

ITC Enterprises Limited

Annual report

for the year ended

30 September 2013

Registered number 07381646



ITC Enterprises Limited

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ITC Enterprises Limited

Registered number 07381646

Strategic Report

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

Business Review and Principal activities

ITC Enterprises Limited ("the Company") was incorporated on 20th September 2010 as a Limited Liability Company and is a wholly owned subsidiary of ITC Travel Investments S.L. On 12th July 2011 Thomas Cook Group Plc ("the Group"), a company that is listed on the London Stock Exchange, entered into a share purchase agreement with VAO «Intourist» (Russia), Intourist Overseas Limited (Cyprus) and Overseas Property Company Limited to form a joint venture in which Thomas Cook Group Plc acquired 50.1% of the shares in ITC Travel Investments S.L and increased this share to 75% on 13th September 2013.

The business of ITC Enterprises Limited is limited solely to:

- Outbound and inbound tour operating;
- Corporate travel;
- Transportation and other travel related services;

The results for the Company show a pre-tax loss of US\$18.2m (2012: loss of US\$33.2m) for the year. The revenue has increased by 7% from US\$306.2m in 2012 to US\$327.3m in 2013 mainly due to offerings of new products. The Loss from operations has been reduced from US\$23.5m to US\$13.8m.

The Company has net liabilities of US\$51.9m (2012: US\$33.7m). Changes are due to increase of intercompany borrowings.

Business environment

There are two distinct segments in the leisure and travel market: direct suppliers and travel intermediaries. Direct suppliers are the airlines, hotels and cruise companies that sell directly to the customer. The Company operates in the travel intermediary segment, made up of travel agents and tour operators.

The development of international tourism correlates with the economic growth in each source market and has enjoyed strong and sustained growth for most of the last three decades. The Company concentrates predominantly on travel to and from the Russian Federation. While current political and economic difficulties have led to slow down of the Russian economy in the range of a one-digit growth, the mid and long term outlook for the industry remains attractive.

Future development

The Company aims to continue its operations based on organic growth in both the inbound and outbound travel segments in the Russian Federation. Due to on-going consolidation on the market, stable interest for travel and the low market penetration level, the growth rate per year is estimated at around 5%.

Financial risk management

The Company's operations expose it to a variety of financial risks, including exchange rates, credit exposure and liquidity risk. The directors manage these risks in accordance with policies that have been agreed with Thomas Cook Group plc.

The main risks arising from the Company's financial instruments can be analysed as follows:

Credit risk

The Company's principal financial assets are debtors, and amounts due from other Group undertakings. The Company's credit risk is primarily attributable to these trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful debtors.

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Strategic Report (continued)

Financial risk management (continued)

Liquidity risk

The Company has appropriate agreements with the Group to cover any liquidity risks. The Company uses its annual budget and planning process to predict and manage expected future liquidity. The liquidity forecast is reviewed and updated on a regular basis.

Currency risk

The Company is not exposed in its trading operations to the risk of changes in currency exchange rates due to the fact that the prices are adjusted on a daily basis.

Principal risks and uncertainties

The Company has identified a number of principal risks and uncertainties that could potentially damage the current business model and future growth opportunities:

- Downturn in the global economy and in the economies of our source markets leading to a reduction in demand for our products and services;
- Aggressive pricing policy of the competitors in the main operated markets;
- Fall in demand for traditional package tours and competition from internet distributors and low cost airlines;
- Environmental risks and regulations;
- Major health and safety incidents;
- Natural catastrophes including closure of airspace;
- Disruption to information technology systems or infrastructure, premises or business processes;
- Performance failure by outsourced partners and third party suppliers.

Key performance indicators ("KPIs")

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 ITC Enterprises Limited. The development, performance and position of the Continental Europe segment of the Group, which include the results of the Company, are discussed in the business review of the Group's Annual Report which does not form part of this report.

