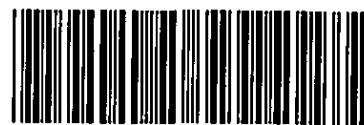


**Menzies Aviation (NL) Limited**

**Directors' Report and Accounts  
for the year ended 31 December 2010**

**Company No. 3717746**

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# **Menzies Aviation (NL) Limited**

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## **Menzies Aviation (NL) Limited**

### **Company information**

Directors	JM Cross (resigned 30 October 2010) PJ Humphrey RS Sagoo (appointed 13 December 2010 and resigned 15 April 2011) GRB Wilson (appointed 15 April 2011 and resigned 16 August 2011) AL Stevenson (appointed 16 August 2011)
Secretary	TG Turnbull
Registered Office	4 New Square Bedfont Lakes Middlesex TW14 8HA
Company number	3717746
Auditors	Ernst & Young LLP Ten George Street Edinburgh EH2 2DZ

## **Menzies Aviation (NL) Limited**

### **Directors' Report**

The directors have pleasure in submitting their annual report together with the audited accounts for the year ended 31 December 2010

#### **Principal activities and results for the year**

The Company acts as a holding company

Profit before tax for the year amounts to £369,580 and relates to interest receivable from group companies (2009 £nil) The company did not trade in the year (2009 same) The directors do not recommend payment of a dividend (2009 £nil)

#### **Business review and future developments**

As the Company did not trade in the year a review of the future developments is not deemed appropriate However, a review of the business and future developments of Menzies Aviation are discussed in the Directors' Report of John Menzies plc

#### **Principal risks and uncertainties**

The principal risks and uncertainties of Menzies Aviation Holdings Limited, which include those of the Company, are discussed in the Directors' Report of that company

#### **Key performance indicators**

The directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the performance or position of the Company

#### **Going Concern**

In line with the FRC guidance on Going Concern, the directors have undertaken an exercise to review the appropriateness of the continued use of the Going Concern basis and have concluded that it is appropriate The factors considered by the directors are identical to those of its ultimate parent company, John Menzies plc, and are outlined within the Directors' Report of that company

#### **Directors**

The directors of the Company who served throughout the year and up to date of this report can be found on page 3

#### **Statement of directors' responsibilities**

Company law requires the directors to prepare financial statements and the Directors' report for each financial year that 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 The directors are required to prepare financial statements on the going concern basis, unless it is inappropriate to presume that the Company will continue in business

The directors confirm that suitable accounting policies have been used and applied consistently in the preparation of the financial statements They also confirm that reasonable and prudent judgments and estimates have been made in preparing the financial statements for the year ended 31 December 2010 and that United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) has been followed

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 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

#### **Auditors and disclosure of information to auditors**

So far as each director is aware, there is no relevant audit information of which the Company's auditors are unaware Each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information

#### **Auditors**

A resolution to reappoint Ernst & Young LLP as auditors to the Company will be proposed at the Annual General Meeting

By Order of the Board

TG Turnbull  
Secretary

20 September 2011.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MENZIES AVIATION (NL) LIMITED**

We have audited the financial statements of Menzies Aviation (NL) Limited for the year ended 31 December 2010 which comprise the Profit and Loss Account, the Reconciliation of Movements in Shareholder's Funds, the Balance Sheet and the related notes 1 to 9. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

**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. In addition, we read all the financial and non-financial information in the Directors' Report and Accounts to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**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 2010,
- 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.

**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.

**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.

*Annie Graham*

Annie Graham (Senior statutory auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor

*Edinburgh*  
*21 September 2011*

**Menzies Aviation (NL) Limited****Profit and loss account  
for the year ended 31 December 2010  
Company No. 3717746**

	Notes	2010 £	2009 £
Interest receivable – fellow group companies		369,580	-
<b>Profit on ordinary activities before taxation</b>	2	369,580	-
Taxation	4	(103,482)	-
<b>Profit on ordinary activities after taxation for the financial year</b>	7	266,098	-
<b>Reconciliation of movements in shareholders' funds</b>			
		2010 £	2009 £
Retained profit for the financial year		266,098	-
Shareholder's funds at beginning of year		11,296,382	11,298,543
Currency translation		(1)	(2,161)
Shareholder's funds at end of year		11,562,479	11,296,382

There were no material recognised gains and losses other than the result for the current and previous financial years. There is no difference between the historic cost profit and the profit stated above.

