

Company Registration No. 01435045 (England and Wales)

AEROSPACE LOGISTICS LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018
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 YEAR ENDED 31 AUGUST 2018

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 year ended 31 August 2018 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 year.

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

30 May 2019

Chartered Accountants

2 Peveril Court
6-8 London Road
Crawley
West Sussex
RH10 8JE

AEROSPACE LOGISTICS LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Tangible assets	3		1,574,358		1,424,699
Current assets					
Stocks		1,568,011		2,117,700	
Debtors	4	2,027,328		1,359,266	
Cash at bank and in hand		317,143		789,676	
		<u>3,912,482</u>		<u>4,266,642</u>	
Creditors: amounts falling due within one year	5	<u>(1,998,775)</u>		<u>(2,200,641)</u>	
Net current assets			1,913,707		2,066,001
Total assets less current liabilities			<u>3,488,065</u>		<u>3,490,700</u>
Creditors: amounts falling due after more than one year	6		(59,073)		(22,288)
Provisions for liabilities			<u>(44,700)</u>		<u>(5,400)</u>
Net assets			<u><u>3,384,292</u></u>		<u><u>3,463,012</u></u>
Capital and reserves					
Called up share capital	7		100		100
Revaluation reserve			513,965		524,195
Profit and loss reserves			<u>2,870,227</u>		<u>2,938,717</u>
Total equity			<u><u>3,384,292</u></u>		<u><u>3,463,012</u></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 year ended 31 August 2018 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 year 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 2018

The financial statements were approved by the board of directors and authorised for issue on 29 May 2019 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 YEAR ENDED 31 AUGUST 2018

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

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

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 YEAR ENDED 31 AUGUST 2018

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 estimated selling price 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.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

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 at bank and in hand 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 YEAR ENDED 31 AUGUST 2018

1 Accounting policies

(Continued)

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 the profit and loss account 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 income 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 lease 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 are included in the profit and loss account for the period.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 32 (2017 - 25).

AEROSPACE LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2018

3 Tangible fixed assets								
		Land and buildings freehold	Leasehold improvements	Plant and machinery & computer equipment	Fixtures, fittings & equipment	Computer equipment	Motor vehicles	Total
		£	£	£	£	£	£	£
Cost								
At 1 September 2017		1,650,156	134,199	70,716	231,693	143,176	66,809	2,296,749
Additions		-	89,551	-	52,800	3,257	83,500	229,108
At 31 August 2018		1,650,156	223,750	70,716	284,493	146,433	150,309	2,525,857
Depreciation and impairment								
At 1 September 2017		304,809	109,216	47,691	226,375	140,749	43,210	872,050
Depreciation charged in the year		33,003	30,204	6,391	1,217	1,470	7,164	79,449
At 31 August 2018		337,812	139,420	54,082	227,592	142,219	50,374	951,499
Carrying amount								
At 31 August 2018		1,312,344	84,330	16,634	56,901	4,214	99,935	1,574,358
At 31 August 2017		1,345,347	24,983	23,025	5,318	2,427	23,599	1,424,699

AEROSPACE LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

4 Debtors

	2018	2017
	£	£
Amounts falling due within one year:		
Trade debtors	1,141,251	700,324
Amounts owed by group undertakings and undertakings in which the company has a participating interest	238,968	132,806
Other debtors	647,109	526,136
	<u>2,027,328</u>	<u>1,359,266</u>

5 Creditors: amounts falling due within one year

	2018	2017
	£	£
Bank loans and overdrafts	1,055,136	986,500
Trade creditors	458,831	712,154
Taxation and social security	207,805	258,903
Other creditors	277,003	243,084
	<u>1,998,775</u>	<u>2,200,641</u>

The bank loan is secured. The bank has issued guarantees which are outstanding at the year end to the value of £250,367 (2017: £150,413).

6 Creditors: amounts falling due after more than one year

	2018	2017
	£	£
Other creditors	<u>59,073</u>	<u>22,288</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

	2018	2017
	£	£
Ordinary share capital		
Issued and fully paid		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>
	<u>100</u>	<u>100</u>

AEROSPACE LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2018

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:

2018	2017
£	£
306,095	360,433
<u>306,095</u>	<u>360,433</u>

9 Events after the reporting date

Since the year end dividends of £136,621 have been voted and paid.

10 Directors' transactions

Dividends totalling £193,548 (2017 - £246,901) were paid in the year 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.

Description	% Rate	Opening balance £	Amounts advanced £	Closing balance £
Mr A G Wright -	-	347,265	86,325	433,590
		<u>347,265</u>	<u>86,325</u>	<u>433,590</u>

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.