

Company Registration No. 01435045 (England and Wales)

AEROSPACE LOGISTICS LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2021
PAGES FOR FILING WITH REGISTRAR

AEROSPACE LOGISTICS LIMITED

CONTENTS

	Page
Accountants' report	1
Balance sheet	2 - 3
Notes to the financial statements	5 - 12

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 2021

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 2021 which comprise, the balance sheet, the statement of changes in equity 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.



Carpenter Box

23 August 2022

Chartered Accountants

Amelia House
Crescent Road
Worthing
West Sussex
BN11 1RL



AEROSPACE LOGISTICS LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	3	1,470,048		1,562,576	
Investments	4	20,000		-	
		<u>1,490,048</u>		<u>1,562,576</u>	
Current assets					
Stocks	5	1,659,761		2,254,761	
Debtors	6	2,369,035		2,220,901	
Cash at bank and in hand		1,845,357		192,157	
		<u>5,874,153</u>		<u>4,667,819</u>	
Creditors: amounts falling due within one year	7	<u>(4,619,672)</u>		<u>(3,658,295)</u>	
Net current assets		<u>1,254,481</u>		<u>1,009,524</u>	
Total assets less current liabilities		<u>2,744,529</u>		<u>2,572,100</u>	
Creditors: amounts falling due after more than one year	8	(60,938)		(92,508)	
Provisions for liabilities		<u>(39,100)</u>		<u>(47,400)</u>	
Net assets		<u>2,644,491</u>		<u>2,432,192</u>	
Capital and reserves					
Called up share capital	9	100		100	
Revaluation reserve		483,275		493,505	
Profit and loss reserves		<u>2,161,116</u>		<u>1,938,587</u>	
Total equity		<u>2,644,491</u>		<u>2,432,192</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 2021 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 2021

The financial statements were approved by the board of directors and authorised for issue on 23 August 2022 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 2021

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 1RL.

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 directors have 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 an impact on the company's operations. However, the entity was able to work through the pandemic on a reduced scale. Due to the social distancing measures put in place and a temporary reduction and delay in orders, activity during the year under review has reduced. The entity has utilised the government's Job Retention Scheme and grant funding, together with the Government backed loans. Futures sales, costs and cash flow are being regularly reviewed and monitored and the company's trading post year end has improved due to the phased easing of lockdown. In response to the COVID-19 pandemic, the directors have performed a robust analysis of forecast future cash flows taking into account the potential impact on the business of possible future scenarios arising from the impact of COVID-19. This analysis also considers the effectiveness of available measures to assist in mitigating the impact.

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 repair and overhaul services is recognised by reference to the stage of completion and invoiced in stages to reflect the work completed. Costs incurred on account of incomplete contracts are included as unbilled work in progress.

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 2021

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 - buildings only
Leasehold improvements	15% per annum on a straight line basis
Plant and machinery & computer equipment	15 -25% 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	25% 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 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.6 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.

1.7 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.

1.8 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.

AEROSPACE LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

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.

1.9 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.

1.10 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.

1.11 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.

1.12 Retirement benefits

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

1.13 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.

AEROSPACE LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2021

1 Accounting policies

(Continued)

1.14 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.15 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 33 (2020 - 31).

AEROSPACE LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 AUGUST 2021

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 2020		1,650,156	281,695	115,218	364,112	164,511	149,109	2,724,801	
Additions		-	-	-	11,116	10,601	-	21,717	
At 31 August 2021		1,650,156	281,695	115,218	375,228	175,112	149,109	2,746,518	
Depreciation and impairment									
At 1 September 2020		403,818	176,293	74,224	260,548	149,411	97,931	1,162,225	
Depreciation charged in the Period		33,003	26,755	14,014	21,874	5,804	12,795	114,245	
At 31 August 2021		436,821	203,048	88,238	282,422	155,215	110,726	1,276,470	
Carrying amount									
At 31 August 2021		1,213,335	78,647	26,980	92,806	19,897	38,383	1,470,048	
At 31 August 2020		1,246,338	105,402	40,994	103,564	15,100	51,178	1,562,576	

AEROSPACE LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2021

4 Fixed asset investments

	2021 £	2020 £
Shares in group undertakings and participating interests	20,000	-

Movements in fixed asset Investments

	Shares in subsidiaries £
Cost or valuation	
At 1 September 2020	-
Additions	20,000
At 31 August 2021	20,000
Carrying amount	
At 31 August 2021	20,000
At 31 August 2020	-

5 Stocks

	2021 £	2020 £
Stock and work in progress	1,659,761	2,254,761

6 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	1,392,432	1,357,408
Other debtors	976,603	863,493
	2,369,035	2,220,901

AEROSPACE LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2021

7 Creditors: amounts falling due within one year

	2021 £	2020 £
Bank loans	3,067,376	2,517,376
Trade creditors	150,549	477,033
Amounts owed to group undertakings	281,750	290,834
Taxation and social security	148,168	71,090
Other creditors	971,829	301,962
	<u>4,619,672</u>	<u>3,658,295</u>

The bank loan is secured. The bank has provided guarantees on behalf of the company in the amount of £420,039 (2020: £550,000).

8 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Bank loans and overdrafts	2,881	20,258
Other creditors	58,057	72,250
	<u>60,938</u>	<u>92,508</u>

The hire purchase finance within other creditors included in note 7 and 8 is secured over the related assets.

9 Called up share capital

	2021 Number	2020 Number	2021 £	2020 £
Ordinary share capital Issued and fully paid				
Ordinary shares of £1 each	100	100	100	100
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

10 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:

	2021 £	2020 £
	310,600	310,600
	<u>310,600</u>	<u>310,600</u>

11 Events after the reporting date

Since the year end dividends of £186,816 have been voted and paid.

AEROSPACE LOGISTICS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2021

12 Directors' transactions

Dividends payable by the holding company totalling £204,932 (2020 - £193,548) were paid in the Period in respect of shares held by the company's directors in the Holding Company.

Interest is payable on the amount owed by the director at the rate of 2.5% per annum. At 31 August 2021 the amount owed by the directors was £628,799 (2020: £549,740).

13 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.