

Company Registration No. 03951982 (England and Wales)

SOVEREIGN AIR MOVEMENT LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019
PAGES FOR FILING WITH REGISTRAR

SOVEREIGN AIR MOVEMENT LIMITED

CONTENTS

	Page
Balance sheet	1 - 2
Notes to the financial statements	3 - 9

SOVEREIGN AIR MOVEMENT LIMITED

BALANCE SHEET

AS AT 31 MARCH 2019

	Notes	2019 £	£	2018 £	£
Fixed assets					
Intangible assets	3		16,210		17,145
Tangible assets	4		315,113		336,701
			<u>331,323</u>		<u>353,846</u>
Current assets					
Stocks		208,902		241,500	
Debtors	5	1,685,364		1,244,809	
		<u>1,894,266</u>		<u>1,486,309</u>	
Creditors: amounts falling due within one year	6	(1,681,935)		(1,349,086)	
Net current assets			<u>212,331</u>		<u>137,223</u>
Total assets less current liabilities			<u>543,654</u>		<u>491,069</u>
Creditors: amounts falling due after more than one year	7		(84,060)		(110,510)
Provisions for liabilities			<u>(48,269)</u>		<u>(49,824)</u>
Net assets			<u><u>411,325</u></u>		<u><u>330,735</u></u>
Capital and reserves					
Called up share capital	8		4,032		4,032
Profit and loss reserves			<u>407,293</u>		<u>326,703</u>
Total equity			<u><u>411,325</u></u>		<u><u>330,735</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 March 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 members have 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.

SOVEREIGN AIR MOVEMENT LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2019

The financial statements were approved by the board of directors and authorised for issue on 4 September 2019 and are signed on its behalf by:

Mr J M Gill

Director

Company Registration No. 03951982

SOVEREIGN AIR MOVEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

Company information

Sovereign Air Movement Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit B, National Court, Fox Way, Off Atkinson Street, Leeds, LS10 1PS.

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. The principal accounting policies adopted are set out below.

1.2 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.

1.3 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

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

Software development	20% reducing balance
----------------------	----------------------

1.4 Tangible fixed assets

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

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

Plant and machinery	20% / 5% reducing balance
Fixtures, fittings & equipment	15% reducing balance
Motor vehicles	25% reducing balance

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 Impairment of fixed assets

At each reporting end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

SOVEREIGN AIR MOVEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

1.6 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.

1.7 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.

1.8 Financial instruments

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

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are measured at transaction price.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

SOVEREIGN AIR MOVEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies are classified as debt.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities.

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. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

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.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

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.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

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

SOVEREIGN AIR MOVEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

(Continued)

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.

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.

Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

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

1.16 Employee Benefit Trusts

The Company has created a trust whose beneficiaries will include employees of the Company and their dependents. Assets held under this trust will be controlled by trustees who will be acting independently and entirely at their own discretion.

Where assets are held in the trust and these are considered by the Company to be in respect of services already provided by employees to the Company, the Company will account for these as assets of the trust when payment is made to the trust. The value transferred will be charged in the Company's profit and loss account for the year to which it relates.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 33 (2018 - 33).

SOVEREIGN AIR MOVEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

3 Intangible fixed assets

	Other £
Cost	
At 1 April 2018 and 31 March 2019	18,703
Amortisation and impairment	
At 1 April 2018	1,558
Amortisation charged for the year	935
At 31 March 2019	2,493
Carrying amount	
At 31 March 2019	16,210
At 31 March 2018	17,145

More information on the impairment arising in the year is given in note .

4 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 April 2018	597,904
Additions	48,782
At 31 March 2019	646,686
Depreciation and impairment	
At 1 April 2018	261,201
Depreciation charged in the year	70,372
At 31 March 2019	331,573
Carrying amount	
At 31 March 2019	315,113
At 31 March 2018	336,701

SOVEREIGN AIR MOVEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

5 Debtors	2019	2018
	£	£
Amounts falling due within one year:		
Trade debtors	1,507,017	1,074,739
Other debtors	178,347	34,710
	<u>1,685,364</u>	<u>1,109,449</u>
	2019	2018
	£	£
Amounts falling due after more than one year:		
Other debtors	-	135,360
	<u>-</u>	<u>135,360</u>
Total debtors	<u>1,685,364</u>	<u>1,244,809</u>
6 Creditors: amounts falling due within one year	2019	2018
	£	£
Bank loans and overdrafts	39,787	88,035
Trade creditors	1,340,048	985,872
Amounts owed to group undertakings	914	914
Taxation and social security	149,362	88,261
Other creditors	151,824	186,004
	<u>1,681,935</u>	<u>1,349,086</u>
7 Creditors: amounts falling due after more than one year	2019	2018
	£	£
Other creditors	84,060	110,510
	<u>84,060</u>	<u>110,510</u>
8 Called up share capital	2019	2018
	£	£
Issued and fully paid		
4,000 Ordinary 'A' shares of £1 each	4,000	4,000
32 Ordinary 'B' shares of £1 each	32	32
	<u>4,032</u>	<u>4,032</u>

SOVEREIGN AIR MOVEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

9 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
£	£
156,250	231,250
<u>156,250</u>	<u>231,250</u>

10 Related party transactions

The company has taken advantage of FRS102 not to disclose its transactions with other group companies.

11 Parent company

The ultimate parent company is Airebox Limited, a company incorporated in England and Wales whose registered office is Unit B, National Court, Fox Way, Off Atkinson Street, Leeds, LS10 1PS.

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.