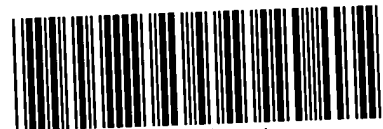


AIM Composites Limited

Registered No. 348981

Annual Report for the year ended 31 December 2017

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AIM Composites Limited
Annual Report
for the year ended 31 December 2017

Contents	Page
Strategic Report	1
Directors' Report	3
Independent auditors' report to the members of AIM Composites Limited	6
Profit and Loss Account	8
Balance Sheet	9
Statement of Changes in Equity	10
Notes to the Financial Statements	11

AIM Composites Limited
Strategic Report
for the year ended 31 December 2017

The Directors present their strategic report on the Company for the year ended 31 December 2017.

Results

The turnover and profit for the financial year were as follows:

	Year ended 31 Dec 2017 £'000	Year ended 31 Dec 2016 £'000
Turnover	22,409	16,335
Profit before taxation	1,945	18
Tax on profit	(64)	73
Profit for the financial year	1,881	91

Business review and key performance indicators

The principal activity of the Company is the build to print manufacture of lightweight composite panels and mouldings supplying both group companies and third party customers, as well as composite-related test, repair and distribution services.

The Company has experienced an increase in sales due to higher demand from fellow group companies and third party customers.

The Directors of AIM Altitude Limited (the Company's ultimate UK parent undertaking) manage the Group's operations centrally. For this reason, the Company's Directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of the Company. The development, performance and position of the Group as a whole, which includes the Company, is discussed on pages 4 and 5 of the AIM Altitude Limited financial statements which do not form part of this report.

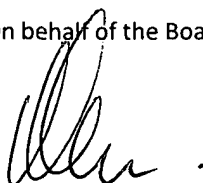
Principal risks and uncertainties

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the Group and are not managed separately. Accordingly, the principal risks and uncertainties of the Company, which include commercial relationships, environmental, financial, credit, foreign exchange, liquidity, interest rate and information technology are discussed on page 5 of AIM Altitude Limited's financial statements which do not form part of this report.

Position of the company at the year end

The Company has net assets at 31 December 2017 of £7,961k (31 December 2016: £6,080k).

On behalf of the Board

A handwritten signature in black ink, appearing to be 'R Bower', written over a horizontal line.

R Bower
Director

20 July 2018

AIM Composites Limited
Directors' Report
for the year ended 31 December 2017

The Directors present their report and audited Financial Statements of the Company for the year ended 31 December 2017.

Future developments

No changes to the Company's activities are planned in the foreseeable future.

Dividends

The Directors do not propose a dividend payment for the year (31 December 2016: £nil).

Research and development

The Company pursues a continuing programme of research and development to maintain its position amongst the leaders in the design and manufacture of interior equipment for the aerospace and related industries.

Directors

The Directors who have served during the year and up to the date of signing the financial statements, unless otherwise stated, were:

M J Edwards (resigned 27 December 2017)

A J Leitch (resigned 1 September 2017)

M Stoddart (appointed 1 September 2017)

A Brown

R Bower (appointed 27 December 2017)

R Bower and M Stoddart were directors of the ultimate UK parent undertaking AIM Altitude Limited at the year end.

Directors' indemnities

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force.

Financial risks

The Company is a wholly owned subsidiary of AIM Altitude Limited which manages its financial risks centrally. The most important components of financial risk impacting the Company are currency risk, liquidity risk, credit risk and price risk.

The Company is exposed to currency risk in respect of transactions with overseas entities. The principal currencies to which the Company is exposed are the Euro and the US Dollar. The Group (see note 17 for a definition of Group companies) aims to limit its exposure to foreign currency exchange rate differences on its US Dollar revenue by using forward contracts. The Group's policy is to hedge a proportion of this exposure, for up to fifteen months, against its anticipated and known sales and purchases.

