

# **Junopart Limited**

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

**30 April 1996**

Registered number: 2975806



# **Junopart Limited**

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

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# **Junopart Limited**

## **Directors' report**

The directors present their annual report and the audited financial statements of the Company for the eight month period ended 30 April 1996.

## **Principal activity**

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

## **Change of accounting reference date**

The Company changed its accounting reference date for administrative reasons to 30 April on 15 August 1996. Comparative amounts are stated for the eleven month period ended 31 August 1995.

## **Review of business and future developments**

Both the level of business and the period end financial position are satisfactory, and the directors expect that the present level of activity will be sustained for the foreseeable future.

## **Dividends and transfers to reserves**

The directors do not recommend the payment of a dividend (1995: £nil). The profit for the period transferred to the Company's reserves is £4,246 (1995: loss of £178,859).

## **Fixed assets**

Movements in fixed assets are disclosed in note 8 to the financial statements.

## **Directors**

The directors who served throughout the period were as follows;

R C N Branson  
T M Abbott  
S T M Murphy

None of the directors had an interest in the shares of the Company during the period other than as a result of an interest in the shares of the ultimate holding company at 30 April 1996, Virgin Travel Investments Limited. The shareholdings of the relevant directors are disclosed in the directors' report of that company.


# Junopart Limited

## Directors' report *(continued)*

### Auditors

The members of the Company intend to pass 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 as auditors of the Company until further notice.

By order of the Board



**D P Legge**  
*Company Secretary*

120 Campden Hill Road  
London W8 7AR

25 February 1997

# **Junopart Limited**

## **Statement of directors' responsibilities**

Company law requires the directors to prepare financial statements for each financial year which 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 policies 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 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.

The directors, having prepared the financial statements, note that the auditors are required by the Companies Act 1985 to take whatever steps and undertake whatever inspections they consider to be appropriate for the purpose of enabling them to give their audit report.



1 Forest Gate  
Brighton Road  
Crawley  
West Sussex RH11 9PT

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

We have audited the financial statements on pages 5 to 11.

### **Respective responsibilities of directors and auditors**

As described on page 3 the Company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

### **Basis of opinion**

We conducted our audit in accordance with Auditing Standards 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 of the state of the Company's affairs as at 30 April 1996 and of its profit for the eight month period to 30 April 1996 and have been properly prepared in accordance with the Companies Act 1985.

A handwritten signature in dark ink, appearing to be 'HMS' or similar, written above the printed name of the Chartered Accountants.

Chartered Accountants  
*Registered Auditors*

25 February 1997

# Junopart Limited

## Profit and loss account

for the eight month period ended 30 April 1996

		8 months ended 30 April 1996 £	11 months ended 31 August 1995 £
	Note		
Turnover	2	488,718	309,085
Cost of sales		(164,630)	(455,256)
		<hr/>	<hr/>
Gross profit/(loss)		324,088	(146,171)
Administrative expenses		(60,347)	(32,688)
		<hr/>	<hr/>
Operating profit/(loss)		263,741	(178,859)
Interest payable and similar charges	3	(78,193)	-
		<hr/>	<hr/>
Profit/(loss) on ordinary activities before taxation	7	185,548	(178,859)
Tax on profit/(loss) on ordinary activities	6	(2,443)	-
		<hr/>	<hr/>
Retained profit/(loss) for the financial period		183,105	(178,859)
Retained loss brought forward		(178,859)	-
Retained profit/(loss) carried forward		<hr/>	<hr/>
		4,246	(178,859)
		<hr/>	<hr/>

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

The notes on pages 7 to 11 form part of these financial statements.

# Junopart Limited

## Balance sheet

at 30 April 1996

	Note	30 April 1996 £	31 August 1996 £
<b>Fixed assets</b>			
Tangible assets	8	2,611,316	1,990,551
<b>Debtors</b>	9	84,411	-
<b>Creditors:</b> amounts falling due within one year	10	(2,691,479)	(2,169,408)
<b>Net current liabilities</b>		(2,607,068)	(2,169,408)
<b>Total assets less current liabilities</b>		4,248	(178,857)
<b>Net assets/(liabilities)</b>		4,248	(178,857)
<b>Capital and reserves</b>			
Called up share capital	11	2	2
Profit and loss account		4,246	(178,859)
<b>Equity shareholders' funds</b>		4,248	(178,857)

These financial statements were approved by the Board of Directors on 25 February 1997 and were signed on its behalf by:

**T M Abbott**  
Director



The notes on pages 7 to 11 form part of these financial statements.



