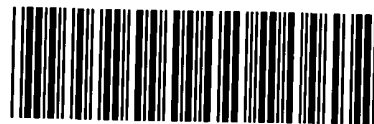


TCCT Holdings UK Limited
Annual report and financial statements
for the year ended 30 September 2017

Registered number 07714007

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TCCT Holdings UK Limited

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TCCT Holdings UK Limited

Strategic report

The directors present their Strategic report on the affairs of TCCT Holdings UK Limited ('the Company'), together with the audited financial statements. This report covers the year ended 30 September 2017.

Business review and principle activities

The Company 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 results of the Company show a pre-tax profit of £29,909k for the year (2016: £6,010k). The Company has net assets of £243,995k (2016: £245,108k).

Thomas Cook Group plc ('the Group'; 'Thomas Cook') 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.

Principal risks and uncertainties

The Group, of which the Company is a component, have identified a number of principal risks and uncertainties that could potentially damage the current business model and future growth opportunities. For further information on the potential impact of these risks and how they are mitigated by the Group, please refer to pages 54-59 of the Group's strategic report.

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 risk

Liquidity and cash flow risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

Credit risk

Credit risk is the risk that an entity will cause a financial loss for the other party by failure to discharge an obligation. The Company's principal financial assets are amounts due from other Group undertakings. The Company's credit risk is primarily attributable to these other 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 a concentration of credit risk due to TCCT Retail Limited floating rate unsecured loan notes amounting to £180m (included within Amounts due from Group undertakings).

TCCT Holdings UK Limited

Strategic report (continued)

Financial risk management (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 the Company. 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 32 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:



S Bradley

Representing Thomas Cook Group Management Services Limited

27 March 2018

Registered office

Westpoint
Peterborough Business Park
Lynch Wood
Peterborough
PE2 6FZ

TCCT Holdings UK Limited

Directors' report

The directors present their report on the affairs of the Company, together with the audited financial statements. These audited financial statements cover the year ended 30 September 2017.

Please refer to the Strategic Report for the business review and financial risk management of the Company.

Dividends

During the year interim dividends totalling £32.3 million were paid to Central England Co-operative Limited as the holder of all the issued 'B' Ordinary Shares in the Company. No final dividends are proposed.

Directors

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

RJ Bulmer (resigned 30 November 2017)

MD Cheatle (resigned 30 November 2017)

KL Darbandi

GC Hallifax (resigned 30 November 2017)

MJA Healy (resigned 8 February 2018)

PA Hemingway

CAL Mottershead

Thomas Cook Group Management Services Limited (appointed 8 February 2018)

Company secretary

Shirley 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.

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).

TCCT Holdings UK Limited

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 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;
- 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 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

Pricewaterhouse Coopers LLP resigned as auditor of the Company with effect from 16 March 2017 and Ernst & Young LLP were appointed auditor for the financial year ended 30 September 2017. Ernst & Young LLP have agreed to continue in office as auditor 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

27 March 2018

Registered office

Westpoint

Peterborough Business Park

Lynch Wood

Peterborough

PE2 6FZ

Independent auditor's report to the members of TCCT Holdings UK Limited

Opinion

We have audited the financial statements of TCCT Holdings UK Ltd for the year ended 30 September 2017 which comprise of the Statement of comprehensive income, the Balance Sheet and the Statement of changes in equity and the related notes 1 to 17, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 30 September 2017 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the Strategic Report and the Directors' Report set out on pages 1-4, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

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

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- 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; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on pages 3-4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor's 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.

A further description of our responsibilities for the audit of the financial statements is located on the

Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.



Colin Brown

Senior statutory auditor

for and on behalf of Ernst & Young LLP,

Manchester

March 2018

TCCT Holdings UK Limited

Statement of comprehensive income For the year ended 30 September 2017

| | | Year ended 30 September 2017 £'000 | Year ended 30 September 2016 £'000 |
|--|------|---|---|
| | Note | | |
| Income from shares in Group undertakings | 3 | 24,000 | - |
| Interest receivable and similar income | 4 | 5,909 | 6,010 |
| Profit before tax | | 29,909 | 6,010 |
| Income tax credit on ordinary activities | 7 | 1,232 | - |
| Profit for the year | | 31,141 | 6,010 |
| Total comprehensive income for the year | | 31,141 | 6,010 |

All of the results disclosed above arose from continuing activities.

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.

