

# **Junopart Limited**

## **Directors' report and financial statements**

**29 February 2008**

Registered number: 2975806

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# **Junopart Limited**

Directors' report and financial statements  
29 February 2008

## **Directors' report and financial statements**

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# **Junopart Limited**

Directors' report and financial statements  
29 February 2008

## **Directors' report**

The directors present their annual report and the audited financial statements of the Company for the year ended 29 February 2008.

### **Principal activity**

The principal activity of the Company is that of owning and leasing property.

### **Directors and directors' interests**

The directors who served during the year were as follows:

S B Ridgway  
J H Southern

### **Review of business and results**

Both the level of business and the year end financial position are satisfactory. The results for the year are set out on page 5 of the financial statements.

Following the sale of the Company's freehold land and buildings in the preceding year, the directors are seeking a suitable alternative business activity for the Company.

### **Dividends**

The directors do not recommend the payment of a dividend (2007: £nil).

### **Auditors**

The members of the Company have passed elective resolutions in accordance with Sections 366A, 252 and 386 of the Companies Act 1985 dispensing with the previous statutory requirement of holding annual general meetings, laying accounts before the Company in general meetings and reappointing auditors annually. This last resolution will lead to the continuing appointment of KPMG LLP as auditors of the Company until further notice.

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

By order of the Board



**I M J de Sousa**  
*Company Secretary*

Company Secretariat  
The Office  
Manor Royal  
Crawley  
West Sussex  
RH10 9NU

18 December 2008

# **Junopart Limited**

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## **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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

The Company financial statements are required by law to 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 estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.



8 Salisbury Square  
London  
EC4Y 8BB  
United Kingdom

## Report of the independent auditors to the members of Junopart Limited

We have audited the financial statements of Junopart Limited for the year ended 29 February 2008 which comprise the Profit and loss account, the Note of historical cost profits and losses, the Balance sheet, and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Directors' report and the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities on page 3.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' report is consistent with the financial statements. In addition we report to you if, in our opinion, the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the Company is not disclosed.

We read the Directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

### Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the Company's affairs as at 29 February 2008 and of the Company's profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' report is consistent with the financial statements.

*KPMG LLP*

**KPMG LLP**  
Chartered Accountants  
Registered Auditor

*23 December 2008*

# Junopart Limited

Directors' report and financial statements  
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## Profit and loss account

for the year ended 29 February 2008

		2008	2007
	Note	£	£
Turnover	2	-	232,527
Gross profit		<u>-</u>	<u>232,527</u>
Administrative expenses		(80,004)	(397,170)
Operating loss		<u>(80,004)</u>	<u>(164,643)</u>
Loss on disposal of fixed assets		-	(263,565)
Other interest receivable and similar income	4	319,784	228,006
Profit/(loss) on ordinary activities before taxation	3	<u>239,780</u>	<u>(200,202)</u>
Tax on profit/(loss) on ordinary activities	7	(74,258)	3,419
Retained profit/(loss) for the financial year	11	<u><u>165,522</u></u>	<u><u>(196,783)</u></u>

There are no recognised gains or losses other than the profit for the year. The profit for the year arises from continuing operations.

The notes on pages 8 to 13 form part of these financial statements.

## Junopart Limited

Directors' report and financial statements  
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### **Note of historical cost profits and losses** *for the year ended 29 February 2008*

	<b>2008</b> <b>£</b>	<b>2007</b> <b>£</b>
Reported profit/(loss) on ordinary activities before taxation	<b>239,780</b>	(200,202)
Difference between depreciation based on historical costs and on revalued amounts	-	15,385
Difference between profit on disposal based on historical costs and loss based on revalued amounts	-	1,403,722
Historical cost profit on ordinary activities before taxation	<u><b>239,780</b></u>	<u><b>1,218,905</b></u>

The notes on pages 8 to 13 form part of these financial statements.

# Junopart Limited

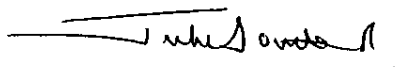
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## Balance sheet

at 29 February 2008

	Note	2008 £	£	2007 £	£
<b>Current assets</b>					
Debtors	8	5,319,648		5,067,461	
<b>Creditors: amounts falling due within one year</b>	9	(1,707,096)		(1,620,431)	
<b>Net current assets</b>			3,612,552		3,447,030
<b>Net assets</b>			<u>3,612,552</u>		<u>3,447,030</u>
<b>Capital and reserves</b>					
Called up share capital	10		2		2
Profit and loss account	11		3,612,550		3,447,028
<b>Shareholders' funds</b>			<u>3,612,552</u>		<u>3,447,030</u>

These financial statements were approved by the Board of Directors on 18 December 2008 and were signed on its behalf by:



**J H Southern**  
Director

The notes on pages 8 to 13 form part of these financial statements.



# Junopart Limited

Directors' report and financial statements  
29 February 2008

## Notes

(forming part of the financial statements)

### 1. Principal accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company's financial statements:

a) *Basis of preparation*

The financial statements have been prepared under the historical cost convention, as modified to include the revaluation of certain tangible fixed assets, and in accordance with the Companies Act 1985 and applicable United Kingdom accounting standards. The valuation of these assets was adopted as the cost of the tangible fixed assets under the transitional arrangements of Financial Reporting Standard 15.

