

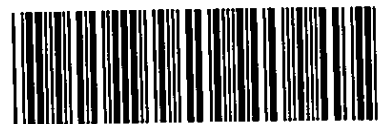
## **Speed 5024 Limited**

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

28 February 2013

Registered number 3066292

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

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## Directors' report

### Registered number 3066292

The directors present their annual report and the financial statements of Speed 5024 Limited ("the Company") for the year ended 28 February 2013

### Principal activities

The principal activity of the Company was that of a holding company. In the prior year the Company disposed of all shareholdings and is no longer trading.

The financial statements have been prepared on the going concern basis, notwithstanding net liabilities of £25,144,532, which the directors believe to be appropriate for the following reasons:

The Company is dependent for its working capital on funds provided to it by Virgin Travel Group Limited. Virgin Travel Group Limited, the Company's parent, has indicated that for at least 12 months from the date of approval of these financial statements, it will support Speed 5024 Limited and provide funds to enable it to meet all liabilities as they fall due. The directors consider that this should enable the Company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment.

Based on this undertaking the directors believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

### Directors and directors' interests

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

Stephen Ridgway	(resigned 31 January 2013)
Julie Southern	(resigned 10 May 2013)
Craig Kreeger	(appointed 31 January 2013)
Timothy Livett	
Stephen Griffiths	(resigned 30 June 2013)

### Business review

The Company is entitled to claim the exemptions available to a small company as defined by the Companies Act 2006 and as such is exempt from presenting an enhanced business review.

The profit before taxation amounted to £nil during the year (2012 £9,107,208).

### Dividends

The directors do not recommend the payment of a dividend in the year (2012 £nil).

By order of the Board



Ian de Sousa  
Company Secretary

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

27 November 2013

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

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,
- state whether applicable UK 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 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

## Profit and loss account

*for the year ended 28 February 2013*

	<i>Note</i>	<b>2013</b> £	<b>2012</b> £
Profit on disposal of investments		-	9,107,208
<b>Profit on ordinary activities before taxation</b>	<b>4</b>	<u>-</u>	<u>9,107,208</u>
Tax on profit on ordinary activities	<b>5</b>	-	-
<b>Profit for the financial year</b>	<b>9</b>	<u><u>-</u></u>	<u><u>9,107,208</u></u>

There are no recognised gains or losses other than the profit for the year discontinued activities    The profit for the prior year arises from

The notes on pages 5 to 8 form part of these financial statements

## Balance sheet

at 28 February 2013

	<i>Note</i>	<b>2013</b> £	2012 £
<b>Current assets</b>			
Debtors	6	9,107,208	9,107,208
<b>Creditors</b> amounts falling due within one year	7	<b>(34,251,740)</b>	(34,251,740)
<b>Net liabilities</b>		<b>(25,144,532)</b>	(25,144,532)
<b>Capital and reserves</b>			
Called up share capital	8	2	2
Profit and loss account	9	<b>(25,144,534)</b>	(25,144,534)
<b>Total shareholders' deficit</b>	10	<b>(25,144,532)</b>	(25,144,532)

The Company is exempt from audit under section 479A of the companies Act

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 the accounting records and the preparation of accounts

These financial statements were approved by the Board of Directors on 27 November 2013 and were signed on its behalf by



**Timothy Livett**  
Director

The notes on pages 5 to 8 form part of these financial statements

## Notes

*(forming part of the financial statements)*

### 1 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 and in accordance with the Companies Act 2006 and applicable United Kingdom accounting standards

The financial statements have been prepared on the going concern basis, notwithstanding net liabilities of £25,144,532 which the directors believe to be appropriate for the following reasons

The Company is dependent for its working capital on funds provided to it by Virgin Travel Group Limited. Virgin Travel Group Limited, the Company's parent has indicated that for at least 12 months from the date of approval of these financial statements, it will support Speed 5024 Limited and provide funds to enable it to meet all liabilities as they fall due. The directors consider that this should enable the Company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment.

Based on this undertaking the directors believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

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 and the Company's cash flows are included within the consolidated cash flow statement of this company.