Financial risks (continued)

Credit risk is the risk that a customer will be unable to pay amounts in full when due. Mitigation of risk is by the setting and monitoring of credit limits.

Liquidity risk is the risk that cash may not be available to pay obligations when due, particularly due to the reliance on a small number of customers. Mitigation of risk is through availability of Group funds and external bank facilities.

The Company is also subject to materials price risk as a result of its operations. Mitigation of risk is through multiple-sourcing, bulk buying and intra-group purchasing.

Employees

The Company recognises its obligations towards disabled persons and applications from them for employment are given full and fair consideration. Training and career progression are available for the disabled, as for any other member of staff. Whenever possible every endeavour is made to assist existing employees who have become disabled to continue their employment.

Consultations and participation take place through trade union and representative employee committee channels and through briefing meetings and discussions with employees. Consultation with employees or their representatives has continued at all levels, with the aim of ensuring that their views are taken into account when decisions are made that are likely to affect their interests and that all employees are aware of the financial and economic performance of their business units and of the Company as a whole.

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). Under company law the directors must not approve the financial statements unless they are 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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 adequate accounting records that 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 enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors 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.

AIM Composites Limited
Directors' Report (continued)
for the year ended 31 December 2017

Statement of disclosure of information to auditors

In the case of each Director in office at the date the Directors' Report is approved:

- a) as far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- b) they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

On behalf of the Board



R Bower
Director

20 July 2018

Independent auditors' report to the members of AIM Composites Limited

Report on the audit of the financial statements

Opinion

In our opinion, AIM Composites Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the Balance Sheet as at 31 December 2017, the Profit and Loss Account and the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2017 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Matthew Hall (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Southampton

26 July 2018

AIM Composites Limited
Profit and Loss Account
for the year ended 31 December 2017

	Note	Year ended 31 Dec 2017 £'000	Year ended 31 Dec 2016 £'000
Turnover	2	22,409	16,335
Cost of sales		(18,650)	(14,813)
Gross profit		3,759	1,522
Distribution costs		(264)	(226)
Administrative expenses		(1,550)	(1,278)
Operating profit	3	1,945	18
Profit before taxation		1,945	18
Tax on profit	5	(64)	73
Profit for the financial year		1,881	91

The Company has no recognised gains and losses other than above and therefore no separate statement of comprehensive income has been presented.

All activities reflected above relate to continuing operations.

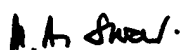
There is no material difference between the profit before taxation for the years above and their historical cost equivalents.

AIM Composites Limited
Balance Sheet
as at 31 December 2017

		As at 31 Dec 2017	As at 31 Dec 2016
	Note	£'000	£'000
Fixed assets			
Intangible assets	6	84	140
Tangible assets	7	1,923	1,906
		2,007	2,046
Current assets			
Inventories	8	4,578	4,150
Debtors	9	5,099	3,537
Cash at bank and in hand		260	18
		9,937	7,705
Creditors: Amounts falling due within one year	10	(3,797)	(3,554)
Net current assets		6,140	4,151
Total assets less current liabilities		8,147	6,197
Provisions for liabilities	11	(186)	(117)
Net assets		7,961	6,080
Capital and reserves			
Called up share capital	12	5,528	5,528
Retained earnings		2,433	552
Total equity		7,961	6,080

Registered in England No. 348981

The financial statements on pages 8 to 21 were approved by the Board of Directors on 20 July 2018 and signed on its behalf by:



M Stoddart
Director

AIM Composites Limited
Statement of Changes in Equity
for the year ended 31 December 2017

	Called-up share capital £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2016	6	461	467
Profit for the financial year	-	91	91
Total comprehensive income for the year	-	91	91
Issue of Share Capital	5,522	-	5,522
Total transactions with owners, recognised directly in equity	5,522	-	5,522
Balance at 31 December 2016	5,528	552	6,080
Balance at 1 January 2017	5,528	552	6,080
Profit for the financial year	-	1,881	1,881
Total comprehensive income for the year	-	1,881	1,881
Balance at 31 December 2017	5,528	2,433	7,961

1 Summary of significant accounting policies

General Information

AIM Composites Limited is a private company limited by shares and is incorporated and domiciled in the UK. The address of its registered office is 1 Viscount Road, Aviation Business Park, Bournemouth International Airport, Hurn, Christchurch, England, BH23 6BU.

