

**Land's End Airport Limited**  
**Annual Report and Financial Statements**  
**Year Ended 31 March 2020**  
**Registration number: 00986947**

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# Land's End Airport Limited

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# Land's End Airport Limited

## Balance Sheet

31 March 2020

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	4	158,715	177,014
<b>Current assets</b>			
Stocks	5	32,014	53,592
Debtors	6	103,050	169,927
Cash at bank and in hand		150	37
		<u>135,214</u>	<u>223,556</u>
<b>Creditors: Amounts falling due within one year</b>	7	<u>(280,486)</u>	<u>(1,126,401)</u>
<b>Net current liabilities</b>		<u>(145,272)</u>	<u>(902,845)</u>
<b>Total assets less current liabilities</b>		13,443	(725,831)
<b>Deferred tax asset</b>		<u>44,508</u>	<u>49,221</u>
<b>Net assets/(liabilities)</b>		<u>57,951</u>	<u>(676,610)</u>
<b>Capital and reserves</b>			
Called up share capital	8	605,000	5,000
Profit and loss account		<u>(547,049)</u>	<u>(681,610)</u>
<b>Total equity</b>		<u>57,951</u>	<u>(676,610)</u>

These financial statements have been prepared and delivered in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the director on 15 July 2020



Mr S Reid  
Director

Company Registration Number: 00986947

# **Land's End Airport Limited**

## **Notes to the Financial Statements**

**Year Ended 31 March 2020**

### **1 General information**

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Steamship House  
Quay Street  
Penzance  
Cornwall  
TR18 4BZ

These financial statements were authorised for issue by the director on 15 July 2020.

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Statement of compliance**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

#### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value. The financial statements are prepared in pounds sterling which is the functional currency of the company.

# Land's End Airport Limited

## Notes to the Financial Statements

Year Ended 31 March 2020

### Going concern

In preparing and approving these financial statements the Board have given due consideration to going concern risks, and in particular the impact of the Coronavirus pandemic. The pandemic has led to widespread, profound economic shocks, and has significantly curtailed the operational activities of the Company. In reaching a conclusion on the going concern assumption the Board considered and factored in the following matters:

i) The Company continues to be supported financially by its parent company, Isles of Scilly Steamship Company Limited, via an intercompany loan and the parent company has committed to continue this support for the foreseeable future. There is a letter of support from the group and the Company is dependent on this support.

ii) Following a detailed application process, the Group has been able to access substantial grant funding from the Department for Transport in order to support the essential services provided by the Group. The Group received contracted Government grant funding post year end up to 30 June 2020. This assisted the Group up until 4 July 2020 when the leisure and tourism sector started to open up following the government lockdown. The grant funding was in place to meet the losses incurred from running a restricted service and support the cash outflows that arose post year end. The Group is working closely with local representatives and the Department for Transport in relation to additional funding should the need arise.

iii) The Group have prepared budgets and cash flow forecasts (which include the results of the Company) and consider a number of scenarios, in particular the level of grant funding available, and varying passenger numbers and freight volumes for the wider business.

As well as future uncertainty arising from the pandemic, the Board is mindful of the fact that moving forward there will be the increased competition for the travel routes to and from the Isles of Scilly which will impact on demand.

iv) The Company has accessed the Government's Job Retention Scheme and Business Support Grant Funds (as well as future rates relief) which have both assisted with reducing the costs incurred by the Company after the year end.

v) The Company has implemented various cost saving measures to minimise the losses arising from the minimal service levels.

vi) The wider Group has undertaken outline negotiations with lenders in order to establish the potential borrowings that would be available to the Group should the need arise.

vii) Operationally, various policies and procedures have been put in place to ensure the health and safety of the core staff that have been retained. Clearly, in some areas this does give rise to a financial cost, but these steps are necessary and are being adopted by the vast majority of businesses across the UK.

viii) There are business continuation plans in place to ensure that there is adequate cover for senior management should they become incapacitated.

After due consideration of these factors the Directors are satisfied that the Company will be able to continue as a going concern for the foreseeable future – being a period no less than 12 months from the date of approval of these financial statements.

# Land's End Airport Limited

## Notes to the Financial Statements

Year Ended 31 March 2020

### Revenue recognition

Turnover represents charges for airport usage, sales of aviation fuel and other income associated with the running of an aerodrome. Revenue is recognised when the company fulfils its contractual obligations in respect of the goods and services provided and excludes Value Added Tax.