# Junopart Limited

## Notes

*(forming part of the financial statements)*

### 1. Accounting policies

The following significant accounting policies have been consistently applied 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, and on a going concern basis in accordance with applicable accounting standards. This policy has been applied consistently for the period under review. Virgin Travel Investments Limited, the ultimate holding company of Junopart Limited at 30 April 1996, has confirmed that it will provide support in order that the Company can meet its commitments as they fall due.

Under Financial Reporting Standard 1, 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 Travel Investments Limited and its cash flows are included within the consolidated cash flow statement of that company.

#### b) *Depreciation*

No depreciation is provided on freehold land and buildings as it is the Company's policy to maintain its properties in a sound state of repair and accordingly the directors consider that the lives of the properties are so long and residual values at such a level that depreciation is immaterial.

#### c) *Translation of foreign currencies*

Assets and liabilities denominated in foreign currency are translated into sterling at the rates of exchange ruling at the end of the accounting period. Revenues and costs are translated into sterling at the average rate of exchange for the period.

### 2. Analysis of turnover and profit/(loss) on ordinary activities before taxation

The profit/(loss) on ordinary activities before taxation is attributable to the Company's principal activity. All turnover originates from within the United States of America.

# Junopart Limited

## Notes (continued)

### 3. Interest payable and similar charges

	8 months ended 30 April 1996 £	11 months ended 31 August 1995 £
Interest payable to subsidiary undertakings	78,193	-

### 4. Staff numbers

The average number of persons employed by the Company, excluding directors, analysed by category was as follows:

	8 months ended 30 April 1996	11 months ended 31 August 1995
Management and administration	Nil	Nil

### 5. Emoluments of the directors

The directors received no emoluments for the period (1995: £ Nil)

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

	8 months ended 30 April 1996 £	11 months ended 31 August 1995 £
<i>UK corporation tax at 33% (1995: 33%):</i>		
Amounts payable in respect of current period	2,443	-

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

# Junopart Limited

## Notes (continued)

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

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

	8 months ended 30 April 1996 £	11 months ended 31 August 1995 £
Auditors' remuneration:		
Audit	2,500	2,000
Other	-	3,150
Exchange differences	40,462	4,512
	<hr/>	<hr/>

### 8. Tangible fixed assets Freehold land and buildings

	£
<u>Cost</u>	
At 1 September 1995	1,990,551
Exchange rate adjustments	64,325
Additions	556,440
<b>At 30 April 1996</b>	<hr/> <b>2,611,316</b> <hr/>
<u>Depreciation</u>	
At 1 September 1995	-
Exchange rate adjustments	-
Charge for the period	-
<b>At 30 April 1996</b>	<hr/> <b>-</b> <hr/>
<u>Net book value</u>	
<b>At 30 April 1996</b>	<hr/> <b>2,611,316</b> <hr/>
At 31 August 1995	<hr/> <b>1,990,551</b> <hr/>

# Junopart Limited

## Notes (continued)

### 9. Debtors

#### Amounts falling due within one year

	30 April 1996 £	31 August 1995 £
Prepayments and accrued income	84,411	-

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

	30 April 1996 £	31 August 1995 £
Amounts owed to parent undertaking	(6,844)	3,148
Amount owed to subsidiary undertakings	(2,677,692)	2,164,260
Group relief payable	(2,443)	-
Accruals and deferred income	(4,500)	2,000
	<u>(2,691,479)</u>	<u>2,169,408</u>

### 11. Share capital

	30 April 1996 £	31 August 1995 £
<i>Authorised:</i>		
Ordinary shares of £1 each	1,000	1,000
<i>Issued and called up:</i>		
Ordinary shares of £1 each	2	2

### 12. Financial commitments

The Company is committed to pay an amount not exceeding \$380,000 per annum for the period which commenced on 15 January 1996 and ends on 15 January 2000 in respect of the early termination of a property lease.

# **Junopart Limited**

## **Notes** *(continued)*

### **13. Ultimate holding company**

The ultimate and immediate holding company at 30 April 1996 for which consolidated financial statements have been drawn up is Virgin Travel Investments Limited, a company registered in England and Wales.

Copies of the financial statements for this company may be obtained from the Registrar of Companies, Companies House, Crown Way, Cardiff CF4 3UZ.