

Company Registration No 01364154 (England and Wales)

JETAIR (UK) LIMITED

ANNUAL REPORT

FOR THE YEAR ENDED 31 MARCH 2010

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JETAIR (UK) LIMITED

DIRECTORS AND ADVISERS

Directors	H D Gardi P Kanga (Appointed 1 October 2009)
Secretary	P Kanga
Company number	01364154
Registered office	188 Hammersmith Road London W6 7DJ
Registered auditors	Freeman & Partners Chartered Accountants 30 St James's Street London SW1A 1HB
Business address	188 Hammersmith Road London W6 7DJ
Bankers	Barclays Bank Plc Corporate Banking Centre 50 Pall Mall London SW1A 1QF
Solicitors	Macfarlanes LLP 20 Cursitor Street London EC4A1LT

JETAIR (UK) LIMITED

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JETAIR (UK) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2010

The directors present their report and financial statements for the year ended 31 March 2010

Principal activities and review of the business

The principal activity of the group continued to be that of acting as passenger sales agents for airlines and the provision of services within the travel industry

The results for the year and the financial position at the year end were considered satisfactory by the directors

The directors assess the principal risk of the group to be non-compliance with the Air Travel Organisers License. Monthly returns are submitted and an annual return prepared. The directors are not aware of any instances of non-compliance

The directors considered the group to be in a satisfactory position at the year end

The directors consider that the key performance indicators of the group are gross sales of airline tickets, and the commission it earns on these sales. They are satisfied with the results for the year ended 31st March 2010

Results and dividends

The consolidated profit and loss account for the year is set out on page 5

No interim or final dividend was paid (2009 £Nil)

Future developments

The directors have considered future developments and are satisfied the group is pregressing adequately

Directors

The following directors have held office since 1 April 2009

H D Gardi	
R S K Gupta	(Resigned 1 October 2009)
P Kanga	(Appointed 1 October 2009)
G Van Der Veer	(Resigned 1 October 2009)

Auditors

In accordance with the Company's Articles, a resolution proposing that Freeman & Partners be reappointed as auditors of the company will be put at a General Meeting

JETAIR (UK) LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2010

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 financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 group and of the profit or loss of the group 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 accounting 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,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the group's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the group's auditors are aware of that information.

On behalf of the board



H D Gardi

Director

21 September 2010

JETAIR (UK) LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF JETAIR (UK) LIMITED

We have audited the group and parent company financial statements (the "financial statements") of Jetair (UK) Limited for the year ended 31 March 2010 set out on pages 5 to 22. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with sections 495 and 496 of the Companies Act 2006. 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 auditors' 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

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 2, 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.

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 group's and 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 group's and parent company's affairs as at 31 March 2010 and of the group's profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter

The year ended 31 March 2010 is the first year that the company has produced audited Group Financial Statements.

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.

JETAIR (UK) LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF JETAIR (UK) LIMITED

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
 - the parent company 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
-


F A Dada (Senior Statutory Auditor)
for and on behalf of Freeman & Partners

21 September 2010

Chartered Accountants
Statutory Auditor
30 St James's Street
London
SW1A 1HB

JETAIR (UK) LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2010

	Notes	2010 £	2009 £
Turnover	2,3	3,902,386	3,612,713
Cost of sales		(895,458)	(835,516)
Gross profit		3,006,928	2,777,197
Distribution costs		(457,784)	(553,027)
Administrative expenses		(2,247,821)	(1,989,515)
Operating profit	4	301,323	234,655
Other interest receivable and similar income		10,803	13,502
Interest payable and similar charges	5	(259)	-
Profit on ordinary activities before taxation		311,867	248,157
Tax on profit on ordinary activities	6	(63,108)	(71,924)
Profit on ordinary activities after taxation		248,759	176,233

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

Note of historical cost profits and losses

	2010 £	2009 £
Reported profit on ordinary activities before taxation	311,867	248,157
Difference between an historical cost depreciation charge and the actual depreciation charge of the year calculated on the revalued amount	9,690	9,690
Historical cost profit on ordinary activities before taxation	321,557	257,847
Historical cost profit for the year retained after taxation, extraordinary items and dividends	258,449	502,453

