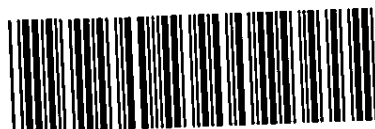


## **Parkway Hellas Holdings Limited**

### **Annual report and financial statements for the year ended 31 October 2007**

Registered number 5273788

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# **Parkway Hellas Holdings Limited**

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# **Parkway Hellas Holdings 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 31 October 2007

### **Business review & principal activities**

The company has had no activity other than the receipt of intra-group interest generated on the proceeds of the disposal of a subsidiary to a fellow group undertaking

The company's profit for the year after taxation was £1,199,948 (2006 £1,018,663) and the company had net assets of £23,854,701 (2006 £22,654,753)

### **Employees**

The company has no employees (2006 nil)

### **Dividends**

The directors do not recommend the payment of a dividend in respect of the year (2006 £nil)

### **Directors**

The directors who served throughout the year were as follows

G J McMahon (resigned 18 June 2008)

D M Hallisey (appointed 18 June 2008)

Thomas Cook Group Management Services Limited (formerly Parkway Management Services Limited)

In the case of each of the persons who are directors of the company at the date when this report was approved

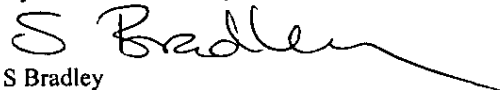
- so far as each of the directors is aware, there is no relevant audit information (as defined in the Companies Act 1985) of which the company's auditors are unaware, and
- each of the directors has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information (as defined) and to establish that the company's auditors are aware of that information

This statement is given and should be interpreted in accordance with section 234ZA of the Companies Act 1985

### **Charitable and political contributions**

The company made no charitable donations during the year (2006 £nil)

By order of the Board,



S Bradley  
Company Secretary  
26th August 2008

The Thomas Cook Business Park  
Coningsby Road  
Peterborough  
PE3 8SB

## **Parkway Hellas Holdings Limited**

### **Statement of directors' responsibilities**

The directors are responsible for preparing the Annual Report and the financial statements. The directors have chosen to prepare accounts for the company in accordance with International Financial Reporting Standards. Company law requires the directors to prepare such financial statements in accordance with International Financial Reporting Standards and the Companies Act 1985. International Accounting Standard 1 requires that financial statements present fairly for each financial year the company's financial position, financial performance and cash flows. This requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the International Accounting Standards Board's 'Framework for the preparation and Presentation of Financial Statements'. In virtually all circumstances, a fair presentation will be achieved by compliance with all applicable International Financial Reporting Standards. Directors are also required to

- properly select and apply accounting policies,
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information,
- provide additional disclosures when compliance with the specific requirements in International Financial Reporting Standards is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance, and
- prepare the accounts on a going concern basis unless, having assessed the ability of the company to continue as a going concern, management either intends to liquidate the entity or to cease trading, or have no realistic alternative but to do so.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company, for safeguarding the assets, for taking reasonable steps for the prevention and detection of fraud and other irregularities and for the preparation of a directors' report which complies with the requirements of the Companies Act 1985.

## **Independent auditors' report to the members of Parkway Hellas Holdings**

We have audited the financial statements of Parkway Hellas Holdings Limited for the year ended 31 October 2007 which comprise the income statement, the statement of recognised income and expense, the balance sheet, the cash flow statement, and the related notes 1 to 11. These financial statements have been prepared under the accounting policies set out therein.

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

### **Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted for use in the European Union are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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

We read the other information contained in the Annual Report as defined in the contents and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any further information outside the Annual Report.

### **Basis of audit opinion**

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

## **Independent auditors' report to the members of Parkways Hellas Holdings (continued)**

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

### **Opinion**

In our opinion

- the financial statements give a true and fair view, in accordance with those IFRSs as adopted for use in the European Union, of the state of the company's affairs as at 31 October 2007 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the directors' report is consistent with the financial statements

*Deloitte & Touche LLP*

**Deloitte & Touche LLP**

*Chartered Accountants and Registered Auditors  
Manchester, United Kingdom*

*Date: 29 August 2008*

## **Parkway Hellas Holdings Limited**

### **Income statement**

**Year ended 31 October 2007**

	<b>Notes</b>	<b>2007 £</b>	<b>2006 £</b>
Finance income	3	1,199,948	1,018,663
<b>Profit before tax</b>	4	1,199,948	1,018,663
Tax	5	-	-
<b>Profit for the period</b>	9	1,199,948	1,018,663
Attributable to Equity holders of the parent		1,199,948	1,018,663

All revenues and results arose from continuing operations

There have been no gains or losses in either year other than the result for that financial year  
Accordingly a separate statement of recognised income and expense has not been prepared

## Parkway Hellas Holdings Limited

### Balance sheet 31 October 2007

	Notes	2007 £	2006 £
<b>Current assets</b>			
Trade and other receivables	6	23,854,701	22,654,753
<b>Net assets</b>		<u>23,854,701</u>	<u>22,654,753</u>
	Notes	2007 £	2006 £
<b>Equity</b>			
Called up share capital	7	100	100
Share premium account	8	7,533,900	7,533,900
Retained earnings	9	16,320,701	15,120,753
<b>Equity attributable to equity holders of the parent</b>		<u>23,854,701</u>	<u>22,654,753</u>

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

The financial statements were approved by the board of directors and authorised for issue on 26th August 2008. They were signed on its behalf by



S Bradley for Thomas Cook Group  
Management Services Limited,  
Director

26th August 2008



# **Parkway Hellas Holdings Limited**

## **Notes to the financial statements Year ended 31 October 2007**

### **1. General information**

Parkway Hellas Holdings Limited is a company incorporated in the United Kingdom under the Companies Act 1985. The address of the registered office is given on page 2. 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 Great Britain, 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.