The principal activity of the Company is the build to print manufacture of lightweight composite panels and mouldings supplying both group companies and third party customers, as well as composite-related test, repair and distribution services.

Statement of compliance

The financial statements of AIM Composites Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

Basis of Accounting

These financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

Exemptions for qualifying entities under FRS 102

The Company has taken advantage of the following exemptions under FRS 102:

- (i) from preparing a statement of cash flow, on the basis that it is a qualifying entity, and its ultimate UK parent company, AIM Altitude Limited, includes the Company's cash flows in its own consolidated financial statements (FRS102 paragraph 3.17(d) and section 7);
- (ii) from disclosing the Company key management personnel compensation, as required by FRS 102 paragraph 33.7; and
- (iii) certain financial instrument disclosures (FRS 102 paragraph 11.39 to 11.48, 12.26 to 12.29).

Going Concern

After making due enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Turnover

Turnover is measured at the fair value of the right to consideration and is recognised when the legal title and the risks and rewards of ownership have been passed to the customer, the Company retains no continuing involvement or control over the goods, the amount of revenues can be measured reliably, and it is probable that the future economic benefits will flow to the entity. Turnover for services is recognised as the services are rendered. Turnover excludes value added tax and other sales taxes.

1 Summary of significant accounting policies (continued)

Intangible assets

Computer software is stated at cost less accumulated amortisation and accumulated impairment losses. Software is amortised over its estimated useful life, of between three and five years, on a straight line basis.

Tangible Assets and Depreciation

Tangible Assets are stated at cost less accumulated depreciation and accumulated impairment losses. The carrying values of fixed assets are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable. Any impairment in value is charged as applicable to the profit and loss account.

Depreciation is calculated to write off the cost of tangible fixed assets by equal annual instalments over their estimated useful lives as follows:

Plant and machinery	Between 4 and 13 years
Fixtures and fittings	Between 4 and 13 years
Computer Equipment	4 years

Inventories

Inventories are valued on a 'first in, first out' basis at the lower of cost and net realisable value. Provision is made for obsolescence and for slow-moving items.

The cost of work in progress and finished goods comprises materials, production labour and production overheads appropriate to the state of manufacture.

Cash and Cash Equivalents

Cash and Cash Equivalents comprise cash on hand and deposited with banks with maturity of less than or equal to 3 months.

Leasing

Operating lease rentals are charged against profits in the year in which they are due.

Research and Development

Expenditure on research and development is written off as incurred and charged in arriving at operating profit.

Taxation

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the year end.

Deferred tax arises from timing differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

1 Summary of significant accounting policies (continued)

Foreign Currency Translation

Transactions denominated in foreign currencies are translated into sterling and recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities in a foreign currency are translated into sterling at the exchange rates ruling on the balance sheet date. Foreign currency gains and losses resulting from the settlement of transactions and from the translation of period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

Employee benefits

The Company provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and a defined contribution pension plan.

(i) Short term benefits

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

(ii) Defined contribution pension plans

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund.

For defined contribution schemes the amount charged to the profit and loss account in respect of pension costs is the contribution payable in the year. Differences between contributions payable and actually paid are shown as either accruals or prepayments in the balance sheet.

Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Impairment of Non Financial Assets

At each reporting date assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

Financial Instruments

Basic financial assets, including trade and other receivables, cash and bank balances and loan notes, are initially recognised at transaction price and subsequently at amortised cost. At the end of each accounting period these assets are assessed for objective evidence of impairment, and loss arising being recognised in the profit or loss. Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of ownership of the asset are transferred to another party.

