

## **Junopart Limited**

### **Annual report and financial statements**

31 December 2016

Registered number: 02975806

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## **Annual report and financial statements**

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## **Directors' report**

**Registered number: 02975806**

The directors present their annual report and the financial statements of Junopart Limited ("the Company") for the year ended 31 December 2016.

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

The directors who held office during the year and to date of this report were as follows:

Craig Kreeger  
Shai Weiss  
Tom Mackay *Appointed (1 March 2017)*

### **Strategic report**

The Company is defined as small as per the requirements of the Companies Act 2006 and has therefore claimed the exemption from preparing a strategic report. The results for the year are set out on page 3 of the financial statements.

The profit before taxation amounted to £1,388,203 during the year (*prior year: £441,704*).

### **Dividends**

The directors do not recommend the payment of a dividend (*2015: £nil*).

The directors' report was approved by the Board of Directors on 12 October 2017 and signed on its behalf by



**Ian de Sousa**  
*Company Secretary*

**Registered Office:**  
Company Secretariat  
The VHQ, Fleming Way  
Crawley, West Sussex  
RH10 9DF

## **Directors' responsibilities statement in respect of the annual report and financial statements**

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 applicable law and Section 1A of FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (UK Generally Accepted Accounting Practice applicable to Smaller Entities).

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 their profit or loss 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 estimates that are reasonable and prudent; 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 its financial statements comply with the Companies Act 2006. 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.

## Income statement

*for the year ended 31 December 2016*

	Note	For the year ended 31 December 2016 £	For the year ended 31 December 2015 £
Administrative expenses		-	6,806
Other operating income		1,388,203	434,898
<b>Profit before taxation</b>	6	<b>1,388,203</b>	<b>441,704</b>
Tax on profit	7	(277,634)	(89,430)
<b>Profit for the financial year</b>		<b>1,110,569</b>	<b>352,274</b>

There are no recognised gains or losses other than the profit for the current or prior financial year. The profit for the year arises from continuing activities.

The notes on pages 6 to 9 form part of these financial statements.

## Statement of financial position

at 31 December 2016

Registered number: 02975806

	Note	As at 31 December 2016 £	As at 31 December 2015 £
<b>Current assets</b>			
Trade and other receivables	8	8,538,486	7,759,287
		<u>8,538,486</u>	<u>7,759,287</u>
<b>Current liabilities</b>			
Trade and other payables	9	(1,796,683)	(2,128,053)
		<u>6,741,803</u>	<u>5,631,234</u>
<b>Net assets</b>			
<b>Capital and reserves</b>			
Called up share capital	10	2	2
Retained earnings		6,741,801	5,631,232
		<u>6,741,803</u>	<u>5,631,234</u>

For the year ending 31 December 2016, the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A – small entities.

These financial statements were approved by the Board of Directors on 12 October 2017 and were signed on its behalf by:



**Tom Mackay**  
Director

The notes on pages 6 to 9 form part of these financial statements.

## Statement of changes in equity

*As at 31 December 2016*

	Share capital	Retained earnings	Total
	£	£	£
Balance at 1 January 2015	2	5,278,958	<b>5,278,960</b>
Profit for the year	-	352,274	<b>352,274</b>
Balance at 31 December 2015	<u>2</u>	<u>5,631,232</u>	<u><b>5,631,234</b></u>
Balance at 1 January 2016	2	5,631,232	<b>5,631,234</b>
Profit for the year	-	1,110,569	<b>1,110,569</b>
<b>Balance at 31 December 2016</b>	<u><b>2</b></u>	<u><b>6,741,801</b></u>	<u><b>6,741,803</b></u>

The notes on pages 6 to 9 form part of these financial statements.

## **Notes to the financial statements**

### **1 General information**

Junopart Limited is currently not trading; however intercompany balances remain with other group companies.

The Company is a private company limited by shares and is incorporated and domiciled in England. The address of its registered office is The VHQ, Fleming Way, Crawley, West Sussex, RH10 9DF.

### **2 Statement of compliance**

The financial statements have been prepared in compliance with the provisions of FRS 102 Section 1A small entities and the Companies Act 2006. There were no material departures from that standard.

The principal accounting policies adopted by the Group and the Company are set out in note 3.

### **3 Principal accounting policies**

The following accounting policies have been applied consistently in dealing with matters which are considered material in relation to the financial statements of the Company.

#### **(a) Basis of preparation**

The financial statements have been prepared on the going concern basis under the historical cost convention.

The Junopart Limited board having regard to the principle risks and uncertainties which could impact the business, consider that the preparation of the financial statements on a going concern basis remains appropriate.

