

COMPANY REGISTRATION NUMBER 4998948

CVT SOLUTIONS LIMITED
FINANCIAL STATEMENTS
31 DECEMBER 2006

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CVT SOLUTIONS LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2006

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CVT SOLUTIONS LIMITED
OFFICERS AND PROFESSIONAL ADVISERS

The board of directors	G C Farn Robinson C Stipancic Jr
Company secretary	D J Waterhouse
Registered office	Howard House 32-34 High Street Croydon Surrey CR0 1YB
Auditor	Shipleys LLP Chartered Accountants & Registered Auditors 10 Orange Street Haymarket London WC2H 7DQ

CVT SOLUTIONS LIMITED

THE DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2006

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31 December 2006

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the company during the year was that of airline services including car parking and fuel supply

The results for the company show a pre-tax profit of £1,898,359 (2005 £2,261,883) for the year and sales of £9,221,010 (2005 £9,562,848)

FUTURE DEVELOPMENTS

The directors anticipate that the company will continue to maintain its current level of performance in the future

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £650,286. The directors have not recommended a dividend

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial risk management objectives and policies

The management of the business and the execution of the company's strategy are subject to a number of risks

The key business risks and major uncertainties affecting the company are considered to relate to fuel prices and liquidity risk.

Large increases in fuel prices, specific to the UK, could force the company to increase their sales prices, which in turn could influence flight operators, encouraging them to refuel at their outbound destination. The company monitors these price increases and the impact on customers to ensure prices are controlled where possible

The company provides fuel and car parking services solely in relation to Coventry airport. As such, the company is exposed to the overall liquidity risk faced by the Coventry airport group. The directors of the parent company regularly monitor the overall financing position of the group to ensure that going concern risks are addressed and reduced where possible

The exposure of the company to credit risk and cash flow risk is not considered material for the assessment of the assets, liabilities, financial position and profit or loss of the company

Derivatives

The company does not have any derivatives

CVT SOLUTIONS LIMITED

THE DIRECTORS' REPORT (*continued*)

YEAR ENDED 31 DECEMBER 2006

DIRECTORS

The directors who served the company during the year were as follows

G C Farnn Robinson	
W T Charnock	Appointed on 1 July 2006 and retired on 24 August 2008
M C Jepson	Retired on 20 February 2008
A S M Robinson	Retired on 4 March 2008
C Stipancic Jr	
A P Jones	Retired on 27 June 2006
W H Savage	Retired on 30 June 2006

DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual 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). The financial statements are required by law to 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 judgements and 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 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.

In so far as the directors are aware

- there is no relevant audit information of which the company's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

CVT SOLUTIONS LIMITED
THE DIRECTORS' REPORT *(continued)*
YEAR ENDED 31 DECEMBER 2006

AUDITOR

A resolution to re-appoint Shipleys LLP as auditor for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985

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

Signed by order of the directors



D J WATERHOUSE
Company Secretary

Approved by the directors on *9TH OCTOBER* 2008

CVT SOLUTIONS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF CVT SOLUTIONS LIMITED

YEAR ENDED 31 DECEMBER 2006

We have audited the financial statements of CVT Solutions Limited for the year ended 31 December 2006 which comprise the Profit and Loss Account, Balance Sheet, Cash Flow Statement and the related notes. These financial statements have been prepared on the basis of the accounting policies set out therein.

This report is made solely to the company's shareholders, 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 shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

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 whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 other transactions 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.

CVT SOLUTIONS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF CVT SOLUTIONS LIMITED (*continued*)

YEAR ENDED 31 DECEMBER 2006

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 31 December 2006 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements

Emphasis of Matter - Going Concern

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosure made in Note 2 to the financial statements concerning the ability of its fellow subsidiary to settle its indebtedness of £2,987,889. These conditions indicate the existence of a material uncertainty which may cast doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company were unable to continue as a going concern.

10 Orange Street
Haymarket
London
WC2H 7DQ
09 OCT 2008



SHIPLEYS LLP
Chartered Accountants
& Registered Auditors

CVT SOLUTIONS LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2006

	Note	2006 £	2005 £
TURNOVER	3	9,221,010	9,562,848
Cost of sales		(7,282,473)	(7,277,501)
GROSS PROFIT		<u>1,938,537</u>	<u>2,285,347</u>
Administrative expenses		(43,958)	(23,464)
OPERATING PROFIT	4	1,894,579	2,261,883
Interest receivable		9,252	—
Interest payable and similar charges	6	(5,472)	—
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>1,898,359</u>	<u>2,261,883</u>
Tax on profit on ordinary activities	7	(1,248,073)	—
PROFIT FOR THE FINANCIAL YEAR		<u>650,286</u>	<u>2,261,883</u>

All of the activities of the company are classed as continuing

The company has no recognised gains or losses other than the results for the year as set out above

The notes on pages 10 to 14 form part of these financial statements

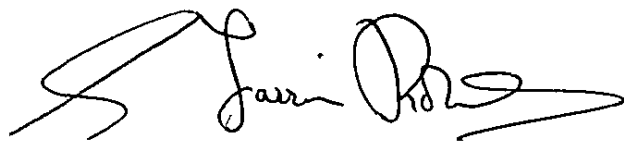
CVT SOLUTIONS LIMITED

BALANCE SHEET

31 DECEMBER 2006

	Note	2006 £	£	2005 £	£
CURRENT ASSETS					
Debtors	8	3,368,597		2,202,386	
Cash at bank		<u>477,478</u>		<u>1,027,716</u>	
		3,846,075		3,230,102	
CREDITORS: Amounts falling due within one year	9	<u>(325,686)</u>		<u>(359,999)</u>	
NET CURRENT ASSETS			3,520,389		2,870,103
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,520,389</u>		<u>2,870,103</u>
CAPITAL AND RESERVES					
Called-up equity share capital	12		1		1
Profit and loss account	13		<u>3,520,388</u>		<u>2,870,102</u>
SHAREHOLDERS' FUNDS	14		<u>3,520,389</u>		<u>2,870,103</u>

