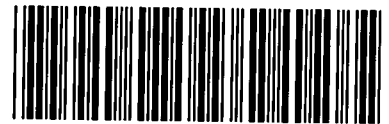


Financial Statements

Air Logistics Networks Limited

For the Year Ended 31 December 2016

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COMPANIES HOUSE

Registered number: 01378919

Company Information

Directors	S J Dawkins P Brunet C D O'Donnell
Company secretary	M N Arrowsmith
Registered number	01378919
Registered office	Unit 6E Boundary Court Willow Farm Business Park Castle Donington DERBY DE74 2NN
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Senior Statutory Auditor Regent House 80 Regent Road Leicester LE1 7NH
Bankers	The Royal Bank of Scotland plc 1st Floor Rowan House Westwood Business Park COVENTRY CV4 8LE

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Directors' report

For the Year Ended 31 December 2016

The directors present their report and the financial statements for the year ended 31 December 2016.

Directors' responsibilities statement

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 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.

Principal activity

The principal activity of the company is general air and sea cargo agents.

Results and dividends

The loss for the year, after taxation, amounted to £158,784 (2015 - profit £59,827).

No dividends have been paid or proposed during the year (2015: £nil).

Directors

The directors who served during the year were:

S J Dawkins
P Brunet
C D O'Donnell

Directors' report (continued)

For the Year Ended 31 December 2016

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Post balance sheet events

At the year end the Directors considered the investment in the joint venture to be fully impaired. During March 2017 the joint venture relationship was formerly ceased.

There have been no other significant events affecting the Company since the year end.

Auditor

Under section 487(2) of the Companies Act 2006, Grant Thornton UK LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board and signed on its behalf.


S J Dawkins
Director

Date: 20 March 2017

Independent auditor's report to the members of Air Logistics Networks Limited

We have audited the financial statements of Air Logistics Networks Limited for the year ended 31 December 2016, which comprise the Statement of income and retained earnings, the Balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is the applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and republic of Ireland.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 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 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 Auditor

As explained more fully in the Directors' responsibilities statement on page 1, 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 and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 31 December 2016 and of its loss 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.

Independent auditor's report to the members of Air Logistics Networks Limited (continued)

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with those financial statements; and
- the Directors' report been prepared in accordance with applicable legal requirements.

Matters on which we are required to report under the Companies Act 2006

In the light of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

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; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic report.



Thomas Copson (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Chartered Accountants
Senior Statutory Auditor
East Midlands

20 March 2017

Statement of income and retained earnings

For the Year Ended 31 December 2016

	Note	2016 £	2015 £
Turnover	4	1,241,948	1,048,190
Gross profit		1,241,948	1,048,190
Administrative expenses		(1,044,380)	(809,550)
Operating profit	5	197,568	238,640
Amounts written off investments		(309,892)	(119,958)
Interest receivable and similar income	8	18	537
Interest payable and similar charges	9	(10,120)	(8,985)
(Loss)/profit before tax		(122,426)	110,234
Tax on (loss)/profit	10	(36,358)	(50,407)
(Loss)/profit after tax		(158,784)	59,827
Retained earnings at the beginning of the year		(592,642)	(652,469)
		(592,642)	(652,469)
(Loss)/profit for the year		(158,784)	59,827
Retained earnings at the end of the year		(751,426)	(592,642)

There were no recognised gains and losses for 2016 or 2015 other than those included in the statement of income and retained earnings.

The notes on pages 7 to 17 form part of these financial statements.

Balance sheet

As at 31 December 2016

	Note	2016 £	2015 £
Fixed assets			
Intangible assets	11	9,443	16,040
Tangible assets	12	4,772	9,243
Investments	13	-	309,892
		<u>14,215</u>	<u>335,175</u>
Current assets			
Debtors: amounts falling due within one year	14	1,393,421	1,247,847
Cash at bank and in hand	15	826,859	607,532
		<u>2,220,280</u>	<u>1,855,379</u>
Creditors: amounts falling due within one year	16	(2,128,242)	(1,862,514)
Net current assets/(liabilities)		<u>92,038</u>	<u>(7,135)</u>
Total assets less current liabilities		<u>106,253</u>	<u>328,040</u>
Creditors: amounts falling due after more than one year	17	(857,579)	(920,582)
Net liabilities		<u>(751,326)</u>	<u>(592,542)</u>
Capital and reserves			
Called up share capital	19	100	100
Profit and loss account	18	(751,426)	(592,642)
		<u>(751,326)</u>	<u>(592,542)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


S J Dawkins
 Director

Date: 20 March 2017

The notes on pages 7 to 17 form part of these financial statements.