B. Lienhard
Director
28.07.2014



Registered office
The Thomas Cook Business Park
Coningsby Road
Peterborough
PE3 8SB

ITC Enterprises Limited

Registered number 07381646

Directors' Report

The directors present their Annual Report and audited financial statements for the year ended 30th September 2013.

Dividends

The directors do not recommend the payment of a dividend for the year ended 30 September 2013 (2012: US\$ 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:

A.R. Hopkins (resigned 10/10/12)
B.Lienhard (appointed 11/10/12)
Thomas Cook Group Management Services Ltd (resigned 30/11/12)
L.Constantinou (resigned 30/11/12)
S.Syed (appointed 28/02/2014, resigned 6/5/14)
R.Wilhelm (appointed, 11/10/2012, resigned 28/02/2014, re-appointed 6/5/14)
K.Neumann (appointed, 11/10/2012, resigned 1/6/14)

Supplier payment policy

The Group's policy, which is also applied by the Company, is to agree terms of payment with suppliers when determining the terms of each transaction, ensure that suppliers are made aware of the terms of payment and abide by the terms of payment.

Directors' indemnities

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force.

Going concern

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support from Thomas Cook Group plc. The directors have received confirmation that Thomas Cook Group plc intend to support the company for at least one year after these financial statements are signed.

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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Registered number 07381646

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;
- 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 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.

Disclosure of information to auditors

In accordance with Section 418 of the Companies Act 2006, in the case of each director in office as 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.

Independent auditors

PricewaterhouseCoopers LLP have expressed their willingness to be re-appointed as auditors of the Company. 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:



B. Lienhard
Director
28.07.2014

Registered office
The Thomas Cook Business Park
Coningsby Road
Peterborough
PE3 8SB

Independent auditors' report to the members of ITC Enterprises Limited

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the company's affairs as at 30 September 2013 and of its loss 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 in the remainder of this report.

What we have audited

The financial statements, which are prepared by ITC Enterprises Limited, comprise:

- the Statement of comprehensive income for the year ended 30 September 2013;
- the Balance sheet as at 30 September 2013;
- 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 their preparation 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.

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 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 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.

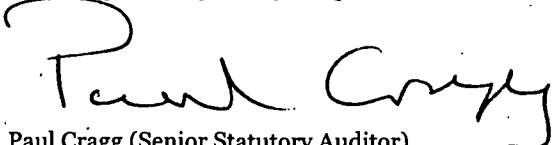
Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of directors' responsibilities set out on page 5, 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.



Paul Cragg (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

28 July 2014

Statement of comprehensive income
Year ended 30 September 2013

| | Notes | Year ended 30 September 2013 US\$ 000 | Year ended 30 September 2012 US\$ 000 |
|--|-------|---|---|
| Revenue | 3 | 327,337 | 306,158 |
| Cost of sales | | (337,596) | (315,505) |
| Gross loss | | (10,259) | (9,347) |
| Operating expenses | 4 | (3,511) | (14,138) |
| Loss from operations | | (13,770) | (23,485) |
| Interest payable and similar charges | 5 | (4,470) | (9,700) |
| Loss on ordinary activities before taxation | 6 | (18,240) | (33,185) |
| Tax on loss on ordinary activities | 7 | - | - |
| Total comprehensive loss for the year | | (18,240) | (33,185) |

All of the revenues and results arose from continuing operations.

Balance sheet
As at 30 September 2013

| | Notes | Year ended 30 September 2013 US\$ 000 | Year ended 30 September 2012 US\$ 000 |
|--|-------|---|---|
| Fixed assets | | | |
| Intangible assets | 9 | 5,327 | 5,327 |
| Current assets | | | |
| Trade debtors | 10 | 34,676 | 39,293 |
| Cash at bank and in hand | | 4,815 | 8,454 |
| Amounts owed by group undertakings | | 2,224 | 500 |
| | | 41,715 | 48,247 |
| Total assets | | 47,042 | 53,574 |
| Trade creditors | 12 | (26,121) | (28,178) |
| Payments received on account | | (2,216) | (7,767) |
| Amounts owed to group undertakings | 11 | (70,650) | (51,334) |
| Net current liabilities | | (98,987) | (87,279) |
| Total assets less current liabilities | | (51,945) | (33,705) |
| Capital and reserves | | | |
| Called up share capital | 13 | 5,321 | 5,321 |
| Profit and loss account | | (57,266) | (39,026) |
| Total shareholder's funds | | (51,945) | (33,705) |

The notes on pages 12 – 18 are an integral part of the financial statements.

