

Shipping and Aviation Industries Limited

Financial statements

for the year ended 30 September 2010

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 financial statements and auditors' report, for the year ended 30 September 2010

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 2010 the company made a loss, comprised of interest income on intra-group loans and foreign exchange losses, of £64,125 (2009 gain £185,499)

At the year end the company had net assets of £1,230,099 (2009 £1,294,224)

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

As the company is not actively trading, the directors deem that there are no significant risks or uncertainties.

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 (2009 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 2010 (2009 £nil).

Shipping and Aviation Industries Limited

Directors' report (continued)

Directors

The directors, who served throughout the period, were as follows

Thomas Cook Group Management Services Ltd

David Michael William Hallisey (resigned 1 March 2011)

Julia L Seary (appointed 1 March 2011)

Auditors

The 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' is aware, there is no relevant audit information 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 Annual 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 elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. The financial statements are required by law to give a true and fair view of the state of affairs of the company and the profit or loss of the company for that year.

In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state that the financial statements comply with IFRSs as adopted by the European Union,
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business, in which case there should be supporting assumptions or qualifications as necessary.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping adequate 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 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,



S Bradley

Company Secretary

14 June 2011

The Thomas Cook Business Park
Coningsby Road
Peterborough
PE3 8SB

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 2010 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 auditor

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 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.

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 2010 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.

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



John Ellis (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

London

14 June 2011

Shipping and Aviation Industries Limited

Income statement

Year ended 30 September 2010

		Year ended 30 September 2010 £	Year ended 30 September 2009 £
	Notes		
Finance income			
-amounts receivable from group undertakings		4,902	18,991
Finance (costs)/income			
-exchange (losses)/gains		(69,027)	166,508
(Loss)/profit before tax		(64,125)	185,499
Tax	4	-	-
(Loss)/profit for the year		(64,125)	185,499
Attributable to Equity holders of the parent		<u>(64,125)</u>	<u>185,499</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 2010

		30 September 2010 £	30 September 2009 £
	Notes		
Current assets			
Trade and other receivables			
-Amounts owed by group undertakings		1,230,099	1,294,224
		<u>1,230,099</u>	<u>1,294,224</u>
Net assets			
Equity			
Called up share capital	5	3,290,323	3,290,323
Retained earnings		(2,060,224)	(1,996,099)
		<u>1,230,099</u>	<u>1,294,224</u>
Equity attributable to equity holders of the parent			

The financial statements were approved by the board of directors and authorised for issue on 14 June 2011. They were signed on its behalf by



S Bradley for Thomas Cook Group Management Services Limited
Director

14 June 2011

Shipping and Aviation Industries Limited

Statement of changes in equity

Year ended 30 September 2010

	Share capital £	Retained earnings £	Total £
At 1 October 2008	3,290,323	(5,471,921)	(2,181,598)
Profit for the year	-	185,499	185,499
At 30 September 2009	3,290,323	(5,286,422)	(1,996,099)
Loss for the year	-	(64,125)	(64,125)
At 30 September 2010	3,290,323	(5,350,547)	(2,060,224)

Shipping and Aviation Industries Limited

Notes to the financial statements

Year ended 30 September 2010

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. The company is therefore exempt from the obligation to prepare consolidated financial statements in accordance with section 400 of the Companies Act 2006.

In the current year, the following new or amended standards have been adopted and have affected the amounts reported or the disclosure and presentation in these financial statements:

IAS 1 Revised – '*Presentation of Financial Statements*' is effective for annual reporting periods commencing on or after 1 January 2009. The amendments require a number of presentational changes, including the introduction of a statement of comprehensive income and the requirement to present a statement of changes in equity as a primary statement. The statement of comprehensive income represents all items of recognised income and expense in either one statement or two linked statements. Management has elected to present two statements.

At the date of authorisation of these financial statements, the following new standards, amendments to standards and interpretations that are expected to impact the Company, which have not been applied in these financial statements, were in issue, but are not yet effective:

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.

IFRS 9 – '*Financial Instruments*' is effective for annual reporting periods commencing on or after 1 January 2013. The standard will eventually replace IAS 39 but currently only details the requirements for recognition and measurement of financial assets.

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 periods 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

Year ended 30 September 2010

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 period end are translated at period 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 period, its cash flow obligations were settled by a fellow group undertaking. Accordingly, no cash flow statement has been presented with these financial statements.

3. Loss before tax

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

	Year ended 30 September 2010 £	Year ended 30 September 2009 £
Net foreign exchange losses/(gains)	<u>69,027</u>	<u>(166,508)</u>

Auditors' remuneration of £500 (2009 £500) in respect of the statutory audit of the company was borne by another group undertaking in the current and prior ended with no recharge being made to the company. The directors were not remunerated for their services to the Company.

Shipping and Aviation Industries Limited

Notes to the financial statements

Year ended 30 September 2010

4. Tax

	Year ended 30 September 2010 £	Year ended 30 September 2009 £
Current tax	-	-
Deferred tax	-	-
	<u>-</u>	<u>-</u>

Corporation tax is calculated at 28% (2009 28%) of the estimated assessable loss for the year

The charge for the year can be reconciled to the loss per the income statement as follows

	2010 £	2010 %	2009 £	2009 %
(Loss)/profit before tax	(64,125)	100	185,499	100
Expected tax (credit)/charge at the UK corporation tax rate of 28% (2009 28%)	(17,955)	28	51,940	28
Group Relief surrendered/(received) for no consideration	17,955	(28)	(51,940)	(28)
Tax charge and effective tax rate for the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Corporation tax is calculated at 28% (2009 28%) of the estimated assessable loss for the year At the balance sheet date, the company had no unused tax losses or other short-term timing differences (2009 nil)

Shipping and Aviation Industries Limited

Notes to the financial statements

Year ended 30 September 2010

5. Called-up share capital

	Year ended 30 September 2010 £	Year ended 30 September 2009 £
Authorised, issued and fully paid 3,290,323 million 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

Trading transactions	Interest receivable		Amounts owed by related parties	
	2010 £	2009 £	2010 £	2009 £
Parent and fellow subsidiaries	4,902	18,991	1,230,099	1,294,224

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.

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 WELG Holding NV, 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 WELG Holding NV (formerly Sun International NV). WELG Holding NV is owned by Thomas Cook Group UK Ltd (formerly Blue Sea Investments Limited).