

REGISTERED NUMBER: 04140620 (England and Wales)

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019
FOR
LONDON ASHFORD AIRPORT LIMITED

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FOR THE YEAR ENDED 31 DECEMBER 2019**

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LONDON ASHFORD AIRPORT LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2019**

DIRECTORS:

F M S Al Athel
B F M Al Athel
M F M Al Athel
T F M Al Athel

REGISTERED OFFICE:

Lydd Airport
LYDD
Kent
TN29 9QL

REGISTERED NUMBER:

04140620 (England and Wales)

AUDITORS:

McCabe Ford Williams
Chartered Accountants and Statutory Auditors
Charlton House
Dour Street
DOVER
Kent
CT16 1BL

BALANCE SHEET
31 DECEMBER 2019

	Notes	2019 £	2018 £
FIXED ASSETS			
Tangible assets	4	15,425,556	15,614,420
CURRENT ASSETS			
Stocks	5	45,402	42,964
Debtors	6	1,424,119	1,992,524
Cash at bank		<u>1,974</u>	<u>2,252</u>
		1,471,495	2,037,740
CREDITORS			
Amounts falling due within one year	7	<u>3,521,759</u>	<u>2,611,109</u>
NET CURRENT LIABILITIES		<u>(2,050,264)</u>	<u>(573,369)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>13,375,292</u>	<u>15,041,051</u>
CAPITAL AND RESERVES			
Called up share capital	10	37,384,616	37,384,616
Share premium		1,538,463	1,538,463
Retained earnings		<u>(25,547,787)</u>	<u>(23,882,028)</u>
SHAREHOLDERS' FUNDS		<u>13,375,292</u>	<u>15,041,051</u>

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 27 December 2020 and were signed on its behalf by:

F M S Al Athel - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

1. STATUTORY INFORMATION

London Ashford Airport Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Airport operations	- 10% to 15% on cost
Plant and machinery	- 10% to 33% on cost
Motor vehicles	- 15% to 25% on cost

Freehold and leasehold property includes runways, taxiways and aprons. Freehold and leasehold property are depreciated over the life of the asset or the life of the lease, whichever is the shorter. These assets are depreciated on cost over 2 to 80 years.

Land is not depreciated.

Assets under construction are not depreciated until the asset is ready for use, at which point it is transferred to the relevant asset class and is subsequently depreciated.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019**

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Debtors and creditors receivable/payable within one year

Debtors and creditors that are receivable or payable on demand are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in administrative expenses.

Going concern

The financial statements have been prepared on a going concern basis. This basis may not be appropriate, as at 31 December 2019 the current liabilities of the company exceed the current assets of the company. Should the company be unable to continue trading, adjustments would have to be made to reduce the value of the assets to their recoverable amount, to provide any liabilities which might arise and to reclassify fixed assets and long term liabilities. The going concern basis has been applied as a result of the fact that the company can rely on the financial support of the parent and ultimate parent companies.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 33 (2018 - 35) .

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019

4. TANGIBLE FIXED ASSETS

	Freehold and leasehold property £	Airport operations £	Assets under construction £
COST			
At 1 January 2019	10,668,170	936,707	6,604,986
Additions	20,250	-	-
Disposals	(2,835)	-	-
At 31 December 2019	10,685,585	936,707	6,604,986
DEPRECIATION			
At 1 January 2019	1,787,618	933,475	-
Charge for year	145,254	1,521	-
Eliminated on disposal	(2,565)	-	-
At 31 December 2019	1,930,307	934,996	-
NET BOOK VALUE			
At 31 December 2019	8,755,278	1,711	6,604,986
At 31 December 2018	8,880,552	3,232	6,604,986