Notes to the financial statements

For the Year Ended 31 December 2016

1. General information

Air Logistics Networks Limited is a wholly owned subsidiary of World Freight Company S.A.S, World Freight Company International S.A.S is the ultimate parent undertaking. The address of the registered office of the ultimate parent is Zone De Fret 4, 3 Rue Du Cercel Bat 3313, Roissy CDG Aeroport, France, F95705. The principal activity of the company is general air and sea cargo agents.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The company has net liabilities at the balance sheet date of £751,326 (2015: £592,542). Notwithstanding this, the directors believe that it is appropriate to adopt the going concern basis in the preparation of the financial statements. In reaching this conclusion the directors have taken into account the continued and confirmed group support provided by group and related companies over the next 12 months and beyond.

2.3 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A.

This information is included in the consolidated financial statements of World Freight Company International S.A.S as at 31 December 2016 and these financial statements may be obtained from Zone De Fret 4, 3 Rue Du Cercel Bat 3313, Roissy CDG Aeroport, France, F95705.

2.4 Associates and joint ventures

Associates and Joint Ventures are held at cost less impairment.

Notes to the financial statements

For the Year Ended 31 December 2016

2. Accounting policies (continued)

2.5 Revenue

Revenue comprises revenue recognised by the company in respect of agency services supplied during the year, exclusive of Value Added Tax and trade discounts.

Debtors and creditors arising from the transportation of air cargo are shown as assets and liabilities. This recognises that the company is entitled to retain the investment income on any cashflows arising from these transactions.

2.6 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed five years.

2.7 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Office equipment	- 2 - 5 years
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of income and retained earnings.

2.8 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Notes to the financial statements

For the Year Ended 31 December 2016

2. Accounting policies (continued)

2.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.11 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of income and retained earnings except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of income and retained earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of income and retained earnings within 'other operating income'.

2.12 Finance costs

Finance costs are charged to the Statement of income and retained earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.13 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of income and retained earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

Notes to the financial statements

For the Year Ended 31 December 2016

2. Accounting policies (continued)

2.14 Interest income

Interest income is recognised in the Statement of income and retained earnings using the effective interest method.

2.15 Taxation

Tax is recognised in the Statement of income and retained earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

Many of the amounts included in the financial statements involve the use of judgement and/or estimation.

These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to prior experience, but actual results may differ from the amounts included in the financial statements. Information about such judgements and estimation is contained in the accounting policies and/or the notes to the financial statements and the key areas are summarised below:

Judgements in applying accounting policies

- The directors must judge whether all of the conditions required for revenues to be recognised in the income statement of the financial year, as set out below, have been met.

Sources of estimation uncertainty

- Depreciation rates are based on the useful lives and residual values of the assets involved
- Consideration for the provision of doubtful debts

Notes to the financial statements

For the Year Ended 31 December 2016

4. Turnover

The whole of the turnover is attributable to the one principal activity.

All turnover arose within the United Kingdom.

5. Operating profit

The operating profit is stated after charging:

	2016	2015
	£	£
Depreciation of tangible fixed assets	4,471	4,470
Amortisation of intangible assets, including goodwill	6,597	4,454
Audit Fees	2,800	5,040
Exchange differences	189,519	8,825
Write off investment in joint venture	309,892	119,958
Other services relating to taxation	2,200	1,620
All other services	-	500
	<u> </u>	<u> </u>

6. Employees

Staff costs, including directors' remuneration, were as follows:

	2016	2015
	£	£
Wages and salaries	399,750	292,795
Social security costs	34,428	26,080
Cost of defined contribution scheme	11,605	10,456
	<u>445,783</u>	<u>329,331</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2016	2015
	No.	No.
Administration	<u>7</u>	<u>8</u>

Notes to the financial statements

For the Year Ended 31 December 2016

7. Directors' remuneration

	2016 £	2015 £
Directors' emoluments	63,150	61,981
Company contributions to defined contribution pension schemes	2,820	2,820
	<u>65,970</u>	<u>64,801</u>

During the year retirement benefits were accruing to 1 director (2015 - 1) in respect of defined contribution pension schemes.