#### **(b) Turnover**

This Company did not trade during the current or preceding period and therefore has made no turnover. The Company was previously used as a holding company.

#### **(c) 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. All exchange differences arising on translation are included in the profit and loss account.

#### **(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.

### 2 Staff numbers

The Company had no employees during the year ended 28 February 2013 (2012: nil).

## Notes (continued)

### 3 Emoluments of directors

The directors did not receive any emoluments for the year ended 28 February 2013 (2012 £nil)

### 4 Profit on ordinary activities before taxation

	2013 £	2012 £
<i>Profit on ordinary activities before taxation is stated after crediting</i>		
Profit on disposal of investments	-	9,107,208

### 5 Tax on profit on ordinary activities

The standard rate of UK corporation tax for the year is 24% (2012 26%) The actual current tax charge for the prior year differs from that computed by applying the standard tax rate to the profit on ordinary activities before tax as reconciled below

	2013 £	2012 £
Profit on ordinary activities before taxation	-	9,107,208
Tax at the standard rate at 24% (2012 26%)	-	2,367,874
<i>Factors affecting the charge for the year</i>		
Income not taxable	-	(2,383,301)
Effect of rate change	-	15,427
<b>Total current tax charge</b>	<b>-</b>	<b>-</b>

The 2013 Budget on 20 March 2013 announced that the UK corporation tax rate will reduce to 20% by 1 April 2015. A reduction in the rate from 24% (effective from 1 April 2012) to 23% (effective from 1 April 2013) was substantively enacted on 3 July 2012. This will reduce the Company's future current tax charge accordingly.



**Notes** *(continued)*

**6 Debtors**

**Amounts falling due within one year**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Amounts owed by parent undertaking	<b>9,107,208</b>	<b>9,107,208</b>
	<u>                    </u>	<u>                    </u>

**7 Creditors amounts falling due within one year**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Amounts owed to subsidiary undertakings	<b>2</b>	<b>2</b>
Amounts owed to parent undertaking	<b>34,251,738</b>	<b>34,251,738</b>
	<u>                    </u>	<u>                    </u>
	<b>34,251,740</b>	<b>34,251,740</b>
	<u>                    </u>	<u>                    </u>

**8 Share capital**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
<b><i>Allotted, called up and fully paid</i></b>		
2 ordinary shares of £1 each	<b>2</b>	<b>2</b>
	<u>                    </u>	<u>                    </u>

**9 Reserves**

	<b>Profit and loss account £</b>
Balance at 1 March 2012	(25,144,534)
Profit for the financial year	-
	<u>                    </u>
<b>Balance at 28 February 2013</b>	<b>(25,144,534)</b>
	<u>                    </u>

## Notes (continued)

### 10 Reconciliation of movements in shareholders' deficit

	2013 £	2012 £
Profit for the financial year	-	9,107,208
Movements in shareholders' funds	-	9,107,208
Opening shareholders' deficit	<b>(25,144,532)</b>	<b>(34,251,740)</b>
Closing shareholders' deficit	<b>(25,144,532)</b>	<b>(25,144,532)</b>

### 11 Related party transactions

As at 28 February 2013, the Company's ultimate holding company was Virgin Group Holdings Limited, whose principal shareholders are Sir Richard Branson and certain trusts, none of which individually has a controlling interest in Virgin Group Holdings Limited. The principal beneficiaries of those trusts are Sir Richard 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 entities. These transactions have been disclosed in the consolidated financial statements of the parent company, Virgin Atlantic Limited which are publicly available (see note 12).

There are no other material transactions and balances by the Company with related entities, which are required to be disclosed by Financial Reporting Standard 8.

### 12 Ultimate holding company

As at 28 February 2013, the directors consider the ultimate holding company to be Virgin Group Holdings Limited, a company registered in the British Virgin Islands.

As at 28 February 2013, 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.

As at 28 February 2013, the smallest group in which the results of the Company are consolidated is that headed by Virgin Atlantic Airways Limited, a company registered in England and Wales.

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