

**Hays Airseats Limited (formerly Hays Foreign
Exchange (East Midlands) Limited)**

Report and Financial Statements

31 October 2009



Hays Airseats Limited (formerly Hays Foreign Exchange (East Midlands) Limited)

Director

Mr J Hays

Secretary

Mr G M Dixon

Auditors

Ernst & Young LLP
Citygate
St James' Boulevard
Newcastle upon Tyne
NE1 4JD

Bankers

Barclays Bank plc
53 Fawcett Street
Sunderland
Tyne and Wear
SR1 1SD

Solicitors

Muckle LLP
Time Central
32 Gallowgate
Newcastle upon Tyne
NE1 4BF

Registered Office

25 Vine Place
Sunderland
Tyne and Wear
SR1 3NA

Director's report

The director presents the report and financial statements for the year ended 31 October 2009

Results and dividends

The loss for the year, after taxation, amounted to £526 (2008 profit of £426) The directors do not propose the payment of a final ordinary dividend

Principal activity and review of business

The company's principal activity to 31 December 2008 was the sale of foreign currency

On 31 December 2008 the company ceased trading, with all the trade and assets being transferred to Hays Foreign Exchange Limited, a related company

The company's name was changed to Hays Airseats Limited on 25 November 2009

Directors

The directors who served throughout the year were as follows

Mr J Hays

Mr M R Norden (resigned 3 April 2009)

Mr C Smith (resigned 31 December 2008)

Disabled employees

The company gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person

Where existing employees become disabled it is the company's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion to disabled employees where appropriate

Employee involvement

During the year, the policy of providing employees with information about the company has been continued Regular meetings are held to allow a free flow of information and ideas

Financial risk management policy

The company's principal financial investments comprise cash, cash equivalents and loans Other financial assets and liabilities, such as trade creditors and trade debtors, arise directly from the company's operating activities

The main risks associated with the company's financial assets and liabilities are set out below

Interest rate risk

The company invests surplus cash in a floating rate interest yielding bank deposit account and has access to a floating rate interest bearing overdraft facility Term loans are entered into at floating interest rates The company interest income and expenses are therefore affected by movements in interest rates The company does not undertake any hedging activity

Credit risk

The company has external debtors, however, the company undertakes assessments of its customers in order to ensure that credit is not extended where there is a likelihood of default

Liquidity risk

The company aims to mitigate liquidity risk by managing cash generated by its operations

Director's report

Financial risk management policy (continued)

Foreign currency risk

The company reviews its foreign currency exposure on an ongoing basis. The company trades foreign currencies, but these are considered stable and therefore the Board feel there is no material foreign currency risk.

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of the company's auditor, the director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

Special provisions relating to small companies

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

On behalf of the Board



J Hays
Director

24 March 2010

Statement of director's responsibilities in respect of the financial statements

The director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is 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, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is responsible for keeping proper accounting records which 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 to 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.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditors' report

to the members of Hays Airseats Limited

We have audited the financial statements of Hays Airseats Limited for the year ended 31 October 2009 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 12. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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 (APB's) Ethical Standards for Auditors, including "APB Ethical Standard – Provisions Available for Small Entities (Revised)", in the circumstances set out in note 1 to the financial statements.

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 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 company's affairs as at 31 October 2009 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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.

Independent auditors' report

to the members of Hays Airseats Limited (continued)

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 prepare the financial statements and the directors' report in accordance with the small companies regime

A handwritten signature in black ink, appearing to read 'D. Rutherford'.

