

Excellence Aviation Services Limited

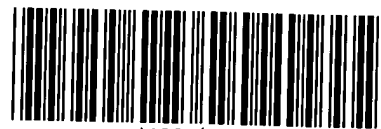
(Registered number 04085412)

Annual Report and financial statements

31 October 2019

Pages for filing with the registrar

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Excellence Aviation Services Limited

Annual report and financial statements

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Excellence Aviation Services Limited

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (UK Accounting standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Excellence Aviation Services Limited

Balance sheet

At 31 October 2019

(Registered number 04085412)

	Note	2019 £	2019 £	Unaudited 2018 £	Unaudited 2018 £
ASSETS					
Fixed assets					
Tangible assets	3		207,619		9,517
Current assets					
Stock	4	607,611		-	
Debtors	5	195,047		136,905	
Cash at bank and in hand		145,482		176,621	
			948,140		313,526
			1,155,759		323,043
LIABILITIES					
Capital and reserves					
Called up share capital	10		100		100
Revaluation reserve			200,647		-
Profit and loss account			651,990		215,181
			852,737		215,281
Shareholders' funds			852,737		215,281
Provision for liabilities and charges	9		37,371		-
Creditors: amounts falling due within one year	6		265,651		107,762
			1,155,759		323,043

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

These financial statements have been delivered in accordance with the small companies regime.

The financial statements on pages 2 to 3 were approved by the Board of Directors and authorised for issue on 28 October 2020 and were signed on its behalf by:

P A Stephens

P A Stephens 28/10/20
Director

The notes on pages 4 to 11 form part of these financial statements.

Excellence Aviation Services Limited

Statement of changes in equity

for the year ended 31 October 2019

	Share Capital	Revaluation Reserve	Profit and loss account	Total
	£	£	£	£
Balance at 1 November 2017	100	-	214,592	214,692
Year ended 31 October 2018				
Total comprehensive income for the year	-	-	103,844	103,844
Dividends	-	-	(103,255)	(103,255)
Balance at 31 October 2018	100	-	215,181	215,281
Year ended 31 October 2019				
Total comprehensive income for the year	-	200,647	522,069	722,716
Dividends	-	-	(85,260)	(85,260)
Balance at 31 October 2019	100	200,647	651,990	852,737

The notes on pages 4 to 11 form part of these financial statements.

Excellence Aviation Services Limited

Notes

(forming part of the financial statements)

1 Accounting policies

Company information

Excellence Aviation Services Limited ("the company") is a limited company domiciled and incorporated in England and Wales. The registered office is Inflite House, Stansted Airport, Stansted, Essex, CM24 1RY.

The following accounting policies set out below have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements have been prepared under the historical cost convention, modified by the revaluation of certain assets. The financial statements for the year ended 31 October 2019 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. The financial statements are prepared in £ Sterling, being the functional currency of the company, and amounts shown are rounded to the nearest pound.

Going concern

At the time of approving the financial statements the directors acknowledge their intention for the entity to cease material operations with the aim of restructuring them elsewhere in the group. The balance sheet reflects expected recoverable amounts at the reporting date in respect of all assets. Fixed assets remain fixed rather than current as the trade will not cease within 12 months of the reporting date.

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently at cost or valuation, net of depreciation and any impairment losses. Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives at the following annual rates:

Plant and machinery	25%
Fixtures, fittings, tools and equipment	25%
Motor vehicles	25%

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 impairment. Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. An impairment loss is recognised immediately in the income statement.

The gain or loss arising on the disposal of an asset is determined as the difference between the net sale proceeds and the carrying value of the asset, and is recognised in the income statement.

At the reporting date the directors implemented a change in accounting policy for plant and machinery moving from the cost model to the revaluation model. The change in presentation provides more reliable and relevant information for the users of the accounts, with fixed assets and non-distributable reserves being uplifted by £200,647.

Stocks

Stock is stated at the lower of cost and estimated selling price less costs to complete and sell.

Excellence Aviation Services Limited

Notes (continued)

1 Accounting policies (continued)

Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents 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.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement 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 is recognised on all timing differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered and is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date and on a non-discounted basis.

The company is a member of a group and full payment at the effective rate is generally made or received in respect of tax losses transferred between group companies. Current and deferred tax are charged or credited in the income statement.

Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans and loans from fellow group companies 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. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Leases

When assets are acquired under hire purchase agreements, which give rights approximating to ownership, the amount representing the outright purchase price of such assets is included in tangible fixed assets. The capital element of future payments is treated as a liability and the interest element is charged to the profit and loss account as it accrues. Operating lease rentals are charged to the income statement as incurred.

Foreign exchange

Transactions denominated in foreign currencies are translated at the exchange rate at the date of the transaction. Foreign currency assets and liabilities held at the year-end are translated at year end exchange rates or the exchange rate of a related forward exchange contract where appropriate. The resulting exchange gain or loss is dealt with in the income statement.

Excellence Aviation Services Limited

Notes (continued)

1 Accounting policies (continued)

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.