Basic financial liabilities, including trade and other payables, bank loans and loans from fellow group companies, are initially recognised at transaction price and subsequently at amortised cost. Financial liabilities are derecognised when the liability is extinguished; that is when the contractual obligation is discharged, cancelled or expires.

1 Summary of significant accounting policies (continued)

Critical accounting judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgement and estimates have been made include:

(i) Valuation of work in progress in Inventory

Management review regularly the expected recoverability of the balance of work in progress held in inventory based on their best estimate of the costs to complete a project, and any impairment is made in the period in which it is identified.

ii) Provisions

Provision is made for obsolete and slow-moving inventory, based on the management's best estimate of the likely recovery value of the inventory through future sale.

Provision is made for doubtful debt where the Directors believe that there is a material risk that a debt may not be recovered.

2 Turnover

All turnover is supplied from the United Kingdom and comprises only one class of business. The analysis of turnover by geographical destination is as follows:

	Year ended 31 Dec 2017	Year ended 31 Dec 2016
	£'000	£'000
United Kingdom	19,315	15,493
Rest of Europe	1,244	443
USA	266	143
New Zealand	92	-
Asia	124	87
Other	1,368	169
Total	22,409	16,335

3 Operating Profit

Operating profit is stated after charging/(crediting):

	Year ended 31 Dec 2017	Year ended 31 Dec 2016
	£'000	£'000
Staff Costs	5,352	5,157
Depreciation	242	225
Amortisation	57	80
Operating lease charges	328	316
Impairment/(release of impairment provision) of trade receivables	15	(4)
Impairment of inventory	33	105
Foreign exchange losses on trade receivables and payables	25	-
Audit fees payable to the Company's auditors	27	14

In accordance with SI 2008/489 the Company has not disclosed the fees payable to the Company's auditors for 'Other services' as this information is included in the consolidated financial statements of AIM Altitude Limited.

4 Employees and Directors

The average number of full time equivalent employees (including Executive Directors) by activity employed during the year was as follows:

	Year ended 31 Dec 2017	Year ended 31 Dec 2016
	Number	Number
Management, administration and sales	29	32
Production	117	113
Total	146	145

The aggregate payroll costs were as follows:-	Year ended 31 Dec 2017	Year ended 31 Dec 2016
Note	£'000	£'000
Wages and salaries	4,710	4,560
Social security costs	498	453
Other pension costs	14	144
Total	5,352	5,157

The Directors' emoluments were as follows:	Year ended 31 Dec 2017	Year ended 31 Dec 2016
	£'000	£'000
Aggregate emoluments as executives	69	59
Pension contributions	2	2
Total	71	61

The highest paid Director's emoluments were as follows:	Year ended 31 Dec 2017	Year ended 31 Dec 2016
	£'000	£'000
Aggregate emoluments	69	59
Pension contributions	2	2
Total	71	61

There were benefits accruing to three (31 Dec 2016: one) Directors under a money purchase scheme at the year end.

In addition to the above emoluments, four (year to 31 Dec 2016: two) of the Company's Directors were remunerated by fellow group undertakings. It is not possible to make a meaningful allocation of their remuneration between companies within the AIM Altitude Limited Group and accordingly no amounts of remuneration are disclosed in this Company. The emoluments of directors are disclosed in full in the accounts of AIM Altitude Limited.