The financial statements were approved by the board of directors and authorized for issue on 26.06.2014. They were signed on its behalf by:



B. Lienhard

Director

28.07.2014

ITC Enterprises Limited

Registered number 07381646

**Statement of changes in equity
Year ended 30 September 2013**

| | Called up share capital US\$ 000 | Profit and loss account US\$ 000 | Total Shareholder's fund US\$ 000 |
|--|--|--|---|
| At 1 October 2011 | 5,321 | (5,841) | (520) |
| Issue of share capital | - | - | - |
| Total comprehensive loss for the year | | (33,185) | (33,185) |
| Balance at 30 September 2012 | 5,321 | (39,026) | (33,705) |
| Issue of share capital | - | - | - |
| Total comprehensive loss for the year | - | (18,240) | (18,240) |
| Balance at 30 September 2013 | 5,321 | (57,266) | (51,945) |

ITC Enterprises Limited

Registered number 07381646

Notes to the financial statements

Year ended 30 September 2013

1. General information

ITC Enterprises Limited is a company incorporated in England and Wales under the Companies Act 2006. The address of its registered office is The Thomas Cook Business Park, Coningsby Road, Peterborough, PE3 8SB and the commercial address of the Company is Germany 61440 Oberursel Thomas-Cook-Platz 1 (as of 1 October 2013). The nature of the Company's operation and its principal activities are set out in the Directors' Report. These financial statements are presented in US dollars as this is the currency of the primary economic environment in which the Company operates. The Company is a wholly-owned subsidiary of ITC Travel Investments S.L. 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 Register of Companies.

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

In the current year, the following new or amended standards have been adopted. Their 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.

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. 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 15.

The financial statements have been prepared on a going concern basis. The Company's immediate parent from 1 January 2011, ITC Travel Investments S.L. has indicated its continuing commitment and support for the further development of the tour operating business. The directors of Thomas Cook Group plc intend to make sufficient amounts available to the Company to enable it to meet its liabilities as they fall due and to continue as a going concern.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

ITC Enterprises Limited

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Notes to the financial statements (continued)

Year ended 30 September 2013

2. Significant accounting policies (continued)

Intangible assets

Intangible assets, other than goodwill, are carried on the Company's balance sheet at cost less accumulated amortization. Intangible assets with indefinite useful lives are not amortized. For all other intangible assets, amortisation is charged on a straight-line basis over the asset's useful life, as follows:

| | |
|-------------------|-----------------------------|
| Brands | 10 years to indefinite life |
| Computer software | 3 to 10 years |

Acquired intangible assets are assessed separately and useful lives established according to the particular circumstances. Indefinite-lived intangible assets principally comprise those trademarks for which there is no foreseeable limit to the period over which they are expected to generate net cash inflows. These are considered to have an indefinite life, given the strength and durability of our brands and the level of marketing support. The nature of the industry we operate in is such that brand obsolescence is not common, if appropriately supported by advertising and marketing spend.

Revenue recognition and associated costs

Revenue represents the aggregate amount of gross revenue receivable from inclusive tours and travel agency commissions receivable. Revenue and direct expenses relating to inclusive tours arranged by the Company, including travel agency commission, are taken to the income statement on holiday departure. Revenue relating to travel agency commission on third-party leisure travel products is also recognised on holiday departure. Other revenue and associated expenses are taken to the income statement as earned or incurred.

Finance costs

Finance costs comprise interest costs on borrowings and expenditures from writing-off loans.