Under Financial Reporting Standard 1 (Revised), the Company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking of Virgin Atlantic Limited. The Company's cash flows are included within the consolidated cash flow statement of this Company.

b) *Administrative expenses*

Administrative expenses comprise overhead expenses together with marketing and promotional costs. Marketing and promotional costs are expensed to the profit and loss account as incurred.

c) *Translation of foreign currencies*

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction or, if hedged, at the forward contract rate. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date or, if appropriate, at the forward contract rate.

d) *Taxation including deferred tax*

Current 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.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

# Junopart Limited

Directors' report and financial statements  
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## Notes (continued)

### 2. Analysis of turnover and profit on ordinary activities before taxation

The profit on ordinary activities before taxation is attributable to the Company's principal activity. All turnover in the preceding year originated from within the United States of America.

### 3. Profit/(loss) on ordinary activities before taxation

The profit/(loss) on ordinary activities before taxation is stated after charging/(crediting) the following:

	2008	2007
	£	£
Depreciation of freehold land and buildings	-	51,240
Foreign exchange loss	59,467	335,114
Auditors' remuneration for audit services	3,100	3,100

Fees payable to the Company's auditor and its associates for services other than the statutory audit of the Company are not disclosed in Junopart Limited's accounts since the consolidated accounts of Junopart Limited's parent, Virgin Atlantic Limited, are required to disclose non-audit fees on a consolidated basis.

### 4. Other interest receivable and similar income

	2008	2007
	£	£
Interest receivable from group undertakings	319,784	228,006

### 5. Staff numbers and costs

The Company had no employees during the year (2007: nil).

### 6. Emoluments of the directors

The directors received no emoluments for the year (2007: £nil).

# Junopart Limited

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## Notes (continued)

### 7. Tax on (loss)/profit on ordinary activities

	2008 £	2007 £
<b>UK corporation tax:</b>		
Group relief payable	74,258	47,478
Adjustments in respect of prior periods	-	(50,897)
Total current tax	<u>74,258</u>	<u>(3,419)</u>

Group relief payments will be received or paid where losses are surrendered to or from other group companies.

The standard rate of UK corporation tax for the year is 30% (2007: 30%). The actual tax charge for the current year and previous period differs from the standard rate for the reasons in the following reconciliation:

	2008 £	2007 £
Profit/(loss) on ordinary activities before taxation	<u>239,780</u>	<u>(200,202)</u>
Tax at the standard rate of 30% (2007: 30%)	71,934	(60,061)
<b>Factors affecting the charge for the year:</b>		
Expenses not deductible for tax purposes	2,324	107,539
Adjustments in respect of prior periods	-	(50,897)
Total current tax charge/(credit)	<u>74,258</u>	<u>(3,419)</u>

# Junopart Limited

Directors' report and financial statements  
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## Notes (continued)

### 8. Debtors: amounts falling due within one year

	2008	2007
	£	£
Amounts owed by group companies	5,319,648	5,067,461

### 9. Creditors: amounts falling due within one year

	2008	2007
	£	£
Overseas taxation	30,719	31,103
Amounts owed to group companies	1,300,644	1,292,367
Group relief payable	314,365	240,107
Accruals and deferred income	61,368	56,854
	1,707,096	1,620,431

### 10. Share capital

	2008	2007
	£	£
<b>Authorised:</b>		
1,000 ordinary shares of £1 each	1,000	1,000
<b>Allotted, called up and fully paid:</b>		
2 ordinary shares of £1 each	2	2

# Junopart Limited

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## Notes (continued)

### 11. Reconciliation of movements in reserves

	Profit and loss account £
Balance at 1 March 2007	3,447,028
Retained profit for the financial period	165,522
<b>Balance at 29 February 2008</b>	<b><u>3,612,550</u></b>

### 12. Reconciliation of movements in shareholders' funds

	2008 £	2007 £
Retained profit/(loss) for the financial period	165,522	(196,783)
Movement in shareholders' funds	<u>165,522</u>	<u>(196,783)</u>
Opening shareholders' funds	3,447,030	3,643,813
Closing shareholders' funds	<b><u>3,612,552</u></b>	<b><u>3,447,030</u></b>

# **Junopart Limited**

Directors' report and financial statements  
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## **Notes** *(continued)*

### **13. Related party transactions**

At 29 February 2008, the Company's ultimate parent company was Virgin Group Holdings Limited whose principal shareholders are certain trusts, none of which individually has a controlling interest in Virgin Group Holdings Limited. The principal beneficiaries of those trusts are Sir R C N Branson and his immediate family. The shareholders of Virgin Group Holdings Limited have interests directly or indirectly in certain other companies which are considered to give rise to related party disclosures under Financial Reporting Standard 8.

The Company, being a wholly owned subsidiary undertaking of Virgin Atlantic Limited, has taken advantage of the exemption contained in Financial Reporting Standard 8 and has therefore not disclosed transactions with entities which form part of the group or investees of the group qualifying as related parties. These transactions have been disclosed in the consolidated financial statements of Virgin Atlantic Limited, which are publicly available (see note 14).

There are no other material transactions or balances with related entities which are required to be disclosed under Financial Reporting Standard 8.

### **14. Ultimate holding company**

At 29 February 2008, the directors consider the ultimate holding company to be Virgin Group Holdings Limited, a company registered in the British Virgin Islands.

As at 29 February 2008 the largest group in which the results of the Company are consolidated is that headed by Virgin Wings Limited, a company registered in England and Wales. The smallest group in which the results of the Company are consolidated is that headed by Virgin Atlantic Limited, a company registered in England and Wales.

Copies of the financial statements for both Virgin Wings Limited and Virgin Atlantic Limited may be obtained from the Registrar of Companies, Companies House, Crown Way, Cardiff, CF14 3UZ.