TCCT Holdings UK Limited

Balance sheet

As at 30 September 2017

Registered number 07714007

| | Note | 30 September 2017 £'000 | 30 September 2016 £'000 |
|---|------|-------------------------------|-------------------------------|
| Investments | | | |
| Investments in subsidiary undertakings | 8 | <u>25,963</u> | <u>25,963</u> |
| Current assets | | | |
| Debtors | 9 | 219,434 | 221,779 |
| Creditors: Amounts falling due within one year | | | |
| Trade and other payables | 10 | <u>(1,402)</u> | <u>(2,634)</u> |
| Net current assets | | <u>218,032</u> | <u>219,145</u> |
| Net assets | | <u>243,995</u> | <u>245,108</u> |
| Capital and reserves | | | |
| Share capital | 11 | 27,067 | 27,067 |
| Share premium | 12 | 203,002 | 203,002 |
| Retained earnings | | <u>13,926</u> | <u>15,039</u> |
| Total shareholders' funds | | <u>243,995</u> | <u>245,108</u> |

The notes on pages 10 to 18 form part of the financial statements.

The financial statements on pages 7 to 18 were approved by the board of directors and authorised for issue on 27 March 2018 and were signed on its behalf by:



S Bradley

Representing Thomas Cook Group Management Services Limited

27 March 2018

TCCT Holdings UK Limited

Statement of changes in equity For the year ended 30 September 2017

| | Issued Share capital £'000 | Share premium account £'000 | Retained earnings £'000 | Total shareholders' funds £'000 |
|--|-------------------------------------|--------------------------------------|-------------------------------|--|
| At 1 October 2015 | 27,067 | 203,002 | 13,000 | 243,069 |
| Profit for the financial year | - | - | 6,010 | 6,010 |
| Dividend paid in the year | - | - | (3,971) | (3,971) |
| Balance at 30 September 2016 and 1 October 2016 | 27,067 | 203,002 | 15,039 | 245,108 |
| Profit for the financial year | - | - | 31,141 | 31,141 |
| Dividend paid in the year (note 6) | - | - | (32,254) | (32,254) |
| Balance at 30 September 2017 | 27,067 | 203,002 | 13,926 | 243,995 |

TCCT Holdings UK Limited

Notes to the financial statements Year ended 30 September 2017

1 General information

TCCT Holdings UK 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 Westpoint, Peterborough Business Park, Lynch Wood, Peterborough, PE2 6FZ. The nature of the Company's operations and its principal activities are set out in the Strategic 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.

Basis of preparation

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

The financial statements have been prepared on a going concern basis and presented under the historical cost convention, and in accordance with the Companies Act 2006, as applicable to companies using FRS 101.

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'
- Exemption from all disclosure requirements in IFRS 13, 'Fair value measurement' except for the following:
 - Paragraphs 36(4) and 55 to 57 (valuation models and techniques for financial instruments held at fair value)
- The following paragraphs of IAS 1, 'Presentation of financial statements':
 - 10(d), (statement of cash flows for the period)
 - 16 (statement of compliance with IFRS),
 - 38A-B (Detail in respect of minimum comparative information)
 - 38C-D (Additional comparative information)
 - Paragraph 79(a)(iv) – (A reconciliation of the number of shares outstanding at the beginning and end of the period for each class of shares need not be presented for prior periods)
 - 111 (cash flow statement information), and
 - 134 – 136 (Information on an entity's objectives, policies and processes for managing capital (qualitative and quantitative))
 - 39 (Detail in respect of minimum comparative information, including prior year opening balance Sheet)
 - 40 (Detail in respect of narrative information)
 - IAS 7, 'Statement of cash flows'

TCCT Holdings UK Limited

Notes to the financial statements (continued) Year ended 30 September 2017

1 General information (continued)

Basis of preparation (continued)

- Paragraph 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure in respect of new standards and interpretations that have been issued but which are not yet effective).
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation)
- Paragraph 18A of IAS 24, 'Related party disclosures' to disclose amounts incurred by the entity for the provision of key management personnel services that are provided by a separate management entity.
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.
- Paragraph 73(e) of IAS 16, 'Property, plant and equipment' (a reconciliation showing the carrying amounts of property, plant and equipment at the beginning and end of the period need not be presented for prior periods)
- Paragraph 118(e) of IAS 38, 'Intangible assets' (a reconciliation showing the carrying amounts of intangible assets at the beginning and end of the period need not be presented for prior periods)
- Exemption from all disclosure requirements in IFRS 2 except for the following:
 - Paragraph 45(a) – A description of each type of share-based payment arrangement, including general terms and conditions, vesting requirements, term of options granted and method of settlement.
 - Paragraph 45(c) – For share options exercised during the period, the weighted average share price at the date of exercise. If options were exercised on a regular basis throughout the period, the weighted-average share price during the period can be disclosed.
 - Paragraph 45(d) – For outstanding share options, the range of exercise prices and weighted-average remaining contractual life.

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 16.

