

# **TCGH Holdings Limited**

**Annual report and financial statements**

**for the year ended 30 September 2015**

Registered number: 8587707



# TCGH Holdings Limited

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# TCGH Holdings Limited

## Strategic report

The Directors present their Strategic report for the year ended 30 September 2015.

### Business review

TCGH Holdings Limited (the "Company") was incorporated on 27 June 2013 and is a wholly owned subsidiary of Blue Sea Overseas Investments Limited, a fellow subsidiary of Thomas Cook Group Plc (the "group"). The principal activity of the Company is that of an investment holding company. This activity is expected to continue for the foreseeable future.

The Company does not actively trade and acts as a holding company only. There are no results to present for the year, accordingly no statement of comprehensive income has been prepared. The Directors consider that the financial position of the Company at the end of the year was satisfactory. The Directors are not aware at the date of this report of any likely major changes in the Company's activities in the next year.

### 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 (the "Group") 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 36 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  
Director  
17 February 2016

# **TCGH Holdings Limited**

## **Directors' report**

The Directors present their Directors' report on the affairs of TCGH Holdings Limited, together with the financial statements and auditors' report, for the year ended 30 September 2015.

### **Directors**

Directors were the key management personnel. 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:

J O'Neill

Thomas Cook Group Management Services Limited

### **Dividends**

The Directors do not recommend the payment of an ordinary dividend for year ending 30 September 2015 (2014: nil).

### **Principal activities and future developments**

The principal activity of the Company is that of an investment holding company. The Company does not actively trade. There are no results to present for the year, accordingly no statement of comprehensive income has been prepared. The Directors are not aware at the date of this report of any likely major changes in the Company's activities in the next year.

The Company did not trade during the year or the preceding year and made neither a profit nor a loss. There were also no other recognised gains and losses for the current financial year or the preceding financial year. Accordingly, neither a Statement of comprehensive income nor a Statement of total recognised gains and losses have been presented.

### **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.

### **Environment and employees**

As the Company is not active and has no direct employees, the Directors do not consider it necessary to report on environmental or employment policies.

### **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;
- 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.

# **TCGH Holdings Limited**

## **Directors' report (continued)**

### **Statement of Directors' responsibilities (continued)**

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 believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of Thomas Cook Group plc, the ultimate controlling party. The Directors have received confirmation that Thomas Cook Group plc intends to support the Company for at least one year after these financial statements are signed.

### **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 have expressed their willingness to be re-appointed as auditors of the Company. The Company has elected not to re-appoint auditors annually. Therefore the auditors, PricewaterhouseCoopers LLP, are deemed to be re-appointed for the next financial year.

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  
17 February 2016

### **Registered office**

The Thomas Cook Business Park  
Coningsby Road  
Peterborough  
Cambs  
PE3 8SB

# **TCGH Holdings Limited**

## **Independent auditors' report to the members of TCGH Holdings Limited**

### **Report on the financial statements**

#### **Our opinion**

In our opinion, TCGH Holdings 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 2015 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **What we have audited**

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

- the Balance sheet as at 30 September 2015;
- the Statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

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

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

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion, the information given in the Strategic report and the 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.

##### **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.

# **TCGH Holdings Limited**

## **Independent auditors' report to the members of TCGH Holdings Limited (continued)**

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**

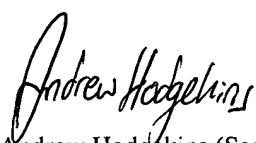
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. 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  
17 February 2016

# TCGH Holdings Limited

Registered number: 8587707

## Balance sheet as at 30 September 2015

	Note	30 September 2015 £'000	30 September 2014 £'000
<b>Fixed assets</b>			
Investments	3	400,000	400,000
<b>Total assets</b>		<u>400,000</u>	<u>400,000</u>
<b>Net assets</b>		<u>400,000</u>	<u>400,000</u>
<b>Capital and reserves</b>			
Called up share capital	4	1	1
Share premium account		399,999	399,999
<b>Total shareholders' funds</b>		<u>400,000</u>	<u>400,000</u>

The financial statements on pages 7 to 11 were approved by the Board of Directors and approved for issue on 17 February 2016.

Signed on behalf of the Board,



S Bradley representing Thomas Cook Group Management Services Limited  
Director



**TCGH Holdings Limited**  
**Statement of changes in equity**  
**For the year ended 30 September 2015**

	<b>Called up share capital £'000</b>	<b>Share Premium account £'000</b>	<b>Total shareholders' funds £'000</b>
Balance as at 1 October 2013, 30 September 2014 and 30 September 2015	<u>1</u>	<u>399,999</u>	<u>400,000</u>

# TCGH Holdings Limited

## Notes to the financial statements for the year ended 30 September 2015

### 1. General information

TCGH Holdings 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 The Thomas Cook Business Park, Coningsby Road, Peterborough, Cambs, 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 GBP (£) 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 have been adopted 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 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 5.