JETAIR (UK) LIMITED

BALANCE SHEETS

AS AT 31 MARCH 2010

		Group		Company	
		2010	2009	2010	2009
	Notes	£	£	£	£
Fixed assets					
Intangible assets	8	-	39,762	-	-
Tangible assets	9	974,264	1,160,521	972,610	1,099,343
Investments	10	-	-	5	5
		<u>974,264</u>	<u>1,200,283</u>	<u>972,615</u>	<u>1,099,348</u>
Current assets					
Debtors	11	1,831,473	3,721,551	1,515,768	1,919,668
Investments	12	851,046	851,046	-	-
Cash at bank and in hand		566,163	1,341,532	499,174	1,234,390
		<u>3,248,682</u>	<u>5,914,129</u>	<u>2,014,942</u>	<u>3,154,058</u>
Creditors amounts falling due within one year	13	(1,862,836)	(4,992,670)	(1,528,554)	(2,919,019)
		<u>1,385,846</u>	<u>921,459</u>	<u>486,388</u>	<u>235,039</u>
Net current assets		<u>1,385,846</u>	<u>921,459</u>	<u>486,388</u>	<u>235,039</u>
Total assets less current liabilities		<u>2,360,110</u>	<u>2,121,742</u>	<u>1,459,003</u>	<u>1,334,387</u>
Capital and reserves					
Called up share capital	15	100,000	100,000	100,000	100,000
Revaluation reserve	16	591,074	600,764	591,074	600,764
Other reserves	16	7,779	31,331	-	-
Profit and loss account	16	1,661,257	1,389,647	767,929	633,623
		<u>2,360,110</u>	<u>2,121,742</u>	<u>1,459,003</u>	<u>1,334,387</u>
Shareholders' funds	17	<u>2,360,110</u>	<u>2,121,742</u>	<u>1,459,003</u>	<u>1,334,387</u>

Approved by the Board and authorised for issue on 21 September 2010



H D Gardiner
Director

Company Registration No 01364154

JETAIR (UK) LIMITED**CONSOLIDATED CASH FLOW STATEMENT****FOR THE YEAR ENDED 31 MARCH 2010**

	£	2010 £	£	2009 £
Net cash outflow from operating activities		(884,805)		(730,324)
Taxation		33,891		(283,466)
Capital expenditure				
Payments to acquire tangible assets	(16,722)		(26,073)	
Receipts from sales of intangible assets	39,762		-	-
Receipts from sales of tangible assets	159,223		10,056	
Net cash inflow/(outflow) for capital expenditure		182,263		(16,017)
Equity dividends paid		-		(58,002)
Net cash outflow before management of liquid resources and financing		(668,651)		(1,087,809)
Management of liquid resources				
Current asset investments	-		(187,266)	
		-		(187,266)
Decrease in cash in the year		(668,651)		(1,275,075)

JETAIR (UK) LIMITED

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2010**

1	Reconciliation of operating profit to net cash outflow from operating activities	2010	2009
		£	£
	Operating profit	301,323	234,655
	Depreciation of tangible assets	149,988	167,622
	Profit on disposal of tangible assets	(106,232)	(12,140)
	Decrease/(increase) in debtors	1,866,491	(1,008,865)
	Decrease in creditors within one year	-(3,096,375)	-(111,596)
	Net cash outflow from operating activities	(884,805)	(730,324)

2	Analysis of net funds	1 April 2009	Cash flow	Other non-cash changes	31 March 2010
		£	£	£	£
	Net cash				
	Cash at bank and in hand	1,341,532	(775,369)	-	566,163
	Bank overdrafts	(109,612)	106,718	-	(2,894)
		1,231,920	(668,651)	-	563,269
	Liquid resources				
	Current asset investments	851,046	-	-	851,046
	Net funds	2,082,966	(668,651)	-	1,414,315

3	Reconciliation of net cash flow to movement in net debt	2010	2009
		£	£
	Decrease in cash in the year	(668,651)	(1,275,075)
	Cash outflow from increase in liquid resources	-	187,266
	Movement in net funds in the year	(668,651)	(1,087,809)
	Opening net funds	2,082,966	3,170,775
	Closing net funds	1,414,315	2,082,966

JETAIR (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings

The directors have prepared cash flow forecasts for the period covering 12 months from the date of approval of these financial statements

On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis

The Financial Statements do not include any adjustments that may be necessary, should the company's future cash flows be less than projected

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.3 Basis of consolidation

The consolidated profit and loss account and balance sheet include the financial statements of the company and its subsidiary undertakings made up to 31 March 2010. The results of subsidiaries sold or acquired are included in the profit and loss account up to, or from the date control passes. Intra-group sales and profits are eliminated fully on consolidation.