Tax

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

Tax currently payable is provided on taxable profits based on the tax rates and laws that have been enacted or substantively enacted at the balance sheet date. Provision is made for deferred tax so as to recognise all temporary differences which have originated but not reversed at the balance sheet date that result in an obligation to pay more tax, or a right to pay less tax, in the future, except as set out below. This is calculated on a non-discounted basis by reference to the average tax rates that are expected to apply in the relevant jurisdictions and for the periods in which the temporary differences are expected to reverse. The deferred tax is not accounted for if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction does not affect either accounting or taxable profit or loss.

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. Deferred tax liabilities are recognised for the temporary differences of overseas subsidiaries, joint ventures and associates unless the Group is able to control the timing of the distribution of those earnings and it is probable that they will not be distributed in the foreseeable future.

Leases

Operating lease rentals are charged to the Statement of Comprehensive Income on a straight-line basis over the lease term.

Revenue in advance

Customer monies received at the balance sheet date relating to holidays commencing and flights departing after the period end is deferred and classified as revenue received in advance.

ITC Enterprises Limited

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Notes to the financial statements (continued)**Year ended 30 September 2013****2. Significant accounting policies (continued)*****Foreign currency***

Transactions in currencies other than the functional currency of an entity are translated at the exchange rate at the date of the transaction. Foreign currency monetary assets and liabilities held at the period end are translated at period end exchange rates. The resulting exchange gain or loss is recorded in the statement of comprehensive income.

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.

Borrowings

Interest bearing borrowings are initially recognised at their fair value net of any directly attributable transaction costs. They are subsequently recorded at amortised cost using the effective interest method.

Cash at bank and in hand

Cash at bank and in hand includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings in current liabilities.

Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, if it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Provisions are recognised at the directors' best estimate of the expenditure required to settle the obligation at the balance sheet date. Where the effect of the time value of money is material, the provision is discounted to its present value.

3. Revenue

An analysis of the Company's revenue is as follows:

| | 2013 US \$000 | 2012 US \$000 |
|---------------------------------------|------------------|------------------|
| Sales of tour packages and excursions | 327,337 | 306,158 |

All sold packages relate to the Russian outbound or inbound travel market.

ITC Enterprises Limited

Registered number 07381646

Notes to the financial statements (continued)**Year ended 30 September 2013****4. Operating expenses**

| | 2013 US\$ 000 | 2012 US\$ 000 |
|---|------------------|------------------|
| Bad Debt reserve | (319) | 5,547 |
| Audit fees (Note 6) | 61 | 61 |
| Shared service and management fees | 2,056 | 3,968 |
| Other (bank charges, travel subsistence, etc) | 584 | 1,630 |
| Administrative expenses: | 2,382 | 11,206 |
| Selling and Marketing expenses* | 1,129 | 2,932 |
| Operating expenses | 3,511 | 14,138 |

*Selling and Marketing expenses consist of advertising, brochure costs and sales support activities to stimulate sales of tour product.

5. Interest payable and similar charges

| | 2013 US\$ 000 | 2012 US\$ 000 |
|--------------------------------------|------------------|------------------|
| Interest payable on group borrowings | 2,815 | 1,325 |
| Write down of financial assets | 1,740 | 8,400 |
| Financing interest income | (85) | (25) |
| | 4,470 | 9,700 |

6. Loss on ordinary activities before taxation

Loss on ordinary activities before taxation has been arrived at after charging / (crediting):

| | 2013 US\$ 000 | 2012 US\$ 000 |
|-----------------------------------|------------------|------------------|
| Foreign exchange gains / (losses) | 123 | (760) |

Auditors' remuneration of 2013 US\$ 61,372 (2012: US\$ 61,370) is paid for centrally and recharged to the Company. Amounts payable to PricewaterhouseCoopers LLP and their associates by the Company in respect of non-audit services are disclosed within the consolidated financial statements of Thomas Cook Group plc.

The Company had no employees (other than directors) throughout the year under review (2012: nil). The directors did not receive any remuneration from the Company during the year. All remuneration was paid by fellow Group companies.

