholders' deficit		<u>(382,759)</u>	<u>(357,361)</u>

The notes on pages 10 to 14 are an integral part of these financial statements.

These financial statements on pages 7 to 14 were approved by the Board of Directors on 22 December 2016.

Signed on behalf of the Board,



S Bradley representing Thomas Cook Group Management Services Limited
Director

22 December 2016

MyTravel North America Limited
Statement of changes in equity
For the year ended 30 September 2016

	Called up Share capital \$'000	Profit and loss account \$'000	Total shareholders' deficit \$'000
At 1 October 2014	190,866	(530,326)	(339,460)
Loss and total comprehensive expense for the year	-	(17,901)	(17,901)
At 30 September and 1 October 2015	190,866	(548,227)	(357,361)
Loss and total comprehensive expense for the year	-	(25,398)	(25,398)
At 30 September 2016	190,866	(573,625)	(382,759)

The notes on pages 10 to 14 are an integral part of these financial statements.

MyTravel North America Limited

Notes to the financial statements for the year ended 30 September 2016

1. General information

MyTravel North America Limited is a limited liability company incorporated and domiciled in England and Wales under the Companies Act 2006. The address of the registered office is Westpoint, Peterborough Business Park, Lynch Wood, Peterborough, Cambs, PE2 6FZ. The nature of the Company's operations and its principal activities are set out in the Director's report. These financial statements are presented in US Dollar 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, no new or amended standards and interpretations have either been adopted or made effective which are relevant to the Company.

2. Significant accounting policies

Basis of preparation

The Company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. The financial statements have therefore been prepared in accordance with FRS 101 (Financial Reporting Standard 101) 'Reduced Disclosure Framework' as issued by the Financial Reporting Council and with those parts of the Companies Act 2006 applicable to companies reporting under FRS 101.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to business combinations, share-based payment, non-current assets held for sale, financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash-flow statement, standards not yet effective, impairment of assets and related party transactions.

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 9.

As a result of FRS 101 being applicable to entities with a year-end from 1 January 2015, the Company made the business decision to adopt the standard early (FRS 101 para.11).

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below. These policies have been applied consistently to the periods presented unless otherwise stated.

Going concern

The Directors decided to dissolve the Company in the financial year ending 30 September 2014 and therefore concluded in that financial year that the going concern basis of preparation was not appropriate and the financial statements were prepared on a basis other than going concern. It remains the Directors' intention to dissolve the Company in the near future. Accordingly, these financial statements continue to be prepared on a basis other than going concern. Adjustments were made in prior year financial statements, updated as necessary in these financial statements, to reclassify fixed assets as current assets.

Foreign currency

Transactions in currencies other than the functional currency of the Company are translated at the exchange rate on 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 taken through the income statement.

MyTravel North America Limited

Notes to the financial statements for the year ended 30 September 2016 (continued)

2. Significant accounting policies (continued)

Administrative expenses

The Company has no employees (2015: nil). Administrative expenses of the Company, including audit fees of \$500 (2015: \$500) and Directors' remuneration, were borne by Thomas Cook Group plc, the Company's ultimate parent undertaking, during both accounting years with no recharge made as the amounts were minimal.

Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by 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. This is calculated on a non-discounted basis by reference to the average tax rates that are expected to apply in the relevant jurisdiction and for the year 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.

Investments

Investments in subsidiary undertakings are accounted for at cost less provision for impairment. Impairment reviews are performed when there has been an indication of potential impairment.

Debtors

Debtors are recognised at their fair value and subsequently recorded at amortised cost using the effective interest method as reduced by allowances for estimated irrecoverable amounts. An allowance for irrecoverable amounts 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 debtors. The amount of allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows.

Creditors: amounts falling due within one year

Creditors are recognised at their fair value and subsequently recorded at amortised cost using the effective interest method.

Called up share capital

Ordinary shares are classified as equity.

Critical judgements in applying the Company's accounting policies

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

Recoverable amounts of investments and loan receivables from fellow subsidiary undertakings

Judgements have been made in respect of the amounts of future operating cash flows to be generated by certain of the Thomas Cook Group Plc businesses in order to assess whether there has been any impairment of the amounts included in the balance sheet for investments and loan receivables in relation to those businesses.