These financial statements were approved by the directors and authorised for issue on 9TH OCTOBER 2008, and are signed on their behalf by



G C FARRIN ROBINSON

The notes on pages 8 form part of these financial statements
10-14

CVT SOLUTIONS LIMITED

CASH FLOW STATEMENT

YEAR ENDED 31 DECEMBER 2006

		2006		2005	
	Note	£	£	£	£
NET CASH INFLOW FROM OPERATING ACTIVITIES	15		694,055		757,673
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	15		3,780		—
TAXATION	15		(1,248,073)		—
			<hr/>		<hr/>
(DECREASE)/INCREASE IN CASH	15		<u>(550,238)</u>		<u>757,673</u>

The notes on pages 10 to 14 form part of these financial statements

CVT SOLUTIONS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2006

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities

2. 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 £2,978,889 (2005 £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.

3. TURNOVER

The turnover and profit before tax are attributable to the one principal activity of the company.

An analysis of turnover is given below

	2006	2005
	£	£
United Kingdom	<u>9,221,010</u>	<u>9,562,848</u>

4. OPERATING PROFIT

Operating profit is stated after crediting

	2006	2005
	£	£
Directors' emoluments	<u>—</u>	<u>—</u>

5. PARTICULARS OF EMPLOYEES

No salaries or wages have been paid to employees, including the directors, during the year.

CVT SOLUTIONS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2006

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2006 £	2005 £
Interest payable on bank borrowing	<u>5,472</u>	<u>-</u>

7. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	2006 £	2005 £
Current tax		
Corporation tax	-	-
Payment for tax losses	1,248,073	-
Total current tax	<u>1,248,073</u>	<u>-</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is higher than the standard rate of corporation tax in the UK of 30% (2005 - 30%).

	2006 £	2005 £
Profit on ordinary activities before taxation	<u>1,898,359</u>	<u>2,261,883</u>
Profit on ordinary activities by rate of tax	569,508	678,565
Utilisation of tax losses	(569,508)	(678,565)
Payment for tax losses	1,248,073	-
Total current tax (note 7(a))	<u>1,248,073</u>	<u>-</u>

8. DEBTORS

	2006 £	2005 £
Amounts owed by group undertakings	2,978,889	2,143,347
Other debtors	316,018	55,748
Prepayments and accrued income	73,690	3,291
	<u>3,368,597</u>	<u>2,202,386</u>

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

CVT SOLUTIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2006

9. CREDITORS: Amounts falling due within one year

	2006 £	2005 £
Trade creditors	219,594	276,012
Other creditors	—	8,839
Accruals and deferred income	106,092	75,148
	<u>325,686</u>	<u>359,999</u>

10. DERIVATIVES

The company does not have any derivatives

11. RELATED PARTY TRANSACTIONS

The immediate and ultimate parent undertaking is CAFCO (Coventry) Limited. As such the company is ultimately under the control of T G Coughlan, F E Gormley, B Murtagh and B J Madden by virtue of their 75% shareholding in CAFCO (Coventry) Limited.

During the year the company made sales of £2,225,992 (2005 £1,869,758) to West Midlands International Airport Limited (WMIAL), another group company. At the year end and included in debtors, there is a balance of £2,978,889 (2005 £2,143,347) due from WMIAL.

12. SHARE CAPITAL

Authorised share capital:

	2006 £	2005 £
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

Allotted, called up and fully paid:

	2006		2005	
	No	£	No	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

13. PROFIT AND LOSS ACCOUNT

	2006 £	2005 £
Balance brought forward	2,870,102	608,219
Profit for the financial year	650,286	2,261,883
Balance carried forward	<u>3,520,388</u>	<u>2,870,102</u>

CVT SOLUTIONS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2006

14. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2006 £	2005 £
Profit for the financial year	650,286	2,261,883
Opening shareholders' funds	2,870,103	608,220
Closing shareholders' funds	<u>3,520,389</u>	<u>2,870,103</u>

15. NOTES TO THE STATEMENT OF CASH FLOWS

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2006 £	2005 £
Operating profit	1,894,579	2,261,883
Increase in debtors	(1,166,211)	(1,265,839)
Decrease in creditors	(34,313)	(238,371)
Net cash inflow from operating activities	<u>694,055</u>	<u>757,673</u>

RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	2006 £	2005 £
Interest received	9,252	—
Interest paid	(5,472)	—
Net cash inflow from returns on investments and servicing of finance	<u>3,780</u>	<u>—</u>

TAXATION

	2006 £	2005 £
Taxation	<u>(1,248,073)</u>	<u>—</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2006 £	2005 £
(Decrease)/Increase in cash in the period	(550,238)	757,673
Movement in net funds in the period	<u>(550,238)</u>	<u>757,673</u>
Net funds at 1 January 2006	1,027,716	270,043
Net funds at 31 December 2006	<u>477,478</u>	<u>1,027,716</u>

CVT SOLUTIONS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2006

15. NOTES TO THE STATEMENT OF CASH FLOWS *(continued)*

ANALYSIS OF CHANGES IN NET FUNDS

	At 1 Jan 2006 £	Cash flows £	At 31 Dec 2006 £
Net cash			
Cash in hand and at bank	1,027,716	(550,238)	477,478
Net funds	<u>1,027,716</u>	<u>(550,238)</u>	<u>477,478</u>