1.4 Turnover

Turnover principally represents commissions received from airlines, based on sales of tickets throughout the region of the United Kingdom and France.

1.5 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Long leasehold property	Over the remaining length of the lease
Plant and machinery	50% per annum straight line
Fixtures, fittings & equipment	20% per annum straight line
Motor vehicles	25% per annum straight line

1.7 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

1.8 Investments

Fixed asset investments are stated at cost less provision for diminution in value. Cost is purchase price including acquisition expenses, but excluding any payment for accrued interest or fixed dividend entitlement.

Current asset investments are stated at the lower of cost and net realisable value.

JETAIR (UK) LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2010****1 Accounting policies (Continued)****1.9 Pensions**

The Group operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

1.10 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted.

1.11 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

2 Segmental analysis by class of business

The analysis by class of business of the company's turnover and profit before taxation is set out as below.

Turnover

	2010 £	2009 £
Class of business		
Commissions receivable	3,802,777	3,429,285
Cancellation fees	86,486	125,414
Other travel income	12,523	5,199
Interest receivable	600	52,815
	<u>3,902,386</u>	<u>3,612,713</u>

3 Segmental analysis by geographical area

The analysis by geographical area of the group's turnover is set out as below.

	Sales by origin 2010 £	Sales by origin 2009 £
Geographical segment		
United Kingdom	1,664,633	1,636,214
France	2,237,753	1,976,499
	<u>3,902,386</u>	<u>3,612,713</u>

JETAIR (UK) LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2010**

4	Operating loss	2010	2009
		£	£
	Operating loss is stated after charging		
	Depreciation of tangible assets	149,988	167,622
	Operating lease rentals	98,315	95,504
	Fees payable to the group's auditor for the audit of the group's annual accounts (company £15,280, 2009 £12,119)	15,280	12,119
	Accountancy	2,873	2,559
	and after crediting		
	Profit on disposal of tangible assets	(106,232)	(12,140)
	Profit on foreign exchange transactions	(4,842)	(343,228)
		<u> </u>	<u> </u>
5	Interest payable	2010	2009
		£	£
	On bank loans and overdrafts	259	-
		<u> </u>	<u> </u>

JETAIR (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2010

6	Taxation	2010	2009
		£	£
	Domestic current year tax		
	U K corporation tax	6,665	-
	Foreign corporation tax		
	Foreign corporation tax	56,443	71,924
		<u>63,108</u>	<u>71,924</u>
	Current tax charge	<u>63,108</u>	<u>71,924</u>
		<u>63,108</u>	<u>71,924</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	311,867	248,157
		<u>311,867</u>	<u>248,157</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 21.00% (2009 - 28.00%)	65,492	69,484
		<u>65,492</u>	<u>69,484</u>
	Effects of		
	Non deductible expenses	2,744	9,329
	Depreciation add back	32,743	47,428
	Capital allowances	(27,985)	(28,641)
	Dividends and distributions received	-	(88,628)
	Other tax adjustments	(9,886)	62,952
		<u>(2,384)</u>	<u>2,440</u>
	Current tax charge	<u>63,108</u>	<u>71,924</u>

7 Profit for the financial year

As permitted by section 408 Companies Act 2006, the holding company's profit and loss account has not been included in these financial statements. The profit for the financial year is made up as follows:

	2010	2009
	£	£
Holding company's profit for the financial year	124,616	368,385
	<u>124,616</u>	<u>368,385</u>

JETAIR (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2010

8 Intangible fixed assets
Group

	Goodwill £
Cost	
At 1 April 2009	39,762
Disposals	(39,762)
	<hr/>
At 31 March 2010	<hr/>
Net book value	
At 31 March 2010	-
	<hr/>
At 31 March 2009	<hr/> 39,762 <hr/>