8. Interest receivable

	2016 £	2015 £
Other interest receivable	18	537
	<u>18</u>	<u>537</u>

9. Interest payable and similar charges

	2016 £	2015 £
Interest payable to group undertakings	9,849	-
Loans from group undertakings	271	8,985
	<u>10,120</u>	<u>8,985</u>

10. Taxation

	2016 £	2015 £
Corporation tax		
Current tax on profits for the year	38,164	48,675
Adjustments in respect of previous periods	(1,806)	1,732
	<u>36,358</u>	<u>50,407</u>
Total current tax	<u>36,358</u>	<u>50,407</u>

Notes to the financial statements

For the Year Ended 31 December 2016

10. Taxation (continued)**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2015 - higher than) the standard rate of corporation tax in the UK of 20% (2015 - 20.25%). The differences are explained below:

	2016 £	2015 £
(Loss)/profit on ordinary activities before tax	<u>(122,426)</u>	<u>110,234</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20.25%)	(24,485)	22,319
Effects of:		
Expenses not deductible for tax purposes	62,606	25,756
Adjustments to tax charge in respect of prior periods	(1,806)	1,732
Deferred tax not recognised	786	600
Group relief	(792)	-
Deferred tax change in rates	49	-
Total tax charge for the year	<u><u>36,358</u></u>	<u><u>50,407</u></u>

Notes to the financial statements

For the Year Ended 31 December 2016

11. Intangible assets

	Software development £
Cost	
At 1 January 2016	25,980
At 31 December 2016	<u>25,980</u>
Amortisation	
At 1 January 2016	9,940
Charge for the year	6,597
At 31 December 2016	<u>16,537</u>
Net book value	
At 31 December 2016	<u>9,443</u>
At 31 December 2015	<u>16,040</u>

12. Tangible fixed assets

	Office equipment £
Cost or valuation	
At 1 January 2016	15,417
At 31 December 2016	<u>15,417</u>
Depreciation	
At 1 January 2016	6,174
Charge for the period on owned assets	4,471
At 31 December 2016	<u>10,645</u>
Net book value	
At 31 December 2016	<u>4,772</u>
At 31 December 2015	<u>9,243</u>

Notes to the financial statements

For the Year Ended 31 December 2016

13. Fixed asset investments

	Investment in joint ventures £
Net book value	
At 1 January 2016	309,892
Amounts written off	(309,892)
At 31 December 2016	-
At 31 December 2015	309,892

The investment is a 50% holding of the ordinary share capital of Air Logistics Sdn Bnd, a company registered in Brunei. The principal activities of the joint venture are that of a cargo sales and service agent.

At the year end the Directors considered the investment in the joint venture to be fully impaired. During March 2017 the joint venture relationship was formerly ceased.

14. Debtors

	2016 £	2015 £
Trade debtors	949,384	834,563
Amounts owed by group undertakings	164,086	404,471
Prepayments and accrued income	279,951	8,813
	<u>1,393,421</u>	<u>1,247,847</u>

Trade debtors are stated net of a provision for doubtful debts of £25,747 (2015: £34,074)

15. Cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	826,859	607,532
	<u>826,859</u>	<u>607,532</u>

Notes to the financial statements

For the Year Ended 31 December 2016

16. Creditors: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	1,306,533	266,644
Amounts owed to group undertakings	738,941	1,480,206
Corporation tax	13,164	48,675
Other taxation and social security	11,491	15,438
Other creditors	50,000	50,000
Accruals and deferred income	8,113	1,551
	<u>2,128,242</u>	<u>1,862,514</u>

17. Creditors: Amounts falling due after more than one year

	2016 £	2015 £
Amounts owed to group undertakings	857,579	920,582
	<u>857,579</u>	<u>920,582</u>

18. Reserves

Profit & loss account

The profit and loss account includes all current and prior year retained profits and losses.

19. Share capital

	2016 £	2015 £
Authorised, allotted, called up and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

20. Contingent liabilities

A cross guarantee on bank arrangements exists between Datacair Business Support Limited, Air Logistics Limited, Air Logistics Networks Limited and Air Logistics Group Limited.

Notes to the financial statements

For the Year Ended 31 December 2016

21. Pension commitments

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 £11,605 (2015 - £10,456). Contributions totalling £nil (2015 - £nil) were payable to the fund at the balance sheet date.

22. Commitments under operating leases

The Company had no commitments under the non-cancellable operating leases as at the balance sheet date.

23. Related party transactions

As a wholly owned subsidiary of World Freight Company S.A.S., the company is exempt from the requirements of FRS 102 Section 33 to disclose transactions with other members of the group headed by World Freight Company International S.A.S.

24. Controlling party

The company is a subsidiary undertaking of World Freight Company S.A.S., a company registered in France.

The ultimate parent company is World Freight Company International S.A.S., a company also registered in France.

The largest and smallest group in which the results of the company are consolidated is that headed by World Freight Company International S.A.S. Consolidated accounts are available from Zone de Fret 4, 3 Rue Du Cercel Bat 3313, Roissy CDG Aeroport, France, F95705.

The ultimate controlling party is Greenbriar Equity Group LLC.