### Tax

Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

Deferred tax is recognised on all timing differences at the balance sheet date unless indicated below. Timing differences are differences between taxable profits and the results as stated in the profit and loss account and other comprehensive income. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

### Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

### Depreciation

Depreciation is charged so as to write off the cost of assets less residual value, as follows:

#### Asset class

Leasehold property

Motor vehicles

Equipment

#### Depreciation method and rate

Straight line over the period of the lease

10 - 25% straight line

12.5 - 33% straight line

### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

### Stocks

Stocks are stated at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and selling costs.

### Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

# **Land's End Airport Limited**

## **Notes to the Financial Statements**

**Year Ended 31 March 2020**

### **Defined contribution pension obligation**

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the Company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as an employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

# Land's End Airport Limited

## Notes to the Financial Statements

Year Ended 31 March 2020

### Financial instruments

#### **Classification**

The company holds the following financial instruments:

- Short term trade and other debtors and creditors;
- Cash and bank balances.

All financial instruments are classified as basic, with the exception of fuel hedging contracts.

#### **Recognition and measurement**

The company has chosen to apply the recognition and measurement principles in FRS102.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the company's obligations are discharged, expire or are cancelled.

Except for bank loans, such instruments are initially measured at transaction price, including transaction costs, and are subsequently carried at the undiscounted amount of the cash or other consideration expected to be paid or received, after taking account of impairment adjustments.

The group uses fuel hedging contracts to reduce its exposure to movements in fuel prices. Fuel hedging contracts are initially recognised at fair value at the date of inception and are subsequently remeasured to fair value at each reporting date. The resulting gain or loss is recognised immediately through the profit and loss account.

### **3 Staff numbers**

The average number of persons employed by the company (including the director) during the year, was 22 (2019 - 22).



# Land's End Airport Limited

## Notes to the Financial Statements

Year Ended 31 March 2020

### 4 Tangible assets

	Short leasehold land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>				
At 1 April 2019	184,752	523,661	265,327	973,740
Additions	-	21,426	-	21,426
At 31 March 2020	184,752	545,087	265,327	995,166
<b>Depreciation</b>				
At 1 April 2019	179,890	485,011	131,825	796,726
Charge for the year	1,620	18,693	19,412	39,725
At 31 March 2020	181,510	503,704	151,237	836,451
<b>Carrying amount</b>				
At 31 March 2020	3,242	41,383	114,090	158,715
At 31 March 2019	4,862	38,650	133,502	177,014

### 5 Stocks

	2020 £	2019 £
Other inventories	32,014	53,592

### 6 Debtors

	2020 £	2019 £
Trade debtors	11,071	12,361
Other debtors	370	-
Prepayments	91,609	157,566
	103,050	169,927

# Land's End Airport Limited

## Notes to the Financial Statements

Year Ended 31 March 2020

### 7 Creditors

Creditors: amounts falling due within one year

	2020 £	2019 £
<b>Due within one year</b>		
Trade creditors	8,376	147,010
Amounts due to group undertakings	58,845	712,994
Social security and other taxes	12,812	95,324
Outstanding defined contribution pension costs	2,785	2,000
Other creditors	1,376	447
Accruals and deferred income	196,292	168,626
	<u>280,486</u>	<u>1,126,401</u>

### 8 Share capital

Allotted, called up and fully paid shares

	No.	2020 £	No.	2019 £
Ordinary Shares of £1 each	<u>605,000</u>	<u>605,000</u>	<u>5,000</u>	<u>5,000</u>

During the year 600,000 ordinary shares each with a nominal value of £1 were allotted for a total consideration of £600,000.

### 9 Parent and ultimate parent undertaking

The company has taken advantage of the exemption in FRS102.33 "Related Party Disclosures" from disclosing transactions with other wholly owned members of the group.

The company's immediate parent is Isles of Scilly Steamship Company Limited, incorporated in England and Wales.

These financial statements are available upon request from  
Hugh Town  
St Mary's  
Isles of Scilly  
TR21 0LJ

# Land's End Airport Limited

## Notes to the Financial Statements

Year Ended 31 March 2020

### 10 Non adjusting events after the financial period

Following a detailed application process, the Group has been able to access substantial grant funding from the Department for Transport in order to support the essential services provided by the Group. The Group received contracted Government grant funding post year end up to 30 June 2020. This assisted the Group up until 4 July 2020 when the leisure and tourism sector started to open up following the government lockdown.

### 11 Audit report

The Independent Auditors' Report was unqualified. The name of the Senior Statutory Auditor who signed the audit report was Andrew Allen BSc FCA, who signed for and on behalf of PKF Francis Clark on 29 July 2020.