

**Shipping and Aviation Industries Limited**  
**Financial statements**  
**for the year ended 30 September 2012**

Registered number 2488210

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# **Shipping and Aviation Industries Limited**

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# **Shipping and Aviation Industries Limited**

## **Directors' report**

The directors present their annual report on the affairs of the Company, together with the audited financial statements and independent auditors' report, for the year ended 30 September 2012

### **Business review & principal activities**

The Company is a wholly owned subsidiary of Thomas Cook Group plc

The principal activity of the company is that of a management services company. The company has not traded during the current or prior year. The Company directors have no intention to recommence trading at present.

In the year to 30 September 2012 the company made a loss, comprised of interest income on intra-group loans and foreign exchange losses, of £90,961 (2011: £92,651).

At the year end the company had net assets of £1,046,487 (2011: £1,137,448).

Thomas Cook Group plc manages its operations on a divisional basis. For this reason, the Company's directors believe that further key performance indicators for the Company are not necessary or appropriate for an understanding of the development, performance or position of the business.

### **Principal risks and uncertainties**

The principal area of risk or uncertainty for the Company relates to the carrying amount of the Company's intercompany balances which are dependant on the financial performance of those undertakings. The directors carry out an annual assessment of the carrying value of the intercompany balances by reference to the underlying net assets and the forecast future financial performance, including cash flows, of those undertakings.

### **Key performance indicators**

As the company is not actively trading, the directors are of the opinion that an analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

### **Environment and employees**

As the Company is not actively trading and has no direct employees (2011: nil), the directors do not consider it necessary to report on environment or employee policies.

### **Results and dividends**

The results for the year are set out on page 7.

The directors do not recommend the payment of an ordinary dividend for the year ended 30 September 2012 (2011: £nil).

# **Shipping and Aviation Industries Limited**

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

### **Directors**

The directors, who served throughout the year, except as noted, were as follows -

N J Arthur (appointed 19 April 2013)

J L Seary (resigned 19 April 2013)

Thomas Cook Group Management Services Limited

### **Company Secretary**

S Bradley

### **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. The Company also maintains Directors' and Officers' liability insurance.

### **Independent Auditors**

PricewaterhouseCoopers LLP have indicated their willingness to continue in office. 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. In the case of each of the persons who are directors' of the Company at the date when this report was approved

- so far as each of the directors' are aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the Company's auditors are unaware, and
- each of the directors' has taken all the steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information

This statement is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

# **Shipping and Aviation Industries Limited**

## **Statement of directors' responsibilities**

The directors are responsible for preparing the 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 those 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union 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 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.

By order of the Board,



**A. Carty**

**Representing Thomas Cook Group Management Services Limited**

**Director**

26 June 2013

**Registered Office:**

The Thomas Cook Business Park  
Coningsby Road  
Peterborough  
PE3 8SB

## **Shipping and Aviation Industries Limited**

### **Independent Auditors' report to the members of Shipping and Aviation Industries Limited**

We have audited the financial statements of Shipping and Aviation Industries Limited for the year ended 30 September 2012 which comprise of the income statement, the statement of comprehensive income, the balance sheet, the statement of changes in equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

#### **Respective responsibilities of directors and auditors**

As explained more fully in the Statement of directors' responsibilities, set out on page 4, 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 International Standards on Auditing (UK and 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.

#### **Scope of the audit of the financial statements**

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 Director's Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 30 September 2012 and of its loss for the year then ended,
- have been properly prepared in accordance with IFRSs as adopted by the European Union, and
- have been prepared in accordance with the requirements of the Companies Act 2006

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

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## **Shipping and Aviation Industries Limited**

### **Independent Auditors' report to the members of Shipping and Aviation Industries Limited (continued)**

#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where 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



Craig Skelton (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

London

26 June 2013

# Shipping and Aviation Industries Limited

## Income statement

Year ended 30 September 2012

	Notes	Year ended 30 September 2012 £	Year ended 30 September 2011 £
Finance income			
-amounts receivable from group undertakings		3,806	10,497
Finance costs			
-exchange losses		(94,767)	(1,720)
<b>(Loss)/profit before tax</b>		<b>(90,961)</b>	<b>8,777</b>
Tax	4	-	(101,428)
<b>Loss for the year</b>		<b>(90,961)</b>	<b>(92,651)</b>
Attributable to Owners of the parent		<u>(90,961)</u>	<u>(92,651)</u>

All revenues and results arose from continuing operations

## Statement of Comprehensive Income

There were no other gains or losses other than those recorded in the Income Statement and so a separate Statement of Comprehensive Income has not been prepared