5 Tax on profit

(a) Tax charge/(credit) included in profit or loss

	Note	Year ended 31 Dec 2017 £'000	Year ended 31 Dec 2016 £'000
Current tax			
- UK Corporation tax on profit for the financial year		-	-
- Adjustments in respect of prior periods		(5)	-
Total current tax		(5)	-
Deferred tax			
- Adjustments in respect of prior periods		70	(15)
- Origination and reversal of timing differences		(1)	(58)
Total deferred tax	11	69	(73)
Tax on profit		64	(73)

(b) Reconciliation of tax charge/(credit)

The following table reconciles the theoretical income tax expense to the reported tax expense/(income):

	Year ended 31 Dec 2017 £'000	Year ended 31 Dec 2016 £'000
Profit before taxation	1,945	18
Applying blended rate of UK corporation tax of 19.25% (year ended 31 Dec 2016: 20.00%).	374	4
Effects of:		
- Expenses not deductible for tax purposes	67	8
- Income not taxable	(16)	-
- Fixed assets and other timing differences	-	3
- Group relief claimed for nil consideration	(426)	(73)
- Adjustments in respect of prior periods	65	(15)
Tax charge/(credit) for the year	64	(73)

(c) Tax rate changes

Reductions to the UK corporation tax rates were enacted in the Finance Act 2015 and 2016. These reduce the corporation tax main rate to 19% for the years starting 1 April 2017, 1 April 2018 and 1 April 2019, and to 17% from 1 April 2020. The deferred tax assets and liabilities reflect the 17% rate as this is the rate for the period in which the Directors expect the deferred taxes will be utilised.

AIM Composites Limited
Notes to the financial statements (continued)
for the year ended 31 December 2017

6 Intangible assets

	Computer software £'000
At 1 January 2017	
Cost	379
Accumulated amortisation	(239)
Net book amount	140
Year ended 31 December 2017	
Opening net book amount	140
Additions	1
Amortisation	(57)
Closing net book amount	84
At 31 December 2017	
Cost	380
Accumulated amortisation	(296)
Net book amount	84

There are no individually material intangible software assets.

7 Tangible assets

	Plant and Machinery £'000	Fixtures and Fittings £'000	Computer Equipment £'000	Total £'000
At 1 January 2017				
Cost or valuation	3,792	79	136	4,007
Accumulated depreciation	(1,963)	(24)	(114)	(2,101)
Net book amount	1,829	55	22	1,906
Year ended 31 December 2017				
Opening net book amount	1,829	55	22	1,906
Additions	222	43	3	268
Depreciation	(225)	(10)	(7)	(242)
Disposals	(9)	-	-	(9)
<i>Disposals (cost)</i>	<i>(17)</i>	<i>-</i>	<i>-</i>	<i>(17)</i>
<i>Disposals (depreciation)</i>	<i>8</i>	<i>-</i>	<i>-</i>	<i>8</i>
Closing net book amount	1,817	88	18	1,923
At 31 December 2017				
Cost	3,997	122	139	4,258
Accumulated depreciation	(2,180)	(34)	(121)	(2,335)
Net book amount	1,817	88	18	1,923

AIM Composites Limited
Notes to the financial statements (continued)
for the year ended 31 December 2017

8 Inventories

	31 Dec 2017	31 Dec 2016
	£'000	£'000
Net valuation		
Raw materials and consumables	1,569	1,645
Work in progress	2,479	2,027
Finished goods and goods for resale	530	478
Total	4,578	4,150

The Directors believe that the carrying values of the inventories are not materially different from their replacement cost.

Inventories are stated after provisions for impairment of £172k (31 December 2016: £139k).

9 Debtors

	31 Dec 2017	31 Dec 2016
	£'000	£'000
Trade debtors	4,596	2,402
Amounts owed by group undertakings	373	1,006
Other debtors	19	-
Corporation tax	5	-
Prepayments and accrued income	106	129
Total	5,099	3,537

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

Trade debtors are stated after provisions for impairment of £1k (31 December 2016: £17k).

10 Creditors: amounts falling due within one year

	31 Dec 2017	31 Dec 2016
	£'000	£'000
Trade creditors	1,211	1,641
Amount owed to group undertakings	2,045	1,576
Taxation and social security	202	104
Other creditors	171	68
Accruals and deferred income	168	165
Total	3,797	3,554

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

AIM Composites Limited
Notes to the financial statements (continued)
for the year ended 31 December 2017

11 Provisions for liabilities

	Dilapidations £'000	Deferred tax £'000	Total £'000
At 1 Jan 2017	65	52	117
Additions dealt with in profit or loss	-	69	69
At 31 Dec 2017	65	121	186

The Directors' reassessed the dilapidation liability at 31 December 2017 and as a consequence the provision of £65k was not changed.

