

TCCT Holdings UK Limited
Annual report
for the year ended 30 September 2013

Registered number 7714007



TCCT Holdings UK Limited

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TCCT Holdings UK Limited

Registered number 7714007

Directors' report

The directors present their annual report on the affairs of the Company, together with the audited financial statements. This annual report covers the year ended 30 September 2013.

Dividends

The directors do not recommend the payment of a dividend in respect of the year (2012 £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:

I S Ailles

P J Aird-Mash (resigned 24 December 2012)

G C Barr

K A Billson-Ross (resigned 9 October 2012, reappointed 24 December 2012; resigned 21 November 2013)

M D Cheadle

M L MacMahon (resigned 24 December 2012)

M J Wates (appointed 1 November 2011, resigned 4 July 2013)

P A Hemingway (appointed 24 December 2012)

J R Wild (appointed 24 December 2012)

G C Hallifax (appointed 4 July 2013)

B Lienhard (appointed 21 November 2013)

Company secretary

S Bradley

Directors' indemnities

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

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).

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Directors' report (continued)

Statement of directors' responsibilities (continued)

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 year. 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 the group 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

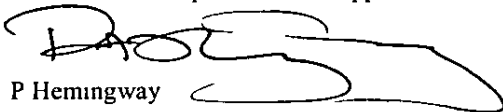
Provision of information to auditors

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 directors are 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

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

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



P Hemingway

Director

24 February 2014

Registered office

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

TCCT Holdings UK Limited

Registered number 7714007

Strategic report

The directors present their Strategic report on the affairs of the Company, together with the audited financial statements. This annual report covers the year ended 30 September 2013.

Business review, principal activities and future outlook

TCCT Holdings UK Limited is a 66.5% owned subsidiary of Thomas Cook Group plc ('the Group') a company that is listed on the London Stock Exchange. The Company is a non-trading intermediate holding company and will continue to be so for the foreseeable future.

The Company was incorporated on 21 July 2011 and is 66.5% owned by Thomas Cook Group Plc, 30% owned by the Co-operative Group Limited and 3.5% owned by Midlands Co-operative Society Limited. The transaction was completed on 1 October 2011.

On 1 October 2011, the Company acquired a £180,000,000 unsecured floating interest loan note issued by TCCT Retail Limited from TC Retail Limited for consideration of the shares issued as part of the JV. At the same time it also received £5,191,000 unsecured floating loan note and entire share capital of Midlands Co-op Travel Limited (now known as Close Number 29 Limited) 40,000 £1 nominal shares and Midlands Co-op Travel Group Limited (now known as Thomas Cook CFX Limited) One £1 nominal share.

The results of the Company show a pre tax profit of £4,494,000 for the year (2012: £7,216,000 for the 14 month period). The Company has net assets of £241,699,000 (2012: £235,691,000).

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

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 operates in the travel intermediary segment, made up of travel agents and tour operators.

Growth in international tourism is closely correlated to economic growth and has enjoyed strong and sustained growth for most of the last three decades. While the global economic crisis in 2008 and subsequent contraction in gross domestic product and employment, combined with fuel and currency volatility, have restrained growth in the recent years, the long term outlook for the industry remains attractive.

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Strategic report (continued)

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

- Continued downturn in demand due to adverse global economic factors
- Recruitment, development and retention of talented people
- Geo-political and regulatory
- Failure of the Transformation plan to deliver against strategic and operational targets
- Failure to respond to customer demand, or other significant market changes
- Major health and safety incident
- Failure of IT infrastructure or internal control failure
- Shortfall in pension funding

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 30-31 of the Group's annual report

Financial risk management

The Company's risk management objectives and policies are not considered material for an assessment of the Company's assets, liabilities, financial position and result. The Company has no material exposure to price risk, credit risk, liquidity risk or cash flow risk.

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 TCCT Holdings UK 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 42 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



P Hemingway

Director

24 February 2014

Registered office

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

TCCT Holdings UK Limited

Registered number 7714007

Independent auditors' report to the members of TCCT Holdings UK Limited

Report on the financial statements

Our opinion

In our opinion the financial statements

- Give a true and fair view of the state of the Company's affairs as at 30 September 2013 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

This opinion is to be read in the context of what we say below

What we have audited

The financial statements for the year ended 30 September 2013, which are prepared by TCCT Holdings UK Limited, comprise

- the balance sheet, statement of comprehensive income and statement of changes in equity,
- 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 their preparation comprises 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

What an audit of financial statements involves

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) (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

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

Opinion on 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

TCCT Holdings UK Limited

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Independent auditors' report to the members of TCCT Holdings UK Limited (continued)

Other matters on which we are required to report by exception

Adequacy of accounting records and information 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 if, in our opinion, certain disclosures of directors' remuneration specified by law have not been 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 Directors' Responsibilities Statement set out on pages 2 and 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 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



Charles Joseland (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Cambridge
24 February 2014

TCCT Holdings UK Limited

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Statement of comprehensive income year ended 30 September 2013