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

No new standards, amendments or interpretations, effective for the first time for the financial year beginning on or after 1 October 2016 have had a material impact on the amounts reported or the disclosure and presentation in these 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 unless otherwise stated.

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.

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.

Share Premium

Share premium is classified as equity. This account is created when ordinary shares are issued at a price in excess of their nominal value.

TCCT Holdings UK Limited

Notes to the financial statements (continued) Year ended 30 September 2017

2 Significant accounting policies (continued)

Tax

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (tax loss) for a period. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are substantively enacted at the balance sheet date.

Deferred tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws substantively enacted at the balance sheet date.

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.

Trade and other receivables

Trade and other receivables 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 receivables.

The amount of allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows.

Trade and other payables

Trade and other payables are initially recognised at their fair value and subsequently recorded at amortised cost using the effective interest method.

Key accounting estimates and judgements

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.

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:

Recoverable amounts of investments

Judgements have been made in respect of the amounts of future operating cash flows to be generated by certain of the Company's businesses in order to assess whether there has been any impairment of the amounts included in the balance sheet for investments in relation to those businesses. See note 8.

Recoverable amounts of loan and receivables

Judgements have been made in respect of the ability of Group undertakings to settle amounts due in order to assess whether there has been any impairment of the amounts included in the balance sheet for amounts due from those Group undertakings. See note 9.

TCCT Holdings UK Limited

Notes to the financial statements (continued) Year ended 30 September 2017

3 Income from shares in Group undertakings

| | 2017 £'000 | 2016 £'000 |
|--------------------|---------------|---------------|
| Dividends received | 24,000 | - |

4 Interest receivable and similar income

| | 2017 £'000 | 2016 £'000 |
|--|---------------|---------------|
| Interest receivable from group companies | 5,909 | 6,010 |

5 Auditors' remuneration

Auditors' remuneration is paid for centrally by Thomas Cook UK 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 Ernst & Young LLP and their associates by the Company in respect of non-audit services are disclosed in the financial statements of Thomas Cook Group plc.

6 Dividends

| | 2017 £'000 | 2016 £'000 |
|---|---------------|---------------|
| Interim dividend paid at 397.20 pence per "B" ordinary shares | 32,254 | - |
| Interim dividend paid at 419.12 pence per "C" ordinary shares | - | 3,971 |
| | 32,254 | 3,971 |

TCCT Holdings UK Limited

Notes to the financial statements (continued) Year ended 30 September 2017

7 Income tax credit on ordinary activities

| | 2017 £'000 | 2016 £'000 |
|---|---------------|---------------|
| Current taxation: | | |
| UK corporation tax adjustment in respect of prior years | (1,232) | - |
| Total current tax | (1,232) | - |
| Total income tax credit | (1,232) | - |

Corporation tax is calculated at 19.5% (2016: 20%) of the estimated assessable profit for the period. This is the weighted average tax rate for the period following a reduction in the standard rate of UK Corporation Tax from 20% to 19% effective from 1 April 2017.

The tax credit for the period can be reconciled to the profit per the income statement as follows:

| | 2017 £'000 | 2016 £'000 |
|---|---------------|---------------|
| Profit before tax | 29,909 | 6,010 |
| Profit before tax multiplied by the current tax rate of 19.5% (2016: 20%) | 5,832 | 1,202 |
| Income not liable for tax | (4,680) | - |
| Group relief for nil consideration | (1,152) | (1,202) |
| Adjustments to tax in respect of prior years | (1,232) | - |
| Income tax credit for the year | (1,232) | - |

In addition to the reduction in the UK corporation tax rate from 20% to 19% (effective from 1 April 2017), a further reduction to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016. Deferred tax on temporary differences and tax losses as at the balance sheet date is calculated based on the substantively enacted rates at which the temporary differences and tax losses are expected to reverse.

Finance (No. 2) Act 2017 was substantively enacted on 31 October 2017 and included legislation to amend the rules relating to the utilisation of brought forward losses and the deductibility of interest for corporation tax purposes. These new rules apply retrospectively from 1 April 2017. With substantive enactment taking place after the balance sheet date, the accounting standards do not require the impact of these rules to be accounted for until the period ended 30 September 2018. Due to the complexity of the legislation it is too soon to quantify the effect of the new rules if they had been applied at the balance sheet date.

TCCT Holdings UK Limited

Notes to the financial statements (continued) Year ended 30 September 2017

8 Investments

£'000

Cost at 1 October 2016 and 30 September 2017 25,963

Carrying amount at 1 October 2016 and 30 September 2017 25,963

The investments are made up as follows:

| | 2017 £'000 | 2016 £'000 |
|---------------------------------------|---------------|---------------|
| TCCT Holdings Limited | - | - |
| Co-op Group Travel 2 Holdings Limited | 25,963 | 25,963 |
| | 25,963 | 25,963 |

Investments in group undertakings are recorded at cost less impairment.