The provision for deferred tax is in relation to timing differences on tangible fixed assets.

The dilapidations provision is expected to be utilised only when the Company vacates its premises in Waterbeach, Cambridgeshire; the deferred tax provision is expected to be utilised from 2018 onwards.

12 Called up share capital

	31 Dec 2017 £'000	31 Dec 2016 £'000
Allotted and fully paid		
5,523,772 (31 Dec 2016: 5,523,722) A Ordinary Shares of £1 (31 Dec 2016: £1) each	5,524	5,524
4,000 (31 Dec 2016: 4,000) 6% redeemable participating Preference Shares of £1 (31 Dec 2016: £1) each	4	4
	5,528	5,528

13 Capital and other commitments

	31 Dec 2017 £'000	31 Dec 2016 £'000
Contracts for future capital expenditure not provided in the financial statements – Property, plant and equipment	-	-

The Company had the following future minimum lease payments under non-cancellable operating leases at the following year end:

	31 Dec 2017 £'000	31 Dec 2016 £'000
Not later than one year	48	25
Later than one year and not later than five years	146	-
Later than five years	-	-
Total	194	25

14 Post-employment benefits

The Company operates a defined contribution scheme available to all permanent employees. The cost of contributions to the scheme in the year amounts to £144k (year to 31 Dec 2016: £144k).

At the year end £20k of contributions were accrued in the financial statements (31 Dec 2016: £19k).

15 Contingent liabilities

There are contingent liabilities in relation to guarantees given by the Company in respect of agreements entered into in the normal course of business.

16 Dividends

The Directors do not propose a dividend payment for the year (31 Dec 2016: £nil).

17 Related party disclosures

The Company is exempt from disclosing related party transactions as they are with other companies that are wholly owned within the Group.

Unless otherwise stated, the registered address is 1 Viscount Road, Aviation Business Park, Christchurch, BH23 6BU, UK.

These companies are as follows:

Company name	UK Registered number
AIM Aviation Holdings Limited	8662775
AIM Holdings Midco Limited ^{3,4,5}	8662779
AIM Holdings Cleanco Limited ^{3,4,5}	8665571
AIM Aviation Finance Limited ^{3,5}	8665182
AIM Aviation Limited	7275471
AIM Newco (No 2) Limited ^{3,4,5}	7278502
AIM Composites Limited	348981
AIM Altitude UK Limited	1004276
AIM Aviation (Henshalls) Limited	362026
AIM Midco Limited ^{3,4,5}	8322719
Altitude Aerospace Interiors Limited ¹	(New Zealand)
AIM Aviation Inc ²	(USA)

1. Registered address is Isitt House, 1 Leonard Isitt Drive, Mangere, Auckland, New Zealand.

2. Incorporated in Delaware, USA.

3. Company is in liquidation.

4. Company is dormant.

5. Registered address is 1 More London Place, London, SE1 2AF, UK.

18 Controlling Parties

The immediate parent undertaking is AIM Altitude Limited.

The immediate and ultimate UK parent undertaking and controlling party at 31 December 2017 is AIM Altitude Limited, which is the parent undertaking of the smallest group to consolidate these financial statements. Copies of the AIM Altitude Limited consolidated financial statements can be obtained from the Company at 1 Viscount Road, Aviation Business Park, Hurn, Christchurch, BH23 6BU, UK.

The ultimate parent undertaking and ultimate controlling party at 31 December 2017 is the State-owned Assets Supervision and Administration Commission of the State Council of the People's Republic of China, which is the largest group to consolidate these financial statements.