Retirement benefits

The company operates a defined contribution retirement benefit scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

Critical accounting estimates and judgements

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant and are reviewed on an ongoing basis. Actual results may differ from these estimates. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

2 Staff numbers and costs

The average number of persons employed by the company (including directors) during the year was as follows:

	Number of employees	
	2019	2018
Administration	6	4
Other	7	4
	—	—
	13	8
	==	==

The aggregate payroll costs of these persons were as follows:

	2019 £	2018 £
Wages and salaries	421,576	215,124
Social security costs	21,024	19,906
Other pension costs (see note 14)	15,177	12,301
	—	—
	457,777	247,331
	==	==

Excellence Aviation Services Limited

Notes (continued)

3 Tangible fixed assets

	Plant and machinery £	Fixtures, fittings, tools and equipment £	Motor Vehicles £	Total £
Cost				
At 1 November 2018	23,248	16,736	95,620	135,604
Additions	-	736	-	736
Transfers	-	-	-	-
Revaluation	200,647	-	-	200,647
Disposals	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 October 2019	223,895	17,472	95,620	336,987
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 November 2018	23,248	15,657	87,182	126,087
Charge for the year	-	468	2,813	3,281
Transfers	-	-	-	-
Disposals	-	-	-	-
Impairment	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 October 2019	23,248	16,125	89,995	129,368
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 31 October 2019	200,647	1,347	5,625	207,619
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 31 October 2018	-	1,079	8,438	9,517
	<hr/>	<hr/>	<hr/>	<hr/>

The Directors have valued the plant and machinery assets based on readily available second hand market prices and that the historical cost of such revalued assets is £246,950.

4 Stocks

	2019 £	2018 £
	<hr/>	<hr/>
Raw materials and consumables	607,611	-
	<hr/>	<hr/>

Excellence Aviation Services Limited

Notes (continued)

5 Debtors

	2019 £	2018 £
Trade debtors	168,488	136,337
Amounts owed by group undertakings	-	-
Prepayments and accrued income	18,728	-
Other debtors	7,831	568
	<u>195,047</u>	<u>136,905</u>

6 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	29,140	16,692
Amounts owed to group undertakings	74,316	249
Other creditors including taxation and social security	148,580	90,821
Accruals and deferred income	13,616	-
	<u>265,651</u>	<u>107,762</u>

Other creditors including taxation and social security comprises:

	2019 £	2018 £
Social security	12,574	6,597
Corporation tax	133,551	22,474
Other taxes (VAT)	2,455	-
Other creditors (See note 18)	-	61,750
	<u>148,580</u>	<u>90,821</u>

7 Retirement benefits

The pension charge for the year was £15,176 (2018: £12,301). At the year end contributions outstanding totalled £Nil (2018: £Nil).

Excellence Aviation Services Limited

Notes (continued)

8 Financial instruments

	2019 £	2018 £
Carrying amount of financial assets		
Measured at fair value through profit and loss	-	-
Measured at amortised cost	169,056	136,337
	<u>169,056</u>	<u>136,337</u>
Carrying amount of financial liabilities		
Measured at fair value through profit and loss	-	-
Measured at amortised cost	(117,072)	(16,942)
	<u>(117,072)</u>	<u>(16,942)</u>

9 Provisions for liabilities and charges

Deferred tax

The full potential liability and amount provided for deferred taxation at 18% (2018: 18%) is as follows:

	Full Potential (Asset)/Liability 2019 £	Amount Provided 2019 £	Full Potential (Asset)/Liability 2018 £	Amount Provided 2018 £
Accelerated capital allowances	1,255	1,255	1,808	-
Attributed to revaluation	36,116	36,116	-	-
Other timing differences	-	-	-	-
	<u>37,371</u>	<u>37,371</u>	<u>1,808</u>	<u>-</u>
Deferred tax (asset)/liability	37,371	37,371	1,808	-

During the year £37,371 of deferred tax was debited (2018: £Nil) in respect of accelerated capital allowances and other timing differences.

10 Share capital

	2019 £	2018 £
<i>Allotted, called up and fully paid:</i>		
Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

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Notes (continued)

11 Commitments

Commitments under operating leases for land and buildings comprise £2,720 (2018: £2,720), £Nil (2018: £Nil) and £Nil (2018: £Nil) for leases expiring in less than one year, between one and five years and more than five years, respectively.

12 Related party transactions

In accordance with FRS102 the company has not disclosed transactions with wholly owned members of the group.

At 31 October 2018 there were directors' loans outstanding to Mr M Smith of £29,922 and Mrs T M Solley of £31,828, both of which were repaid in full during the year.

13 Ultimate parent company and controlling party

On 6 February 2019, Inflight The Jet Centre Limited acquired the whole of the issued share capital of the company. The ultimate parent company was Swan Investments Group Holdings Limited, a company incorporated in Great Britain and registered in England and Wales, the consolidated financial statements for which include the results of the company, are available to the public and may be obtained from Companies House.

The ultimate controlling related parties are Mr R A Stephens and Mrs P A Stephens by virtue of their holding in the shares of the ultimate parent undertaking

14 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The audit report was qualified.

Basis for qualified opinion

We were appointed as auditors of the company subsequent to its acquisition by the parent entity on 6 February 2019. As such we did not observe the physical counting of stock at the beginning of the year. We were unable to satisfy ourselves by alternative means concerning stock quantities held at 31 October 2018. In addition, we were unable to satisfy ourselves as to legal title to both stock and fixed assets. Furthermore, sufficient appropriate audit evidence was not available in respect of the delivery of stock items purchased and the timing of movements into and subsequently out of stock.

Stock and Fixed Assets feature prominently on the company Balance Sheet and therefore a lack of evidence supporting legal title results in us being unable to determine if any adjustments are required to the Balance Sheet at 31 October 2019. Opening stock and cut off contribute to the determination of the financial performance and cash flows of the entity. We were unable to determine whether adjustments might have been necessary in respect of the profit for the year reported in the statement of comprehensive income, and the net cash flows from operating activities reported in the statement of cash flows.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Notes *(continued)*

Emphasis of matter:

The audit opinion is formed on the current period figures only. The company was not audited in the prior period and therefore the comparative figures are unaudited.

We draw your attention to the going concern note included within note 1 to the financial statements.

The senior statutory auditor was Stuart Sheldrick.

The auditor was LB Group Limited (Chelmsford).