JETAIR (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2010

9 Tangible fixed assets
Group

	Long leasehold property £	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 April 2009	836,797	168,325	806,720	115,700	1,927,542
Additions	-	953	9,019	6,750	16,722
Disposals	(1,804)	(47,045)	(178,190)	(49,143)	(276,182)
At 31 March 2010	834,993	122,233	637,549	73,307	1,668,082
Depreciation					
At 1 April 2009	61,797	158,707	434,753	111,764	767,021
On disposals	-	(44,691)	(129,357)	(49,143)	(223,191)
Charge for the year	12,500	6,340	125,806	5,342	149,988
At 31 March 2010	74,297	120,356	431,202	67,963	693,818
Net book value					
At 31 March 2010	760,696	1,877	206,347	5,344	974,264
At 31 March 2009	775,000	9,618	371,967	3,936	1,160,521

JETAIR (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2010

9 Tangible fixed assets

(Continued)

Tangible fixed assets (continued)

Company

	Long leasehold property	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost or valuation					
At 1 April 2009	836,797	121,280	628,530	115,700	1,702,307
Additions	-	953	4,905	6,750	12,608
Disposals	(1,804)	-	-	(49,143)	(50,947)
At 31 March 2010	834,993	122,233	633,435	73,307	1,663,968
Depreciation					
At 1 April 2009	61,797	114,016	315,387	111,764	602,964
On disposals	-	-	-	(49,143)	(49,143)
Charge for the year	12,500	6,340	113,355	5,342	137,537
At 31 March 2010	74,297	120,356	428,742	67,963	691,358
Net book value					
At 31 March 2010	760,696	1,877	204,693	5,344	972,610
At 31 March 2009	775,000	7,264	313,143	3,936	1,099,343

The property is included at a valuation of £760,696 being the director's view on the value of the property after taking into account the length of the lease

On a historical cost basis, the property would be stated at £169,621

JETAIR (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2010

10 Fixed asset investments

Net book value

At 31 March 2010

-

At 31 March 2009

-

Company

**Shares in
group
undertakings
£**

Cost or valuation

At 1 April 2009 & at 31 March 2010

5

Net book value

At 31 March 2010

5

At 31 March 2009

5

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Shares held	
		Class	%
Subsidiary undertakings			
Gulf Continental Limited	England & Wales	Ordinary	100
Tailwind Limited (31/01/2010)	England & Wales	Ordinary	100
Gulf Continental Air Services SA	France	Ordinary	100

The principal activity of these undertakings for the last relevant financial year was as follows

	Principal activity
Gulf Continental Limited	Dormant
Tailwind Limited (31/01/2010)	Dormant
Gulf Continental Air Services SA	Passenger sales agent

JETAIR (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2010

11 Debtors

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Trade debtors	185,473	429,183	185,263	396,258
Corporation tax	-	34,390	-	-
Other debtors	248,389	335,578	51,330	167,120
Prepayments and accrued income	1,397,611	2,922,400	1,279,175	1,356,290
	<u>1,831,473</u>	<u>3,721,551</u>	<u>1,515,768</u>	<u>1,919,668</u>

12 Current asset investments

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Other unlisted investments	<u>851,046</u>	<u>851,046</u>	<u>-</u>	<u>-</u>

13 Creditors . amounts falling due within one year

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Bank loans and overdrafts	2,894	109,612	2,894	109,612
Trade creditors	1,410,692	2,741,609	1,402,874	2,699,626
Corporation tax	62,609	-	6,665	-
Other creditors	147,551	1,625,645	64,571	83,073
Accruals and deferred income	239,090	515,804	51,550	26,708
	<u>1,862,836</u>	<u>4,992,670</u>	<u>1,528,554</u>	<u>2,919,019</u>

JETAIR (UK) LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2010****14 Pension and other post-retirement benefit commitments****Defined contribution**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £20,075 (2009 £20,042). Contributions totalling £3,064 (2009 £3,646) were payable at the year end and are included in creditors.

