

COMPANY NUMBER : 4998948

CVT SOLUTIONS LIMITED
DIRECTORS' REPORT
AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2005

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CVT SOLUTIONS LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31ST DECEMBER, 2005

Directors

G C Farrin Robinson
M C Jepson
A S M Robinson
C Stipancic Jr
W T Charnock

Secretary

D J Waterhouse

Registered Office

Howard House
32-34 High Street
Croydon
Surrey
CR0 1YB

Auditors

Shipleys LLP
10 Orange Street
Haymarket
London
WC2H 7DQ

CVT SOLUTIONS LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31ST DECEMBER, 2005

The directors present their initial accounts for CVT Solutions Limited (the "Company") for year ended 31st December, 2005

PRINCIPAL ACTIVITIES

The principal activity of the company in the period under review was that of airline services including car parking and fuel supply. On 30 December 2005, CAFCO (Coventry) Limited acquired the entire share capital of the Company.

REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

The results for the period and financial position of the company are presented in the financial statements. The Company made a profit after tax of £2,261,883 (2004 £608,219). In the future, the Company is looking to take advantage of the increase in passenger numbers which the potential expansion of Coventry Airport will bring.

DIRECTORS

The directors during the year and subsequently were

A P Jones (resigned 27th June 2006)
W H Savage (resigned 30th June 2006)
W H Waggott (resigned 30th December 2005)
G C Farrin Robinson (appointed 30th December 2005)
M C Jepson (appointed 30th December 2005)
A S M Robinson (appointed 30th December 2005)
C Stipancic Jr (appointed 30th December 2005)
A G Hunter (resigned 31st August 2005)
W T Charnock (appointed 1st July 2006)

DIVIDENDS

The directors do not recommend the payment of a dividend.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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 these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,

CVT SOLUTIONS LIMITED
DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31ST DECEMBER, 2005

STATEMENT OF DIRECTORS' RESPONSIBILITIES – CONTINUED

- state whether applicable 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 company will continue in business


The directors are responsible for keeping proper accounting records that 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 1985. 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

AUDITORS

During the year, Pricewaterhouse Coopers LLP resigned as auditors of the company and Shipleys LLP were appointed in their stead. A resolution to reappoint Shipleys LLP as auditors will be proposed at the next Annual General Meeting.

By Order of the Board


W. T. Charnock
Director

4th June 2007

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
CVT SOLUTIONS LIMITED**

We have audited the financial statements of CVT Solutions Limited for the year ended 31st December, 2005, which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 auditors

As described in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

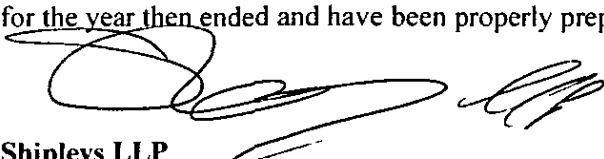
Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31st December, 2005 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Shipleys LLP
Registered Auditors and
Chartered Accountants
10 Orange Street
Haymarket
London
WC2H 7DQ

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CVT SOLUTIONS LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER, 2005

	Notes	2005 £	2004 £
TURNOVER	1	9,562,848	6,412,108
COST OF SALES		<u>(7,277,501)</u>	<u>(5,798,393)</u>
GROSS PROFIT		2,285,347	613,715
ADMINISTRATIVE EXPENSES		<u>(23,464)</u>	<u>(5,496)</u>
OPERATING PROFIT	2	2,261,883	608,219
TAX ON PROFIT ON ORDINARY ACTIVITIES	3	<u>-</u>	<u>-</u>
PROFIT FOR THE FINANCIAL PERIOD AFTER TAXATION		<u>2,261,883</u>	<u>608,219</u>
RETAINED PROFIT FOR THE PERIOD		<u>£2,261,883</u> <u>=====</u>	<u>£608,219</u> <u>=====</u>

Continuing operations

None of the company's activities were acquired or discontinued during the period

Total Recognised Gains and Losses

The company has no recognised gains or losses other than the profit for the period

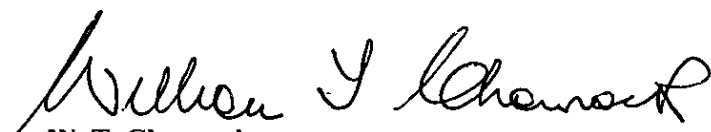
CVT SOLUTIONS LIMITED

BALANCE SHEET

AS AT 31ST DECEMBER, 2005

	Notes	2005	2004
		£	£
CURRENT ASSETS			
Debtors	4	2,202,386	936,547
Cash in hand		<u>1,027,716</u>	<u>270,043</u>
		3,230,102	1,206,590
CREDITORS : Amounts falling due within one year	5	<u>(359,999)</u>	<u>(598,370)</u>
NET CURRENT ASSETS		<u>2,870,103</u>	<u>608,220</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,870,103</u>	<u>608,220</u>
NET ASSETS		<u><u>£2,870,103</u></u>	<u><u>£608,220</u></u>
CAPITAL AND RESERVES			
Called up share capital	6	1	1
Profit and loss account	7	<u>2,870,102</u>	<u>608,219</u>
EQUITY SHAREHOLDERS' FUNDS	9	<u><u>£2,870,103</u></u>	<u><u>£608,220</u></u>