**Menzies Aviation (NL) Limited**

**Balance sheet  
At 31 December 2010**

	Notes	2010 £	2009 £
<b>Fixed assets</b>			
Investments	5	<u>13,519,531</u>	<u>14,018,325</u>
<b>Current assets</b>			
Due by group companies		<u>11,634,628</u>	<u>11,634,628</u>
<b>Creditors: amounts falling due within one year</b>			
Due to group companies		(13,488,198)	(13,993,780)
Corporation tax		(103,482)	(362,791)
<b>Net current liabilities</b>		<u>(1,957,052)</u>	<u>(2,721,943)</u>
<b>Net assets</b>		<u>11,562,479</u>	<u>11,296,382</u>
<b>Capital and reserves</b>			
Called up share capital	6	4	4
Share premium		10,311,187	10,311,187
Profit and loss account	7	1,184,277	918,179
Other reserves	8	<u>67,011</u>	<u>67,012</u>
<b>Total shareholder's funds</b>		<u>11,562,479</u>	<u>11,296,382</u>

The financial statements on pages 6 to 10 were approved by the board of directors on 20 September 2011 and signed on its behalf by

  
 AL Stevenson  
 Director

## **Menzies Aviation (NL) Limited**

### **Notes to the financial statements for the year ended 31 December 2010**

#### **1. Accounting Policies**

##### **Accounting periods**

These financial statements are for the year ended 31 December 2010 (2009 31 December 2009)

##### **Accounting convention and preparation**

The financial statements have been prepared under the historical cost convention and in accordance with accounting standards applicable in the UK, which have been applied consistently. There were no material differences between reported profits and historical profits on ordinary activities of the Company both before and after taxation. A summary of the more significant policies which have been consistently applied is given below.

##### **Basis of accounting**

At the balance sheet date, the Company was a wholly owned subsidiary of John Menzies plc and the cash flows of the Company are included in the consolidated group cash flow statement of John Menzies plc. The Company is also exempt under the terms of FRS8 from disclosing related party transactions with entities that are part of the John Menzies plc Group.

##### **Consolidated financial statements**

The Company is exempt under section 400 of the Company Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its ultimate parent, John Menzies plc.

##### **Investments**

Investments are stated at cost less any provision for impairment.

##### **Foreign currencies**

Transactions in foreign currencies are translated at the date of the transaction. Monetary assets and liabilities are translated at the rate of exchange ruling at the balance sheet date. Exchange differences arising on long-term funding of subsidiary companies are dealt with through reserves. All other exchange differences are dealt with through the profit and loss account.

#### **2. Net operating costs**

Audit fees were borne by the parent company (2009 same)

#### **3. Directors and employees**

None of the directors received any remuneration from the Company for their services to the Company (2009 £nil). Two directors received total remuneration of £291,060 from Menzies Aviation Holdings Limited. The other director received total remuneration of £115,705 from Menzies Aviation (UK) Limited.

The Company has no employees (2009 same)

**Notes to the financial statements  
for the year ended 31 December 2010**

	2010 £	2009 £
<b>Charge for the current year</b>		
Corporation tax 28.0% (2009: 28.0%)	(103,482)	-

	2010 £	2009 £
At beginning of year	14,018,325	15,252,924
Currency translation	(498,794)	(1,234,599)
At end of year	13,519,531	14,018,325

	Allotted, called up and fully paid	
	2010	2009
	£	£
Ordinary shares of £1 each	4	4

## **Menzies Aviation (NL) Limited**

### **Notes to the financial statements for the year ended 31 December 2010**

#### **7. Profit and loss account**

	<b>2010</b> <b>£</b>	<b>2009</b> <b>£</b>
At beginning of the year	<u>918,179</u>	<u>918,179</u>
Profit for the year	<u>266,098</u>	<u>-</u>
At end of the year	<u>1,184,277</u>	<u>918,179</u>

#### **8. Other reserves**

	<b>2010</b> <b>£</b>	<b>2009</b> <b>£</b>
Currency reserve		
At beginning of the year	<u>67,012</u>	<u>69,173</u>
Movement in the year	<u>(1)</u>	<u>(2,161)</u>
At end of the year	<u>67,011</u>	<u>67,012</u>

#### **9. Ultimate parent company**

The immediate holding company is Menzies Aviation plc. The ultimate holding company is John Menzies plc, which is registered in Scotland. Copies of the Group accounts can be obtained from

The Secretary  
John Menzies plc  
108 Princes Street  
Edinburgh  
EH2 3AA