**Shipping and Aviation Industries Limited**  
**Registered Number 2488210**

**Balance sheet as at 30 September 2012**

	Notes	30 September 2012 £	30 September 2011 £
<b>Current assets</b>			
Other receivables			
-Amounts owed by group undertakings		1,147,915	1,238,876
<b>Current liabilities</b>			
Other payables			
-Amounts due to group undertakings for group relief		(101,428)	(101,428)
<b>Net assets</b>		<u>1,046,487</u>	<u>1,137,448</u>
 <b>Equity</b>			
Called-up share capital	5	3,290,323	3,290,323
Accumulated losses		(2,243,836)	(2,152,875)
<b>Equity attributable to owners of the parent</b>		<u>1,046,487</u>	<u>1,137,448</u>

The financial statements on pages 7 to 15 were approved by the board of directors and authorised for issue on 26 June 2013. They were signed on its behalf by



**A. Carty**

**Representing Thomas Cook Group Management Services Limited**  
**Director**

26 June 2013

## Shipping and Aviation Industries Limited

### Statement of changes in equity

Year ended 30 September 2012

	<b>Called-up share capital £</b>	<b>Accumulated losses £</b>	<b>Total £</b>
At 30 September 2010	3,290,323	(2,060,224)	1,230,099
Loss for the year and comprehensive expense	-	(92,651)	(92,651)
At 30 September 2011	3,290,323	(2,152,875)	1,137,448
Loss for the year and comprehensive expense	-	(90,961)	(90,961)
At 30 September 2012	3,290,323	(2,243,836)	1,046,487

# **Shipping and Aviation Industries Limited**

## **Notes to the financial statements for the Year ended 30 September 2012**

### **1. General information**

Shipping and Aviation Industries Limited is a company incorporated in England and Wales under the Companies Act 2006. The address of the registered office is Thomas Cook Business Park, Coningsby Road, Peterborough, PE3 8SB. The nature of the company's operations and its principal activities are set out in the Directors' report. These financial statements are presented in pounds sterling 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.

#### **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 24 Amendment "Related parties" is effective for annual reporting periods commencing on or after 1 January 2011. The amendment clarifies the definition of related parties.

#### **New or amended standards and interpretations in issue but not yet effective and not EU endorsed**

The following new standard is expected to impact the Company, which has not been applied in these financial statements, were in issue, but are not yet effective and are not EU endorsed.

IFRS 9 "Financial Instruments" is effective for annual reporting periods commencing on or after 1 January 2015. The standard will eventually replace IAS 39 but currently only details the requirements for recognition and measurement of financial assets.

IAS 32 "Offsetting financial assets and liabilities" is effective for annual periods beginning on or after 1 January 2014, and provides clarification on the application of offsetting rules.

### **2. 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 to the years presented.

#### **Basis of preparation**

These financial statements have been prepared in accordance with IFRS and IFRIC interpretations and with those parts of the Companies Act 2006 applicable to Companies reporting under IFRS. The financial statements have also been prepared in accordance with IFRS adopted for use in the European Union and therefore comply with Article 4 of the EU IAS Regulation.

The financial statements have been prepared under the historical cost convention, except for revaluation of certain financial instruments. The principal accounting policies adopted are set out below.

# Shipping and Aviation Industries Limited

## Notes to the financial statements for the Year ended 30 September 2012 (continued)

### a) Tax

Tax represents the sum of tax currently payable and deferred tax. Tax is recognised in the income statement 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.

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.

### b) Foreign currency

Transactions in currencies other than the functional currency of the company are translated at the exchange rate at the date of the transaction. Foreign currency monetary assets and liabilities held at the year end are translated at year end exchange rates. The resulting exchange gain or loss is dealt with in the income statement.

### c) Cash flow statement

The company has no cash flows in either the current or the prior year, its cash flow obligations were settled by a fellow group undertaking. Accordingly, no cash flow statement has been presented with these financial statements.

### d) Credit Risk

The Company's exposure to credit risk is limited to its loans to other group companies and therefore management does not regard the risk to be high and consequently do not attempt to hedge or restrict this exposure.

The market risks that the Company is subject to have been identified as interest rate risk and exchange rate risk. The impact of reasonably possible changes in exchange rates on the Company, based on the period end holdings of financial instruments have been calculated and are set out in the table below. The impact of reasonably possible changes in interest rates is not material to the Company.

