

Company Registration No. 01435045 (England and Wales)

AEROSPACE LOGISTICS LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2019
PAGES FOR FILING WITH REGISTRAR

AEROSPACE LOGISTICS LIMITED

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AEROSPACE LOGISTICS LIMITED

CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF AEROSPACE LOGISTICS LIMITED FOR THE PERIOD ENDED 31 AUGUST 2019

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Aerospace Logistics Limited for the Period ended 31 August 2019 which comprise, the balance sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of Aerospace Logistics Limited, as a body, in accordance with the terms of our engagement. Our work has been undertaken solely to prepare for your approval the financial statements of Aerospace Logistics Limited and state those matters that we have agreed to state to the Board of Directors of Aerospace Logistics Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Aerospace Logistics Limited and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that Aerospace Logistics Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Aerospace Logistics Limited. You consider that Aerospace Logistics Limited is exempt from the statutory audit requirement for the Period.

We have not been instructed to carry out an audit or a review of the financial statements of Aerospace Logistics Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.



MHA Carpenter Box

25 August 2020

Chartered Accountants

5 Peveril Court
6-8 London Road
Crawley
West Sussex

RH10 8JE

AEROSPACE LOGISTICS LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Tangible assets	3		1,606,521		1,574,358
Current assets					
Stocks		2,203,255		1,568,011	
Debtors	4	2,189,535		2,027,328	
Cash at bank and in hand		353,514		317,143	
		<u>4,746,304</u>		<u>3,912,482</u>	
Creditors: amounts falling due within one year	5	<u>(2,758,064)</u>		<u>(1,998,775)</u>	
Net current assets			1,988,240		1,913,707
Total assets less current liabilities			<u>3,594,761</u>		<u>3,488,065</u>
Creditors: amounts falling due after more than one year	6		(89,255)		(59,073)
Provisions for liabilities			<u>(51,200)</u>		<u>(44,700)</u>
Net assets			<u>3,454,306</u>		<u>3,384,292</u>
Capital and reserves					
Called up share capital	7		100		100
Revaluation reserve			503,735		513,965
Profit and loss reserves			<u>2,950,471</u>		<u>2,870,227</u>
Total equity			<u>3,454,306</u>		<u>3,384,292</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial Period ended 31 August 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The member has not required the company to obtain an audit of its financial statements for the Period in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

AEROSPACE LOGISTICS LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2019

The financial statements were approved by the board of directors and authorised for issue on 25 August 2020 and are signed on its behalf by:

Mr S Wright
Director

Company Registration No. 01435045

AEROSPACE LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 AUGUST 2019

1 Accounting policies

Company information

Aerospace Logistics Limited is a private company limited by shares incorporated in England and Wales. The registered office is Amelia House, Crescent Road, Worthing, West Sussex, BN11 1QR.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention.

1.2 Going concern

The financial statements have been prepared on a going concern basis. The director has considered relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment. The COVID-19 pandemic and the ensuing economic shutdown has had a significant impact on the company's operations.

In response to the COVID-19 pandemic, the director has considered the forecast future cash flows taking and the potential impact on the business of possible future scenarios arising from the impact of COVID-19. Based on these assessments and having regard to the resources available to the entity, the directors have concluded that there is no material uncertainty in relation to the appropriateness of continuing to adopt the going concern basis in preparing the annual report and accounts.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts and settlement discounts.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

AEROSPACE LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings freehold	2% per annum on a straight line basis
Leasehold improvements	15% per annum on a straight line basis
Plant and machinery & computer equipment	15% per annum on a straight line basis
Fixtures, fittings & equipment	15% per annum on a straight line basis
Computer equipment	25% per annum on a straight line basis
Motor vehicles	15% per annum on a diminishing balance basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Stocks

Stocks are stated at the lower of cost and realisable value less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stock held for longer than six months is valued at its realisable scrap valuation as deemed appropriate by the directors.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.6 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs.

Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

AEROSPACE LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

1 Accounting policies

(Continued)

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Employees

The average monthly number of persons (including directors) employed by the company during the Period was 31 (2018 - 32).

AEROSPACE LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 AUGUST 2019

3	Tangible fixed assets						
	Land and buildings freehold	Leasehold improvements	Plant and fixtures, machinery & computer equipment	fittings & equipment	Computer equipment	Motor vehicles	Total
	£	£	£	£	£	£	£
Cost							
At 1 September 2018	1,650,156	223,750	70,716	284,493	146,433	150,309	2,525,857
Additions	-	38,551	18,960	62,000	515	-	120,026
Disposals	-	-	-	-	-	(1,200)	(1,200)
At 31 August 2019	1,650,156	262,301	89,676	346,493	146,948	149,109	2,644,683
Depreciation and impairment							
At 1 September 2018	337,812	139,420	54,082	227,592	142,219	50,374	951,499
Depreciation charged in the Period	33,003	8,121	8,119	12,254	1,938	24,428	87,863
Eliminated in respect of disposals	-	-	-	-	-	(1,200)	(1,200)
At 31 August 2019	370,815	147,541	62,201	239,846	144,157	73,602	1,038,162
Carrying amount							
At 31 August 2019	1,279,341	114,760	27,475	106,647	2,791	75,507	1,606,521
At 31 August 2018	1,312,344	84,330	16,634	56,901	4,214	99,935	1,574,358

AEROSPACE LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

4 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Trade debtors	1,210,925	1,141,251
Amounts owed by group undertakings and undertakings in which the company has a participating interest	221,178	238,968
Other debtors	757,432	647,109
	<u>2,189,535</u>	<u>2,027,328</u>

5 Creditors: amounts falling due within one year

	2019 £	2018 £
Bank loans	1,667,376	1,055,136
Trade creditors	331,031	458,831
Taxation and social security	179,732	207,805
Other creditors	579,925	277,003
	<u>2,758,064</u>	<u>1,998,775</u>

The bank loan is secured. The bank has issued guarantees which are outstanding at the year end to the value of £276,014 (2018: £250,367).

6 Creditors: amounts falling due after more than one year

	2019 £	2018 £
Bank loans and overdrafts	38,345	-
Other creditors	50,910	59,073
	<u>89,255</u>	<u>59,073</u>

The hire purchase finance within other creditors included in note 5 and 6 is secured over the related asset.

7 Called up share capital

	2019 £	2018 £
Ordinary share capital		
Issued and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

AEROSPACE LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2019

8 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2019	2018
£	£
306,095	306,095
<u>306,095</u>	<u>306,095</u>

9 Events after the reporting date

Since the year end dividends of £225,770 have been voted and paid.

10 Directors' transactions

Dividends totalling £193,548 (2018 - £193,548) were paid in the Period in respect of shares held by the company's directors.

Interest is payable on the amount owed by the director at the rate of 3% per annum. At 31 August 2019 the amount owed by the directors was £499,661 (2018: £433,590).

11 Parent company

The Company is under the control of Yarngrange Limited, a company incorporated in England and Wales. The registered office is Amelia House, Crescent Road, Worthing, West Sussex, BN11 1QR.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.