	2010 £	2009 £
Contributions payable by the group for the year	20,075	22,042
15 Share capital	2010 £	2009 £
Authorised		
250,000 Ordinary shares of £1 each	250,000	250,000
Allotted, called up and fully paid		
100,000 Ordinary shares of £1 each	100,000	100,000

JETAIR (UK) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2010

16 Statement of movements on reserves

Group

	Revaluation reserve	Other reserves (see below)	Profit and loss account
	£	£	£
Balance at 1 April 2009	600,764	31,331	1,389,647
Profit for the year	-	-	248,759
Depreciation written back	(9,690)	-	9,690
Movement during the year	-	(10,391)	-
Transfer between profit and loss account reserve and pension scheme reserve	-	(13,161)	13,161
Balance at 31 March 2010	591,074	7,779	1,661,257

Other reserves

Litigation reserve

Balance at 1 April 2009	10,391
Other reserve movement	(10,391)
Balance at 31 March 2010	-

Pension scheme reserve

Balance at 1 April 2009	20,940
Decrease	(13,161)
Balance at 31 March 2010	7,779

Company

	Revaluation reserve	Profit and loss account
	£	£
Balance at 1 April 2009	600,764	633,623
Profit for the year	-	124,616
Depreciation written back	(9,690)	9,690
Balance at 31 March 2010	591,074	767,929

JETAIR (UK) LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2010**

17 Reconciliation of movements in shareholders' funds	2010	2009
Group	£	£
Profit for the financial year	248,759	176,233
Dividends	-	316,530
Movement in Litigation reserve	(10,391)	-
Net addition to shareholders' funds	238,368	492,763
Opening shareholders' funds	2,121,742	1,628,979
Closing shareholders' funds	2,360,110	2,121,742

Company	2010	2009
	£	£
Profit for the financial year	124,616	368,385
Opening shareholders' funds	1,334,387	966,002
Closing shareholders' funds	1,459,003	1,334,387

18 Contingent liabilities**Group**

The company has appointed a number of agents as its Retail Agents to sell seats under its Air Travel Organisers License. A liability would arise if the agents so appointed defaulted on these arrangements.

Company

The company has appointed a number of agents as its Retail Agents to sell seats under its Air Travel Organisers License. A liability would arise if the agents so appointed defaulted on these arrangements.

JETAIR (UK) LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2010****19 Financial commitments**

At 31 March 2010 the group had annual commitments under non-cancellable operating leases as follows

	Land and buildings		Other	
	2010	2009	2010	2009
	£	£	£	£
Expiry date				
Within one year	41,059	112,360	8,018	12,302
Between two and five years	288,287	165,377	15,744	14,193
	<u>329,346</u>	<u>277,737</u>	<u>23,762</u>	<u>26,495</u>

At 31 March 2010 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings		Other	
	2010	2009	2010	2009
	£	£	£	£
Expiry date				
Within one year	-	-	1,787	12,302
Between two and five years	124,050	124,050	14,194	4,654
	<u>124,050</u>	<u>124,050</u>	<u>15,981</u>	<u>16,956</u>

20 Directors' emoluments

	2010	2009
	£	£
Emoluments for qualifying services	<u>70,164</u>	<u>62,731</u>

JETAIR (UK) LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2010****21 Employees****Number of employees**

The average monthly number of employees (including directors) during the year was

	2010 Number	2009 Number
Total	49	60

Employment costs

	2010 £	2009 £
Wages and salaries	1,888,337	1,900,930
Social security costs	453,194	417,980
Other pension costs	20,075	22,042
	2,361,606	2,340,952

22 Control

The immediate parent company is Check in Reisen AG Limited, a company registered in the British Virgin Islands. The principal activities of Check in Reisen Limited are those of an investment holding company.

The Ultimate Controlling Party is Mr Ali Ghandour.

23 Related party transactions**Group**

During the year, the company was re-charged £Nil (2009: £Nil) by Jetair (Europe) Limited, a company in which until October 2009 there was a common director, Mr Gupta. At the balance sheet date, the balance due from Jetair (Europe) Limited was £19,242 (2009: £29,702) of which £17,253 was provided for as bad and doubtful debts.

Company

During the year, the company was re-charged £Nil (2009: £Nil) by Jetair (Europe) Limited, a company in which until October 2009 there was a common director, Mr Gupta. At the balance sheet date, the balance due from Jetair (Europe) Limited was £19,242 (2009: £29,702) of which £17,253 was provided for as bad and doubtful debts.