Under Financial Reporting Standard 102 Section 1A small entities, the Company is exempt from the requirement to prepare a cash flow statement. The Company's cash flows are included within the consolidated cash flow statement on page 16 of its parent company's (Virgin Atlantic Airways Limited) financial statements.

#### **(b) Foreign currencies**

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the statement of financial position date. All exchange differences are included in the income statement.



## Notes to the financial statements *(continued)*

### 3 Principal accounting policies *(continued)*

#### ***(c) 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 statement of financial position date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position 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 statement of financial position 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 statement of financial position date.

### 4 Employees

The Company had no employees during the year ended 31 December 2016 (*prior year: nil*).

### 5 Emoluments of directors

The directors did not receive any emoluments for the year ended 31 December 2016 (*prior year: £nil*).

### 6 Profit before taxation

	For the year ended 31 December 2016 £	For the year ended 31 December 2015 £
<b><i>Profit before taxation is stated after charging:</i></b>		
Foreign exchange gains	<b>1,388,203</b>	434,898

Fees payable to the Company's auditor for the audit of the Company's annual accounts are borne by the parent company.

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

## Notes to the financial statements *(continued)*

### 7 Income tax

#### Tax expense included in profit

	For the year ended 31 December 2016 £	For the year ended 31 December 2015 £
<b>Current tax</b>		
Amounts payable in respect of group relief	277,634	89,430

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 20% (*prior year: 20.25%*). The total tax charge of 19.13% for the period is lower than the standard rate of corporation tax. This is driven by UK government reliefs and other permanent differences.

The actual current tax charge for the period differs from the computed by applying the standard tax rate to the profit on ordinary activities before tax as reconciled below:

	For the year ended 31 December 2016 £	For the year ended 31 December 2015 £
Profit before taxation	1,388,203	441,704
Tax at the standard rate at 20% ( <i>prior year: 20.25%</i> )	277,641	89,445
<b>Factors affecting the charge for the year:</b>		
Effect of rate change	(7)	(15)
<b>Total current tax charge</b>	277,634	89,430

A reduction in the UK corporation tax rate to 19% (effective from 1 April 2017) was substantively enacted on 26 October 2015. A further reduction to 17% (effective from 1 April 2020) was substantively enacted on 6<sup>th</sup> September 2016.

In addition, the Company continues to be directly and indirectly affected by new tax legislation. Changes in such legislation, regulation or interpretation could have an effect on the Company's operating results and financial position. This includes potential changes in respect of draft UK legislation to restrict the utilisation of brought forward losses, expected to apply to accounting periods commencing after 1 April 2017. The restriction would apply to Junopart Limited as a member of the Virgin Atlantic Limited Group. As well as restricting the use of brought forward losses, the new rules also include proposals to give more flexibility for the use of losses incurred after 1 April 2017.

## Notes to the financial statements *(continued)*

### 8 Current assets: Trade and other receivables

	As at 31 December 2016 £	As at 31 December 2015 £
Amounts owed by group undertakings	8,538,486	7,759,287
	<u>8,538,486</u>	<u>7,759,287</u>

### 9 Current liabilities: Trade and other payables

	As at 31 December 2016 £	As at 31 December 2015 £
Amounts owed to group undertakings	1,315,733	1,315,733
Group relief payable	480,950	812,320
	<u>1,796,683</u>	<u>2,128,053</u>

### 10 Share capital

	As at 31 December 2016 £	As at 31 December 2015 £
<b><i>Allotted and fully paid</i></b>		
2 ordinary shares of £1 each	2	2
	<u>2</u>	<u>2</u>

### 11 Related party transactions

As at 31 December 2016, the Directors consider the ultimate holding company to be Virgin Group Holdings Limited, a company registered in the British Virgin Islands. The sole shareholder of Virgin Group Holdings is Sir Richard Branson. Sir Richard Branson has interests directly or indirectly in certain other companies, which may give rise to related party disclosures.

The company, being a wholly owned subsidiary of Virgin Atlantic Limited, is exempt from disclosing related party transactions with wholly owned members of the Group.

There are no other material transactions and balances with related parties which are required to be disclosed.

### 12 Ultimate holding

The immediate parent undertaking is Virgin Atlantic Airways Limited.

As at 31 December 2016, the largest group in which the results of the Group are consolidated and are publicly available is that headed by Virgin Atlantic Limited, a company registered in England and Wales, and the smallest group in which the results of the Group are consolidated is that headed by Virgin Atlantic Airways Limited, a company registered in England and Wales.

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

The directors consider Sir Richard Branson to be the ultimate controlling party of the Company.