Approved by the Board on 4th June 2007 and signed on its behalf by


W. T. Charnock
Director

CVT SOLUTIONS LIMITED
CASH FLOW STATEMENT
AS AT 31ST DECEMBER, 2005

	Notes	£	2005 £	£	2004 £
Net cash inflow from operating Activities	1		757,673		270,043
Taxation			-		-
Increase in cash in the period			<u>£757,673</u>		<u>£270,043</u>
<hr/>					
Reconciliation of net cash flow to movement in net funds					
Increase in cash in the period	2	757,673		270,043	
Change in net funds resulting from cash flows			<u>757,673</u>		<u>270,043</u>
Movement in net funds in the period			757,673		270,043
Net funds at 31st December, 2004			<u>270,043</u>		-
Net funds at 31st December, 2005			<u>£1,027,716</u>		<u>£270,043</u>

NOTES TO THE CASH FLOW STATEMENT

AS AT 31ST DECEMBER, 2005

1. Reconciliation of operating profit to net cash inflow from operating activities	2005		2004
	£		£
Operating profit	2,261,883		608,219
Increase in debtors	(1,265,839)		(936,546)
(Decrease)/increase in creditors	<u>(238,371)</u>		<u>598,370</u>
Net cash inflow from operating activities	£757,673		£270,043
	<u><u><u> </u></u></u>		<u><u><u> </u></u></u>
2. Analysis of changes in net funds	2004	Cash Flow	2005
Net cash:			
Cash at bank and in hand	£270,043	£757,673	£1,027,716
	<u> </u>		

CVT SOLUTIONS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER, 2005

1. ACCOUNTING POLICIES

1.1 Basis of Preparing the Financial Statements

The company's financial statements have been prepared on a going concern basis in accordance with applicable United Kingdom accounting standards, under the historic cost convention and in accordance with the Companies Act 1985

1.2 Turnover

Turnover represents net invoiced sales of goods, excluding value added tax

1.3 Tax

UK corporation tax is provided at amounts expected to be paid (or recovered using the tax rates and laws that have been enacted or substantially enacted) by the balance sheet date

1.4 Comparatives

The comparative figures cover the period from incorporation on 18th December, 2003 to 31st December, 2004. The company commenced trading on 24th March, 2004

1.5 Going Concern

The financial statements have been prepared on a going concern basis. The company trades on an arms length basis with a fellow subsidiary undertaking, West Midlands International Airport Limited (WMIAL). At the year end, the indebtedness of WMIAL was £2,143,347. WMIAL is in the process of refinancing and this together with other factors will enable the company to continue to trade and the directors have received assurances that the debt will be fully recovered but some of the debt may be received in more than one year. Notwithstanding this the directors believe that the company will be able to meet its day to day obligations and that the going concern basis is appropriate.

2. OPERATING PROFIT

Operating profit is stated after charging -	2005	2004
	£	£

Auditors' remuneration	-	-
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3. TAXATION

	£	£
Profit on ordinary activities before taxation	<u>2,261,883</u>	<u>608,219</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30%	678,565	182,466
Effects of group relief claimed	<u>(678,565)</u>	<u>(182,466)</u>
	<u>£ -</u>	<u>£ -</u>

No tax charge arises due to the availability of group relief for which payment is made

CVT SOLUTIONS LIMITED
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST DECEMBER, 2005

4. DEBTORS : Amounts falling due within one year	2005 £	2004 £
Amounts owed by group undertakings	2,143,347	787,892
VAT recoverable	55,748	148,655
Accrued income	3,291	-
	<u>£2,202,386</u>	<u>£936,547</u>

The amounts due from group undertakings are likely to be paid after more than one year

5. CREDITORS : Amounts falling due within one year	2005 £	2004 £
Trade creditors	276,012	543,986
Accruals and deferred income	75,148	54,384
Other provision	8,839	-
	<u>£359,999</u>	<u>£598,370</u>

6. CALLED UP SHARE CAPITAL

Authorised

100 Ordinary shares of £1 each	£100	£100
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Allotted, issued and fully paid

1 Ordinary share of £1 each	£1	£1
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7. RESERVES

**Profit and
Loss Account**

At 1st January, 2005	608,219
Profit for the year	<u>2,261,883</u>
At 31st December, 2005	<u>£2,870,102</u>

8. ULTIMATE PARENT COMPANY

During the period the company was part of the TUI group and the ultimate controlling party was TUI AG, incorporated in Germany. With effect from 30 December 2005, CAFCO (Coventry) Limited acquired the entire share capital of the Company and this is the ultimate parent.

CVT SOLUTIONS LIMITED
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31ST DECEMBER, 2005

9. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2005	2004
	£	£
Profit for the financial period	2,261,883	608,219
New share issue	<u>-</u>	<u>1</u>
Net addition to shareholders' funds	2,261,883	608,220
Opening shareholders' funds	<u>608,220</u>	<u>-</u>
Closing shareholders' funds	<u>£2,870,103</u>	<u>£608,220</u>

10. RELATED PARTY TRANSACTIONS

Transactions with other companies within the Group are not disclosed as the Company has taken advantage of the exemption available under Financial Reporting Standard No 8 'Related Party Disclosures', as the consolidated accounts of both CAFCO (Coventry) Ltd and TUI AG in which the company is included, are publicly available