At the year end the Company held investments in the following subsidiary undertakings:

Direct Subsidiaries:

| Name of company | Country of incorporation | % ownership of ordinary shares | Principal activities |
|---------------------------------------|--------------------------|--------------------------------|---|
| TCCT Holdings Limited | Jersey | 100% | Intermediate holding company |
| Co-op Group Travel 2 Holdings Limited | England & Wales | 100% | Intermediate investment holding company |

Indirect Subsidiaries:

All those listed are owned indirectly via the direct ownership of TCCT Holdings UK Limited. The shareholdings quoted are those of the direct parents within the Group and do not reflect the diluting impact of any indirect ownership held outside of the Group:

| Name of company | Country of incorporation | % ownership of ordinary shares | Principal activities |
|---------------------------------------|--------------------------|--------------------------------|----------------------|
| Future Travel Limited | England & Wales | 88% | Travel agent |
| The Freedom Travel Group Limited | England & Wales | 91% | Travel agent |
| TCCT Retail Limited | England & Wales | 100% | Travel agent |
| Travel and Financial Services Limited | England & Wales | 100% | Dormant |

All investments held as shown above are considered to be controlling shareholdings.

TCCT Holdings UK Limited

Notes to the financial statements (continued) Year ended 30 September 2017

9 Debtors

| | 2017 £'000 | 2016 £'000 |
|--|----------------|----------------|
| Amounts falling due within one year: | | |
| Amounts due from Group undertakings | 39,434 | 41,779 |
| Amounts falling due after more than one year: | | |
| Amounts due from Group undertakings | 180,000 | 180,000 |
| Total debtors | 219,434 | 221,779 |

Included within amounts due from Group undertakings are floating rate unsecured loan notes amounting to £180m due from TCCT Retail Limited. The interest rate on the floating rate loan note is 2.75% above 6 month Libor at 1 October. The interest element is included within Amounts due from Group undertakings within amounts falling due within one year. The loan note has a final redemption date of 1 January 2020. Support has been formally provided by Thomas Cook Group plc to ensure amounts receivable in relation to the loan note can be settled up to, and including, 1 January 2020. Other balances are unsecured, payable on demand and interest free.

10 Trade and other payables

| | 2017 £'000 | 2016 £'000 |
|---|---------------|---------------|
| Amounts falling due within one year: | | |
| Amounts due to Group undertakings | (1,402) | (2,634) |

Amount due to Group undertakings are unsecured, payable on demand and interest free.

11 Called up share capital

| | 2017 £'000 | 2016 £'000 |
|--|---------------|---------------|
| Allotted, issued and fully paid: | | |
| 18,000,102 (2016: 18,000,102) "A" Ordinary shares of £1 each | 18,000 | 18,000 |
| 8,120,347 (2016: 8,120,347) "B" Ordinary shares of £1 each | 8,120 | 8,120 |
| 947,373 (2016: 947,373) "C" Ordinary shares of £1 each | 947 | 947 |
| | 27,067 | 27,067 |

TCCT Holdings UK Limited

Notes to the financial statements (continued) Year ended 30 September 2017

12 Share premium account

| | 2017 £'000 | 2016 £'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> |

13 Related party transactions and balances

| Parent and subsidiary undertakings | 2017 £'000 | 2016 £'000 |
|--|---------------|---------------|
| Dividend received from subsidiary (note 3) | 24,000 | - |
| Loan note interest receivable from subsidiary undertaking (note 4) | 5,909 | 6,010 |
| Dividend paid to parent (note 6) | <u>32,254</u> | <u>3,971</u> |

At the balance sheet date the Company was owed £219,434k (2016: £221,779k) from related parties, which is shown within Amounts due from Group undertakings (note 9) and owed £1,402k (2016: £2,634k) to related parties, which is shown within Amounts due to Group undertakings (note 10).

14 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.

No (2016: nil) directors are included in the final salary scheme for 2017.
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 (2016; Nil).

15 Contingent liabilities

At 30 September 2017 the Company has given guarantees and counter indemnities to banks totalling £4.8m (2016: £4.5m) in respect of bonding, letter of credit and guarantee facilities.

TCCT Holdings UK Limited

Notes to the financial statements (continued) **Year ended 30 September 2017**

16 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.

17 Subsequent events

On 30 November 2017 Thomas Cook Retail Limited settled the contingent consideration balance to acquire all of the shares in TCCT Holdings UK Limited held by Co-operative Specialist Businesses Limited. Also on 30 November 2017 Thomas Cook Retail Limited settled the contingent consideration balance to acquire all of the shares in TCCT Holdings UK Limited held by Central England Co-operative Limited.