Darren Rutherford (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Newcastle upon Tyne

24 March 2010

Profit and loss account

for the year ended 31 October 2009

	Notes	2009 £	2008 £
Turnover – discontinued activities	2	548	592
Operating expenses	3	(1,074)	-
		<hr/>	<hr/>
Operating (loss)/profit	4	(526)	592
Interest receivable		-	-
Interest payable and similar charges		-	-
		<hr/>	<hr/>
(Loss)/profit on ordinary activities before taxation		(526)	592
Tax on (loss)/profit on ordinary activities	5	-	166
		<hr/>	<hr/>
(Loss)/profit for the financial year	9	(526)	426
		<hr/> <hr/>	<hr/> <hr/>

Statement of Total Recognised Gains and Losses

for the year ended 31 October 2009

There are no recognised gains or losses other than those dealt with in the profit and loss account

Hays Airseats Limited (formerly Hays Foreign Exchange (East Midlands) Limited)

Registered No 06428210

Balance sheet

at 31 October 2009

	Notes	2009 £	2008 £
Current assets			
Debtors	6	-	470
Cash at bank and in hand		-	622
			<hr/>
		-	1,092
Creditors amounts falling due within one year	7	-	566
			<hr/>
Net current assets		-	526
			<hr/>
Total assets less current liabilities		-	526
			<hr/>
		-	526
			<hr/>
Capital and reserves			
Called up share capital	8	100	100
Profit and loss account	9	(100)	426
			<hr/>
Equity shareholders' funds	9	-	526
			<hr/>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Approved by the Board

J Hays
Director



24 March 2010

Notes to the financial statements

at 31 October 2009

1. Accounting policies

Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Stocks

Stocks of foreign currency notes and coins are stated at lower of cost and net realisable value

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more tax, with the exception of deferred tax assets. Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date.

All differences are taken to the profit and loss account.

2. Turnover

Turnover represents the sales value of foreign currency or commission earned as an agent, and arises wholly within the UK. The sale of foreign currency is exempt from value added tax.

3. Operating expenses

	2009 £	2008 £
Distribution costs	1,074	-
Administration expenses	-	-
	<u>1,074</u>	<u>-</u>

4. Operating (loss)/profit

This is stated after charging

	2009 £	2008 £
Auditors' remuneration	-	-
Directors' remuneration	-	-
	<u>-</u>	<u>-</u>

The audit fee is borne by a fellow group undertaking.

Notes to the financial statements

at 31 October 2009

5. Tax on profit on ordinary activities

(a) Analysis of charge in year

	2009 £	2008 £
<i>Current tax</i>		
UK corporation tax on profits of the year	-	166
Total current tax (note 5(b))	-	166
<i>Deferred tax</i>		
Origination and reversal of timing differences	-	-
Total deferred tax	-	-
Tax on profit on ordinary activities	-	166

(b) Factors affecting tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK. The differences are explained below

	2009 £	2008 £
(Loss)/profit on ordinary activities before tax	(526)	592
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2008: 28.83%)	(147)	171
<i>Effects of</i>		
Group relief/other	147	(5)
Current tax charge for the year (note 5(a))	-	166

6. Debtors

	2009 £	2008 £
Amounts due from related undertakings	-	470

7. Creditors: amounts falling due within one year

	2009 £	2008 £
Corporation tax	-	166
Amounts due to parent undertaking	-	400
	-	566

Notes to the financial statements

at 31 October 2009

8. Share capital

	<i>Authorised</i>		<i>Allotted, called up and fully paid</i>	
	<i>2009</i>	<i>2008</i>	<i>2008</i>	
	<i>No</i>	<i>£</i>	<i>No</i>	<i>£</i>
Ordinary shares of £1 each	100	100	100	100

9. Reserves and reconciliation of shareholders' funds

	<i>Share capital £</i>	<i>Profit and loss account £</i>	<i>Total share- holders' funds £</i>
At 31 October 2008	100	426	526
Loss for the year	-	(526)	(526)
At 31 October 2009	100	(100)	-

10 Capital commitments

There were no capital commitments at 31 October 2009 (2008 £nil)

11. Ultimate parent undertaking and controlling party

In the directors' opinion the company's ultimate parent undertaking and controlling party is Hays Travel Limited, a company registered in England and Wales

The parent undertaking's financial statements can be obtained from Companies House in Cardiff

12. Related party transactions

The company has taken advantage of the exemptions available to subsidiary undertakings under FRS 8 of not disclosing transactions with entities of the group qualifying as related parties