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.

The Company did not trade during the year or the preceding period and made neither a profit nor a loss. There were also no other recognised gains and losses for the current financial year or the preceding financial period. Accordingly, neither a Statement of comprehensive income nor a Statement of total recognised gains and losses have been presented.

#### Going concern

The Directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of Thomas Cook Group plc, the ultimate controlling party. The Directors have received confirmation that Thomas Cook Group plc intends to support the Company for at least one year after these financial statements are signed.

# TCGH Holdings Limited

## Notes to the financial statements for the year ended 30 September 2015 (continued)

### 2. Significant accounting policies (continued)

#### 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.

#### 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.

#### Administrative expenses

The Company has no employees. Administrative expenses of the Company, including audit fees of £500 (2014: £500) and Directors' remuneration, were borne by Thomas Cook Group plc, the Company's ultimate parent undertaking, during the financial year with no recharge made as the amounts were minimal.

#### Share capital

Ordinary shares are classified as equity. 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 accounting estimates and judgments in applying the Company's accounting policies

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

#### *Recoverable amounts of investments*

Judgments have been made in respect of the amounts of future operating cash flows to be generated by certain 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.

### 3. Investments

#### Subsidiaries

	£'000
At 30 September 2013, 30 September 2014 and 30 September 2015	400,000

The details of the subsidiaries are set out in note 6.

### 4. Called up share capital

	2015 £'000	2014 £'000
<b>Authorised</b>		
1,002 (2014: 1,002) Ordinary shares of £1 each	1	1
<b>Allotted, called up and fully paid</b>		
1,002 (2014: 1,002) Ordinary shares of £1 each	1	1

# TCGH Holdings Limited

## Notes to the financial statements for the year ended 30 September 2015 (continued)

### 5. Ultimate controlling party

The Company is a direct subsidiary of Blue Sea Overseas Investments Limited a company 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 of which TCGH Holdings 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 3<sup>rd</sup> floor, south building, 200 Aldersgate, London EC1A 4HD.

### 6. Subsidiaries

Name	Country of incorporation	Proportion held %	Class of shares
<b>List of all subsidiaries</b>			
Airtours Resort Ownership Espana S.L.	Spain	100	Ordinary
Anfinpan S.L.	Spain	100	Ordinary A & B
Astral Hellas SA	Greece	70	Ordinary
Astral Spain Incoming S.A	Spain	100	Ordinary
Helios Palace SA	Greece	100	Ordinary
Hoteles Sunwing SA	Spain	100	Ordinary
MyTravel Deutschland GmbH	Germany	100	Ordinary
OY Tjaereborg AB	Finland	100	Ordinary
Parkway Hellas Holdings Limited	United Kingdom	100	Ordinary
Parkway Holdings GmbH	Germany	100	Ordinary
Parkway Limited	Guernsey	100	Ordinary
Parkway Northern Europe Holding A/S	Denmark	100	Ordinary
Resorts Mallorca Hotels International S.L.	Spain	100	Ordinary
Spies A/S	Denmark	100	Ordinary
Sunwing Hellas AB	Sweden	100	Ordinary
Sunwing Hotels (Cyprus) Limited	Cyprus	100	Ordinary
Sunwing Hotels Hellas SA	Greece	100	Ordinary
Sunscan Hotel Sociedad Limitada	Spain	100	Ordinary
TCNE Aircraft Leasing AB	Sweden	100	Ordinary
Thomas Cook Airlines Scandinavia A/S	Denmark	100	Ordinary
Thomas Cook Group Hedging Limited	United Kingdom	100	Ordinary
Thomas Cook Nordic Holdings AB	Sweden	100	Ordinary
Thomas Cook Northern Europe AB	Sweden	100	Ordinary
Thomas Cook Northern Europe A/S	Denmark	100	Ordinary
Vingresor Espana SA	Spain	100	Ordinary
Ving Norge A/S	Norway	100	Ordinary
Ving Sverige AB	Sweden	100	Ordinary

### 7. Contingent liability

As at 30 September 2015, the Company is guarantor over bonding, letters of credit and guarantee facilities utilised by other UK subsidiaries of the Group. Potential liabilities in relation to total bonding, letter of credit and guarantee facilities are £293.8m (2014: £126.0m).

The Company is also one of the guarantors of the Group term and revolving credit facilities. Each of the guarantors is jointly liable for the drawn down portion of £46.6m (2014: £3.3m).

# **TCGH Holdings Limited**

## **Notes to the financial statements for the year ended 30 September 2015 (continued)**

### **7. Contingent liability (continued)**

In addition, the Company is one of the guarantors of the GBP bonds issued by Thomas Cook Group plc and the Euro bonds issued by Thomas Cook Finance Plc. Each of the guarantors is jointly and severally liable for the £964.0m (2014: £1,002.4m) bond amount.