### **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, unless otherwise stated.

#### **Basis of accounting**

These financial statements have been prepared in accordance with IFRS and IFRIC interpretations and with those parts of the Companies Act 1985 applicable to Companies reporting under IFRS. The financial statements have also been prepared in accordance with IFRS 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.

#### **(a) Income statement 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.

Exceptional items are items that are unusual because of their size, nature or incidence and which the Company's management consider should be disclosed separately to enable a full understanding of the Company's results.

#### **(b) Tax**

Tax represents the sum of tax currently payable and deferred tax. Tax is recognised in the income statement unless it relates to an item recognised directly in equity, in which case the associated tax is also recognised directly in equity.

## Parkway Hellas Holdings Limited

### Notes to the financial statements (continued) Year ended 31 October 2007

#### (b) Tax (continued)

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.

#### (c) 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 income statement.

#### 3. Finance income

	2007 £	2006 £
Bank interest receivable from fellow subsidiary	<u>1,199,948</u>	<u>1,018,663</u>

#### 4. Profit before tax

Profit before tax has been arrived at after charging/(crediting)

Auditors' remuneration of £500 (2006 £500) in respect of the statutory audit of the Company was borne by another group undertaking in both years with no recharge being made to the Company. Amounts payable to Deloitte & Touche LLP and their associates by the Company in respect of non-audit services were £nil (2006 £nil). No apportionment of directors' emoluments has been made in either year as a fair apportionment is not possible.

## Parkway Hellas Holdings Limited

### Notes to the financial statements (continued) Year ended 31 October 2007

#### 5. Tax

	2007 £	2006 £
Current tax	-	-
Deferred tax	-	-
	<u>-</u>	<u>-</u>

Corporation tax is calculated at 30% (2006 30%) of the estimated assessable profit for the year  
The charge for the year can be reconciled to the profit per the income statement as follows

	2007 £	2007 %	2006 £	2006 %
Profit before tax	1,199,948	100	1,018,663	100
Expected tax charge at the UK corporation tax rate of 30% (2006 30%)	359,984	30	305,599	30
Group relief received for no consideration	(359,984)	(30)	(305,599)	(30)
Tax charge and effective tax rate for the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

#### 6. Trade and other receivables

	2007 £	2006 £
<b>Current assets</b>		
Amounts due from Group undertakings	23,854,701	22,654,753

Amounts receivable from Group undertakings is a loan receivable denominated in sterling. Interest is charged at rates based upon those available on the sterling money market at the inception of the loan.

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

## Parkway Hellas Holdings Limited

### Notes to the financial statements (continued) Year ended 31 October 2007

#### 7. Called-up share capital

	2007 £	2006 £
Authorised 1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Issued and fully paid 100 ordinary shares of £1 each	<u>100</u>	<u>100</u>
The Company has one class of ordinary shares which carry no right to fixed income		

#### 8. Share premium account

	£
Balance at 1 November 2005 and 2006	<u>7,533,900</u>
Balance at 31 October 2006 and 2007	<u>7,533,900</u>

#### 9. Retained earnings

	£
Balance at 1 November 2005	14,102,090
Net profit for the year	<u>1,018,663</u>
Balance at 31 October 2006	15,120,753
Net profit for the year	<u>1,199,948</u>
Balance at 31 October 2007	<u>16,320,701</u>

# Parkway Hellas Holdings Limited

## Notes to the financial statements (continued) Year ended 31 October 2007

### 10. Related party transactions

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

Trading transactions	Finance income		Amounts owed by related parties	
	2007	2006	2007	2006
	£	£	£	£
Fellow subsidiaries	1,199,948	1,018,663	23,854,701	22,654,753

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

### 11. Ultimate parent company

The company is a wholly-owned subsidiary of Parkway S A, a company registered in Luxembourg.

The smallest group of which Parkway Hellas Holdings Limited is a member and for which group financial statements are drawn up is headed by Thomas Cook Group plc, whose principal place of business is The Thomas Cook Business Park, Conningsby House, Peterborough, PE3 8SB. The consolidated financial statements of this group are available to the public and may be obtained from the above address.

On 19 June 2007, the company's parent at that time, MyTravel Group plc, completed a merger transaction with Thomas Cook AG, as a result of which the enlarged group is owned 52% by Arcandor AG and 48% by the shareholders of MyTravel Group plc (calculated on a fully diluted basis).

As part of this transaction, all parties entered into a relationship agreement which enshrined the principle agreed between the parties that, following completion of the transaction, the enlarged group will operate independently from Arcandor AG and in accordance with the highest standards of corporate governance best practice. It also sets out the agreement of the parties regarding the composition of the Board of the enlarged group.

IAS 24 requires disclosure of the company's ultimate controlling party. On the basis of the detailed provisions of the relationship agreement, following the merger transaction the directors consider this to be Arcandor AG, albeit that this agreement places restrictions on the ability of Arcandor AG to exercise the voting rights associated with its 52% holding in the enlarged group.