ITC Enterprises Limited

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Notes to the financial statements (continued)**Year ended 30 September 2013****7. Tax***Current taxation*

| | 2013 US\$ 000 | 2012 US\$ 000 |
|---|------------------|------------------|
| German corporation tax charge/(credit) for the period | - | - |
| UK corporation tax charge/(credit) for the period | - | - |
| Tax charge/(credit) | - | - |

Corporation tax is calculated at 27.6% (2012: 25%) of the estimated assessable profit for the period. This is the applicable German tax rate for the period, the company migrated its tax residence from the UK to Germany during the period. The prior period tax rate is the weighted average applicable rate following a reduction in the standard rate of UK Corporation Tax from 26% to 24% effective from 1st April 2012.

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

| | 2013 US\$ 000 | 2012 US\$ 000 |
|--|------------------|------------------|
| Profit/(loss) before tax | (18,240) | (33,185) |
| Profit/(loss) before tax multiplied by the current tax rate of 27.6% (2012: 25%) | (5,034) | (8,296) |
| Expenses not deductible for tax purposes | - | 2,100 |
| Deferred tax not recognised | 5,034 | 6,196 |
| Tax charge for the period | - | - |

Deferred taxation

At the balance sheet date, the company had unused tax losses of \$18.5m (2012: \$33.2m) available for offset against future profits. In addition, the company had short term timing differences of \$0.3m (2012: nil) that will be chargeable in later periods. No deferred tax asset has been recognised in respect of unused tax losses of \$18.5m (2012: \$33.2m) due to the unpredictability of future profits.

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Notes to the financial statements (continued)**Year ended 30 September 2013****8. Dividends**

There were no dividends paid or proposed during the year ended 30 September 2013 (2012: nil)

9. Intangible assets

| | Trademark US\$ 000 | Computer software US\$ 000 | Total US\$ 000 |
|-----------------------------------|-----------------------|----------------------------------|-------------------|
| Cost | | | |
| At 1 October 2012 | 5,321 | 6 | 5,327 |
| Additions | 6 | (6) | - |
| Accumulated amortisation for 2013 | - | - | - |
| At 30 September 2013 | 5,327 | - | 5,327 |

10. Debtors

| | 2013 US \$000 | 2012 US \$000 |
|------------------------------------|------------------|------------------|
| Trade debtors | 10,263 | 14,278 |
| Prepayments | 24,346 | 30,537 |
| Doubtful debts in prepayments | - | (5,547) |
| Other debtors | 67 | 25 |
| Amounts owed by group undertakings | 2,224 | 500 |
| | 36,900 | 39,793 |

11. Borrowings

Borrowings consist of intercompany short-term loans with Thomas Cook Group Treasury Limited of US\$70.7 m. All loans bear interest at US Libor plus an appropriate margin.

| | 2013 US\$ 000 | 2012 US\$ 000 |
|------------|------------------|------------------|
| Borrowings | (70,650) | (51,334) |

ITC Enterprises Limited

Registered number 07381646

Notes to the financial statements (continued)**Year ended 30 September 2013****12. Trade and other payables**

| | 2013 US\$ 000 | 2012 US\$ 000 |
|--|------------------|------------------|
| Current liabilities | | |
| Trade creditors | (14,457) | (19,171) |
| Intra-group trade creditors | (5,949) | (4,017) |
| Accruals | (5,560) | (4,233) |
| Other creditors including taxation and social security | (155) | (757) |
| | (26,121) | (28,178) |

13. Called up share capital

| | 2013 US\$ 000 | 2012 US\$ 000 |
|--|------------------|------------------|
| Issued and fully paid 3,269,327 ordinary shares of £1 each (2012: 3,269,327) | 5,321 | 5,321 |

14. Ultimate controlling party

The Company is a subsidiary of ITC Travel Investments S.L. – a company ultimately controlled by the Thomas Cook Group plc, which is incorporated in England and Wales. The 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 statement of Thomas Cook Group plc may be obtained from 3rd Floor, South Building, 200 Aldersgate, London, EC1A 4HD.