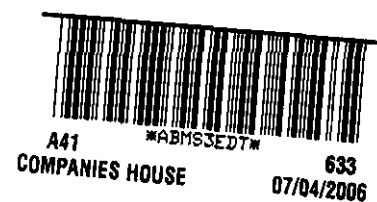


Inspirations Holidays Limited
Annual Report & Accounts
Year ended 31 October 2005



Director's report for the year ended 31 October 2005

The directors present their report and the accounts for the year ended 31 October 2005.

Principal activities

The company is dormant and did not trade during the year under review. There is no intention to commence trade during the forthcoming year.

Directors and their interests

The directors of the company, who served during the year, are listed below:

I S Ailles
D M W Hallisey

No director had any notifiable interest in the shares of the company at any time during the year to 31 October 2005.

No director had any interest in any material contract subsisting with the company at any time during the year to 31 October 2005.

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year that 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. The directors are required to prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 October 2005 and that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records that 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 1985. 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.

By order of the board



S Bradley
Secretary

14th March 2006

Balance Sheet as at 31 October 2005

	Note	2005 £'000	2004 £'000
Current liabilities			
Amounts due to parent undertakings		(2,440)	(2,440)
Net liabilities		(2,440)	(2,440)
Capital and reserves			
Called up share capital	4	652	652
Share premium account		242	242
Profit and loss account		(3,334)	(3,334)
Equity shareholders' deficit		(2,440)	(2,440)

For the period ended 31 October 2005 the company was entitled to the exemption under section 249AA(1) of the Companies Act 1985.

Members have not required the company to obtain an audit in accordance with section 249(B)(2) of the Companies Act 1985.

The directors acknowledge their responsibility for:-

- i) ensuring the Company keeps accounting records which comply with Section 221; and
- ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year, and of its profit and loss for the financial year, in accordance with Section 226, and which otherwise comply with the requirements of the Companies Act relating to the accounts, as far as applicable to the Company.

The accounts were approved by the board of the company on 14th March 2006 and signed on its behalf by:


Director
D M HALLISEY

Notes to the accounts for the year ended 31 October 2005

1. Accounting policies – Basis of accounting

These accounts have been prepared under the historical cost convention and in accordance with applicable accounting standards, which have been consistently applied.

2. Profit and loss account

No profit and loss account has been prepared, as the company did not trade during the year.

3. Investments

Inspirations Holidays Limited has an interest in the following subsidiary undertakings:

	£'000
Cost	
At 1 November 2004 and at 31 October 2005	3,057
Amounts written off	
At 1 November 2004 and at 31 October 2005	(3,057)
Net book value	
At 1 November 2004 and at 31 October 2005	-

Name of subsidiary	Country of incorporation	Principal activity	Note	Direct interest in equity capital
I.T. Travel Ltd	UK	Non trading	1	Nil

Note

1) Inspirations Holidays Limited hold 100% of the 5% redeemable preference shares issued by I.T. Travel Ltd.

Notes to the accounts for the year ended 31 October 2005 (continued)

4. Share capital

	2005 Number of shares	2005 £'000	2004 Number of shares	2004 £'000
Authorised:				
<i>Equity</i>				
Ordinary shares of £1 each	9,000,000	9,000	9,000,000	9,000
Non voting shares of £1 each	1,000,000	1,000	1,000,000	1,000
	10,000,000	10,000	10,000,000	10,000
Allotted, issued and fully paid:				
<i>Equity</i>				
Ordinary shares of £1 each	610,500	610	610,500	610
Non voting shares of £1 each	42,288	42	42,288	42
	652,788	652	652,788	652

The different classes of share rank pari passu in all respects except that the holders of the non-voting ordinary shares shall not be entitled to receive notice of, attend or vote at general meetings of the Company.

5. Cash flow statement and related party transactions

The company is a wholly owned subsidiary of Inspirations Plc and is included in the consolidated financial statements of Thomas Cook AG, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 (revised 1996). The company is also exempt under the terms of FRS 8 from disclosing related party transactions with entities that are part of the Thomas Cook AG group or investees of the Thomas Cook AG group.

6. Ultimate parent undertaking

The company is a subsidiary of Inspirations Plc, which is incorporated in England and Wales.

Thomas Cook AG, incorporated in Germany, is regarded by the directors as the company's ultimate parent undertaking and ultimate controlling party.

The largest group in which the results of the company are consolidated is that of which Thomas Cook AG is the parent company. The consolidated accounts of Thomas Cook AG may be obtained from Thomas Cook AG, Investor Relations, Zimmersmuhlenweg 55, D-61440 Oberursel, Germany.

The smallest such group is that of which Thomas Cook UK Limited is the parent company, whose consolidated accounts may be obtained from Thomas Cook UK Limited, The Thomas Cook Business Park, Coningsby Road, Peterborough, PE3 8SB.