3. Other operating income

	2016 \$'000	2015 \$'000
Foreign exchange (loss)/gain	(113)	101
	<u>(113)</u>	<u>101</u>

MyTravel North America Limited

Notes to the financial statements for the year ended 30 September 2016 (continued)

4. Interest payable and similar charges

	2016 \$'000	2015 \$'000
Interest payable to Group undertakings	(14,438)	(14,409)
	<u>(14,438)</u>	<u>(14,409)</u>

5. Tax on loss on ordinary activities

	2016 \$'000	2015 \$'000
Analysis of tax charge for the year comprises:		
UK corporation tax charge for the current year	-	-
Adjustments in respect of prior years	-	3,593
Current tax charge	<u>-</u>	<u>3,593</u>

Corporation tax is calculated at 20% (2015: 20.5%) of the estimated assessable loss for the year.

The charge for the year can be reconciled to the loss per the income statement as follows:

	2016 \$'000	2015 \$'000
Loss on ordinary activities before taxation	(25,398)	(14,308)
Loss before tax multiplied by the current tax rate of 20% (2015: 20.5%)	(5,080)	(2,933)
Adjustments to tax in respect of prior years	-	3,593
Expense not deductible for tax	2,169	-
Deferred tax not recognised	-	375
Group relief for nil consideration	2,911	2,558
Tax charge for the year	<u>-</u>	<u>3,593</u>

Finance Act 2013 included legislation to reduce the main rate of Corporation Tax to 21% with effect from 1st April 2014 and 20% with effect from 1st April 2015. Further reductions in the main rate of Corporation Tax in the UK to 19% from 1st April 2017 and 18% from 1st April 2020 were enacted by Finance (No.2) Act 2015. Finance Act 2016 included legislation enacting a further reduction in the main rate of Corporation Tax to 17% from 1st April 2020.

There are no offset deferred tax assets or liabilities (2015: \$nil).

At the balance sheet date, the company had unused tax losses of \$1.8 million (2015: \$1.8 million) available for offset against future profits. No deferred tax asset has been recognised in respect of unused tax losses of \$1.8 million (2015: \$1.8 million) due to the unpredictable nature of future profits.

MyTravel North America Limited

Notes to the financial statements for the year ended 30 September 2016 (continued)

6. Investments

	\$'000
Cost	
At 1 October 2015	524,454
At 30 September 2016	524,454
Provision for impairment	
At 1 October 2015	443,212
Impairment loss	10,847
At 30 September 2016	454,059
Net book value	
At 30 September 2015	81,242
At 30 September 2016	70,395

During the year, an impairment charge of \$10,847k was recognised against the carrying value of the investment in Buzzard Leisure Limited to bring it in line with Buzzard Leisure Limited's net asset value.

A list of the Company's subsidiary undertakings is shown in note 10 to the financial statements.

7. Creditors: amounts falling due within one year

	2016 \$'000	2015 \$'000
Amounts owed to group undertakings	453,154	438,603
	453,154	438,603
Currency analysis of loans from other group undertakings:		
US Dollar	451,674	437,316
Australian Dollar	1,480	1,287
	453,154	438,603

The amounts owed to group undertakings principally relate to the financing of the investments in subsidiary undertakings. The loans are fixed for periods of between one and twelve months, although are repayable on demand. Interest was charged at a rate of 4.19% (2015: 4.19%) for the US Dollar loan and 5.894% (2015: 6.499%) for the Australian Dollar loan.

MyTravel North America Limited

Notes to the financial statements for the year ended 30 September 2016 (continued)

8. Called up share capital

	2016 \$'000	2015 \$'000
Authorised		
150,000,000 (2015: 150,000,000) Ordinary shares of £1 each	213,540	213,540
Allotted, called up and fully paid		
134,100,118 (2015: 134,100,118) Ordinary shares of £1 each	190,866	190,866

The called up share capital has been translated using the exchange rate of £1 = \$1.4233, which was the spot rate on the date the shares were issued. The Company has one class of ordinary shares which carry no right to fixed income.

9. Ultimate controlling party

The Company is a direct subsidiary of Thomas Cook Group UK Limited a company incorporated and domiciled in Germany. The Company's ultimate parent company and controlling party is Thomas Cook Group plc.

The smallest and largest group of which MyTravel North America Limited is a member and in which the results of the Company are consolidated is that headed by Thomas Cook Group plc, which is registered in England and Wales. Copies of the Thomas Cook Group plc financial statements can be obtained from 3rd floor, South Building, 200 Aldersgate, London EC1A 4HD.

10. Subsidiaries

Name	Country of incorporation	Proportion held %	Class of shares
Buzzard Leisure Limited*	United Kingdom	100	ordinary
NALG Holdings Unlimited Company	Ireland	100	ordinary
NALG Ireland Unlimited Company	Ireland	100	ordinary
Parkway Australia Holdings Pty Limited	Australia	100	ordinary
Parkway Auto Realisations (Germany) Vermögensverwaltungs GmbH	Germany	100	ordinary

* Shares held directly by MyTravel North America Limited.