	2012		2011	
	Impact on profit before tax	Impact on equity	Impact on profit before tax	Impact on equity
	£	£	£	£
5% (2011: 5%) strengthening of Euro	(50,201)	(50,201)	(58,994)	(58,994)
5% (2011: 5%) weakening of Euro	55,486	55,486	65,204	65,204

## **Shipping and Aviation Industries Limited**

### **Notes to the financial statements for the Year ended 30 September 2012 (continued)**

#### **e) Capital risk**

The company's objectives when managing capital is to safeguard the company's ability to continue as a going concern

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt

The company monitors capital on the basis of net assets and the company's strategy is to maintain a net asset position, the values of which are shown on the balance sheet at 30 September 2012 and 30 September 2011

#### **f) Group Relief**

Group relief is paid for in the year ends up to 30 September 2009 but is not paid for by group companies in the year ended 30 September 2010 and thereafter

# Shipping and Aviation Industries Limited

## Notes to the financial statements for the Year ended 30 September 2012 (continued)

### 3. (Loss)/profit before tax

(Loss)/profit before tax has been arrived at after charging

	Year ended 30 September 2012 £	Year ended 30 September 2011 £
Net foreign exchange losses	94,767	1,720

Auditors' remuneration of £500 (2011 £500) in respect of the statutory audit of the company was borne by another group undertaking in the current and prior year ended with no recharge being made to the company. The directors were not remunerated for their services to the Company.

### 4. Tax

	Year ended 30 September 2012 £	Year ended 30 September 2011 £
<b>Analysis of tax charge in the year:</b>		
Current tax - tax adjustment in respect of prior years	-	101,428
Deferred tax	-	-
	-	101,428

#### Corporation tax

Corporation tax is calculated at 25% (2011 27%) of the estimated assessable (loss)/profit before tax for the year. This is the weighted average tax rate applicable for the year following a reduction in the standard rate of UK Corporation Tax from 26% to 24% effective from 1st April 2012.

The charges for the years can be reconciled to the (loss)/profit per the income statement as follows:

	2012 £	2011 £
(Loss)/profit before tax	(90,961)	8,777
(Loss)/profit before tax multiplied by the current tax rate of 25% (2011 27%)	(22,740)	2,370
Effects of		
Adjustments in respect of prior years	-	101,428
Group Relief surrendered for no consideration	-	(2,370)
Deferred tax not recognised	22,740	-
Tax charge and effective tax rate for the year	-	101,428

# Shipping and Aviation Industries Limited

## Notes to the financial statements for the Year ended 30 September 2012 (continued)

The Finance (No 2) Act 2010 included legislation to reduce the main rate of UK Corporation Tax from 28% to 27% from 1st April 2011. This was amended by Finance Act 2011 which reduced the rate to 26% with effect from 1st April 2011.

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

A further reduction in the main rate of Corporation Tax in the UK by 2% to 21% by 1st April 2014 and to 20% effective from 1st April 2015 has also been proposed and is expected to be enacted separately. The change has not been substantially enacted at the balance sheet date and therefore is not recognised in these financial statements. If applied at the balance sheet date, these changes would have no effect.

Group relief was charged for in periods ending 30th September 2008 and 2009. Group relief is surrendered / received for nil consideration in subsequent periods.

### Deferred tax

At the balance sheet date there are unused tax losses of £90,960 (2011, £nil) available for offset against future profits. No deferred tax asset has been recognised in respect of unused tax losses of £90,960 (2011, £nil) due to the unpredictability of future profits.

### 5. Called-up share capital

	Year ended 30 September 2012 £	Year ended 30 September 2011 £
Authorised, issued and fully paid 3,290,323 (2011: 3,290,323) ordinary shares of £1 each	3,290,323	3,290,323

The Company has one class of ordinary shares which carry no right to fixed income.

### 6. Related party transactions

Transactions between the Company and other members of the Thomas Cook Group are disclosed below.

	2012 £	2011 £
<b>Trading transactions</b>		
<b>Parent and fellow subsidiaries:</b>		
Interest receivable	3,806	10,497
Amounts owed by related parties	1,147,915	1,238,876
Amounts owed to related parties	101,428	101,428

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No provisions have been made for doubtful debts in respect of the amounts owed by related parties.

## **Shipping and Aviation Industries Limited**

### **Notes to the financial statements for the Year ended 30 September 2012 (continued)**

#### **Directors' transactions**

The directors did not enter into any transactions with the company in the current or prior year

#### **7. Ultimate parent company**

The company is a wholly-owned subsidiary of Thomas Cook Financial Services Belgium, a company which is incorporated in Belgium. The company's ultimate parent company is Thomas Cook Group plc, a company incorporated in England and Wales.

The largest group in which the results of the company are consolidated is that headed by Thomas Cook Group plc, the financial statements of which may be obtained from Thomas Cook Group plc, Thomas Cook Business Park, Coningsby Road, Peterborough, PE3 8SB.

The smallest group in which the results of the company are consolidated is that headed by Thomas Cook Financial Services Belgium (formerly WELG Holding NV). Thomas Cook Financial Services Belgium is owned by Thomas Cook Group UK Ltd (formerly Blue Sea Investments Limited).