	Plant and machinery £	Motor vehicles £	Totals £
COST			
At 1 January 2019	899,703	444,890	19,554,456
Additions	6,787	-	27,037
Disposals	(998)	-	(3,833)
At 31 December 2019	905,492	444,890	19,577,660
DEPRECIATION			
At 1 January 2019	819,773	399,170	3,940,036
Charge for year	45,808	23,048	215,631
Eliminated on disposal	(998)	-	(3,563)
At 31 December 2019	864,583	422,218	4,152,104
NET BOOK VALUE			
At 31 December 2019	40,909	22,672	15,425,556
At 31 December 2018	79,930	45,720	15,614,420

Included in freehold and leasehold property is freehold land of £1,698,792 (2018 - £1,698,792) which is not depreciated.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019

5. **STOCKS**

	2019	2018
	£	£
Stocks	<u>45,402</u>	<u>42,964</u>

6. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019	2018
	£	£
Trade debtors	55,468	26,393
Amounts owed by group undertakings	1,277,709	1,892,232
Other debtors	24,385	3,057
Prepayments and accrued income	<u>66,557</u>	<u>70,842</u>
	<u>1,424,119</u>	<u>1,992,524</u>

7. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019	2018
	£	£
Bank loans and overdrafts	110,337	70,710
Trade creditors	265,096	250,098
Amounts owed to group undertakings	3,107,730	2,250,898
Social security and other taxes	21,670	24,822
Other creditors	1,455	477
Accruals and deferred income	<u>15,471</u>	<u>14,104</u>
	<u>3,521,759</u>	<u>2,611,109</u>

8. **LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2019	2018
	£	£
Within one year	199,707	358,210
Between one and five years	<u>22,260</u>	<u>303,858</u>
	<u>221,967</u>	<u>662,068</u>

9. **SECURED DEBTS**

The following secured debts are included within creditors:

	2019	2018
	£	£
Bank overdrafts	<u>110,337</u>	<u>70,710</u>

Bank overdrafts of £110,337 (2018 - £70,710) are secured by way of a fixed charge on the company's tangible fixed assets and debtors, and a floating charge over all other assets.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2019

10. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2019 £	2018 £
37,384,616	Ordinary	£1	<u>37,384,616</u>	<u>37,384,616</u>

11. **DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006**

The Report of the Auditors was unqualified.

Jonathan Fullarton BSc(Hons) ACA (Senior Statutory Auditor)
for and on behalf of McCabe Ford Williams

12. **RELATED PARTY DISCLOSURES**

At the balance sheet date the company was due an amount of £1,247,383 (2018 - £1,205,246) from Lydd Golf Club and Driving Range Limited, a fellow subsidiary. The loan is interest free, unsecured and payable on demand. FAL Holdings Arabia Co. Ltd., the ultimate parent company, has guaranteed the loan.

At the balance sheet date the company was due an amount of £nil (2018 - £656,660) from Phoenix Aero Engineering Ltd, a fellow subsidiary. A balance of £656,113 was written off to the profit and loss account in the year as the loan is considered to be irrecoverable.

At the balance sheet date the company owed an amount of £3,063,280 (2018 - £2,224,714) to FAL Holdings Arabia Co. Ltd.. The loan is interest free, unsecured and payable on demand.

13. **POST BALANCE SHEET EVENTS**

COVID-19 has been classified as a non-adjusting post balance sheet event as of 31 December 2019.

The airport was closed as the country went into the first lockdown on 24 March 2020 and re-opened in July 2020. On 5 November 2020 the country went into a second lock down which was lifted on the 2 December 2020 when Kent was then placed into tier 3 restrictions, during this period the airport has remained open but operations have been restricted. COVID-19 has impacted sales but the company did receive some support from some of the government's schemes. The directors do not believe that any adjustments are necessary in respect of the year to 31 December 2019.

The directors believe that the company remains a going concern as support from the ultimate parent company and other group companies will continue.

14. **ULTIMATE CONTROLLING PARTY**

The parent company is Lydd Holding Limited, the registered address of which is Geneva Place, Waterfront Drive, PO Box 3469, Road Town, Tortola, British Virgin Island.

The ultimate parent company is FAL Holdings Arabia Co. Ltd., a private company, limited by shares, registered in Saudi Arabia.

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.