		Year ended 30 September 2013 £'000	14 month period ended 30 September 2012 £'000
	Notes		
Impairment of investment	5	(1,516)	-
Finance income	3	6,010	7,216
Profit before tax		4,494	7,216
Income tax credit/(expense)	6	1,514	(1,594)
Profit for the year/period attributable to equity shareholders		6,008	5,622

All of the results disclosed above arose from continuing activities

There are no recognised income or expenses for either year/period other than the profit for the year/period, consequently no other comprehensive income has been presented

TCCT Holdings UK Limited

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Balance sheet

As at 30 September 2013

	Notes	30 September 2013 £'000	30 September 2012 £'000
Non-current assets			
Investments in subsidiary undertakings	5	44,838	44,878
Trade and other receivables	7	198,417	192,407
		<u>243,255</u>	<u>237,285</u>
Current liabilities			
Trade and other payables	8	(1,476)	-
Current income tax liabilities		(80)	(1,594)
		<u>(1,556)</u>	<u>(1,594)</u>
Net current liabilities		<u>(1,556)</u>	<u>(1,594)</u>
Net assets		<u>241,699</u>	<u>235,691</u>
Equity attributable to owners of the parent			
Share capital	9	27,067	27,067
Share premium	10	203,002	203,002
Retained earnings		11,630	5,622
Total equity		<u>241,699</u>	<u>235,691</u>

The notes on pages 11 to 17 form part of the financial statements

The financial statements on pages 8 to 17 were approved by the board of directors and authorised for issue on 24 February 2014

They were signed on its behalf by



P Hemingway
Director

TCCT Holdings UK Limited

Registered number 7714007

Statement of changes in equity

Year ended 30 September 2013

	Issued share capital £'000	Share premium £'000	Retained earnings £'000	Total £'000
At 30 September 2012	27,067	203,002	5,622	235,691
Profit for the year and total comprehensive profit for the year	-	-	6,008	6,008
Balance at 30 September 2013	<u>27,067</u>	<u>203,002</u>	<u>11,630</u>	<u>241,699</u>

TCCT Holdings UK Limited

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Notes to the financial statements

Year ended 30 September 2013

1 General information

TCCT Holdings UK Limited is a limited liability company incorporated and domiciled in the United Kingdom under the Companies Act 2006. The address of its registered office is The Thomas Cook Business Park, Coningsby Road, Peterborough, Cambridgeshire, PE3 8SB. The nature of the Company's operations and its principal activities are set out in the Directors' report. These financial statements are presented in pounds sterling 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 66.5% 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 as adopted by the European Union and filed with the Registrar of Companies. The Company is therefore exempt from the obligation to prepare consolidated financial statements in accordance with section 400 of the Companies Act 2006.

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 unless otherwise stated.

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. Accordingly, in the year ended 30 September 2013 the company has undergone transition from reporting under IFRSs adopted by the European Union to FRS 101 as 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 FRS101. This transition is not considered to have had a material effect on accounting policies applied in these financial statements, which are consistent with the previous financial year except for those which the Company has adopted in the year.

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 13.

As a result of FRS 101 being applicable to entities with a year-end from 1 January 2015, the Company has made the business decision to adopt the standard early (FRS 101 para 11). The effective date of adoption by the Company is 21 July 2011. The Company has notified its shareholders in writing about, and they do not object to, the use of the disclosure exemptions used by the Company in these financial statements.

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 Investments (2) Limited. This support has been formally provided and accordingly the directors of TCCT Holdings UK Limited have prepared these financial statements on a going concern basis.

TCCT Holdings UK Limited

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Notes to the financial statements **Year ended 30 September 2013**

2 Significant accounting policies (continued)

Basis of preparation (continued)

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

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

IAS 1 Amendment "Presentation of Items of Other Comprehensive Income" is effective for annual reporting periods commencing on or after 1 July 2012. The amendment requires disclosure of items that may be reclassified to profit or loss and items that will not be reclassified to profit or loss.

Subsidiary undertakings

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.

Financial instruments

Given the simple nature of the Company's operations, the directors do not believe that the Company has any material exposure to price risk, credit risk, liquidity risk or cash flow risk. As such, no sensitivity analysis of the impact of reasonably possible changes in these risk variables on the Company has been presented.

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

Given the nature of the Company's operations, the directors do not believe there are any critical judgements or key sources of estimation uncertainty in the preparation of these financial statements.

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3 Interest receivable and similar income

	Year ended 30 September 2013 £'000	14 month period ended 30 September 2012 £'000
Intra group interest receivable	6,010	7,216

4 Auditors' remuneration

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.

5 Investments

	Investments in subsidiary undertakings £'000
Cost and impairments	
At 1 October 2012	44,878
Addition	1,476
Impairment	(1,516)
At 30 September 2013	44,838

On 2 July 2013 the Company subscribed for 1,284,000 Ordinary shares of £1 each in Close Number 29 Limited (formerly Midlands Co-op Travel Limited). On 5 August 2013 the Company subscribed for a further 192,202 Ordinary shares of £1 each.

