Airways Risk Factors

The risk factors are that the group could lose its financial loss and damage to brand recognition. Risk factors are the uncertainties in markets that value the institutions ' positions whether they may fall or grow as a consequence of changes in market value and financial instruments. Risk factors are sometimes referred to as systemic risk because they relate to factors that can impact on the sector as a whole.

Airways has been shown to have complexities and significant threats such as: government regulations, acts of terrorism, pandemics and funding stability of financial markets as in the past. Airways have also had failure to adopt an environmental strategy that could've led to deterioration in the reputation and a consequential loss of revenue. Airways led to a lot of better results, but the graph showed poorer operating costs as the total group spending on flights and total group expenditure excluding fuel were down. Nonetheless, on income after tax they had a better financial result, which was 5.7%. Total revenue was also a benefit, as they gradually increased by 7.3 percent from 2016 to 2017.

On the good side; the cost of fuel in the previous year rose by 3.3 percent. Workers ' benefits have rose in accordance with annual pay raises, performance-related remuneration, and lower pension service costs. Driven by lower flying hours, construction and other aircraft expenses had been raised by 9.0 percent. A significant proportion of the rise is attributed to £ 56 million in additional insurance payments and luggage complaints due to damage to service

Airways had a net worth decrease and that proved in recent years that it was showing no success. Thomas cook was in a sort of similar position; The world’s oldest travel company, UK-based Thomas Cook operating hotels and resorts around the world as well as its own airlines collapsed once whilst cancelling all of the company’s bookings (including flights and holiday packages). The shutdown left 600,000 customers stranded, and Reuters called the attempt to get passengers home 'the biggest ever peacetime repatriation,' with 64 flights on Monday bringing back 14,700 to the United Kingdom, and hundreds of thousands more are expected to be transported. More than 20,000 workers were also left out of jobs by the disaster.

Thomas Cook's debt buried, partly because of its reluctance in order to quickly adjust to online travel reservations and Brexit issues, creditors stopped funding the business as the company had asked its investors for £ 900 million and the Fosun Chinese company, the largest shareholder of Thomas Cook, but the deal did not materialize.