Close Number 29 Limited (formerly Midlands Co-op Travel Limited) is in Members Voluntary Liquidation and accordingly the investment by the Company is considered to be impaired.

The investments are made up as follows:

	2013 £'000	2012 £'000
TCCT Holdings Limited	-	-
Co-op Travel 2 Holdings Limited	44,838	44,838
Close Number 29 Limited (formerly Midlands Co-op Travel Limited)	-	40
	44,838	44,878

Investments in group undertakings are recorded at cost less impairment.

TCCT Holdings UK Limited

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Notes to the financial statements Year ended 30 September 2013

5 Investments (continued)

Name of company	Country of incorporation	% ownership of ordinary shares	Principal activities
TCCT Holdings Limited	Jersey	100%	Dormant
Co-op Group Travel 2 Holdings Limited	England & Wales	100%	Dormant
Close Number 29 Limited (formerly Midlands Co-op Travel Limited)	England & Wales	100%	Dormant

On 20 August 2013 the Company transferred its 100% shareholding in Thomas Cook CFX Limited (formerly known as Midlands Co-op Travel Group Limited) to Thomas Cook Retail Limited, a fellow subsidiary undertaking of Thomas Cook Group plc for Nil consideration

All above are considered to be controlling shareholdings

6 Income tax (credit)/expense

	Year ended 30 September 2013 £'000	Period ended 30 September 2012 £'000
Current Tax		
UK corporation tax (credit)/charge for the year/period	(1,514)	1,594

Corporation tax is calculated at 23.5% (2012: 25%) 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 24% to 23% effective from 1st April 2013.

TCCT Holdings UK Limited

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Notes to the financial statements Year ended 30 September 2013

6 Income tax (credit)/expense (continued)

The tax charge for the year can be reconciled to the profit per the Statement of comprehensive income as follows

	Year Ended September 2013 £'000	Period Ended 30 September 2012 £'000
Profit before tax	4,494	7,216
Expected tax charge at the UK corporation tax rate of 23.5% (2012: 25%)	1,056	1,804
Adjustments to tax in respect of prior years	(1,514)	-
Expenses that are not deductible for tax purposes	356	
Group relief surrendered for nil consideration	(1,412)	(210)
Tax charge for the year	(1,514)	1,594

Finance Act 2011 included legislation to reduce the main rate of Corporation Tax to 25% with effect from 1st April 2012, this was amended by Finance Act 2012 which reduced the rate to 24% with effect from 1st April 2012. Finance Act 2012 also included legislation to reduce the main rate of Corporation Tax to 23% with effect from 1st April 2013. 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. The changes have had no effect on these financial statements.

7 Trade and other receivables

	Year Ended September 2013 £'000	Period ended September 2012 £'000
Amounts falling due after more than one year:		
Amounts owed by Group undertakings	198,417	192,407

Amounts owed by Group undertakings represent floating rate unsecured loan notes due from Close number 29 Limited (formerly Midlands Co-op Travel Limited) and TCCT Retail Limited. The interest rates on which are 0.25% discount to 6 month Libor and 2.75% above 6 month Libor at 1 October. The loan notes have a final redemption date of 1 January 2020.

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Notes to the financial statements Year ended 30 September 2013

8 Trade and other payables

	Year Ended September 2013 £'000	Period ended September 2012 £'000
Amounts owed to Group undertakings	1,476	-

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

9 Called up share capital

	Year ended 30 September 2013 £'000	Period ended 30 September 2012 £'000
Allotted, issued and fully paid:		
"A" Ordinary shares of £1 each	18,000	18,000
"B" Ordinary shares of £1 each	8,120	8,120
"C" Ordinary shares of £1 each	947	947
	<u>27,067</u>	<u>27,067</u>

10 Share premium account

	Year ended 30 September 2013 £'000	Period ended 30 September 2012 £'000
Allotted, issued and fully paid:		
"A" Ordinary shares of £1 each	162,000	162,000
"B" Ordinary shares of £1 each	36,718	36,718
"C" Ordinary shares of £1 each	4,284	4,284
	<u>203,002</u>	<u>203,002</u>

TCCT Holdings UK Limited

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Notes to the financial statements Year ended 30 September 2013

11 Related party transactions

Parent and fellow subsidiary undertakings	Year ended 30 September 2013 £'000	Period ended 30 September 2012 £'000
Loan note interest receivable (note 3)	6,010	7,216

12 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. The aggregate emoluments of the directors of the Company are set out below.

	2013 £'000
Aggregate emoluments in respect of qualifying services	163
Aggregate Company pension contributions to final salary schemes	6
Total	169

No (2012: nil) directors are included in the final salary scheme for 2013.
No gains were made by directors on the exercise of share options.

Directors' transactions

There were no loans, quasi-loans or other transactions with directors (or other key management personnel) which would need to be disclosed under the requirements of Schedule 6 of the Companies Act or IAS 24, "Related party disclosures".

The Company has no employees other than the Directors (2012, Nil).

13 Ultimate controlling party

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

Thomas Cook Group plc, incorporated in 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.