

REGISTERED NUMBER: 05301982

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016
FOR
FAL AVIATION UK LTD.



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FOR THE YEAR ENDED 31 DECEMBER 2016**

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FAL AVIATION UK LTD.
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2016

DIRECTORS:

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

SECRETARY:

H Mutlaq

REGISTERED OFFICE:

London Ashford Airport
Lydd Airport
LYDD
Kent
TN29 9QL

REGISTERED NUMBER:

05301982

AUDITORS:

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

FAL AVIATION UK LTD. (REGISTERED NUMBER: 05301982)

**BALANCE SHEET
31 DECEMBER 2016**

	Notes	2016 £	2015 £
FIXED ASSETS			
Tangible assets	4	-	-
CURRENT ASSETS			
Debtors	5	31,959	27,838
Cash at bank and in hand		3,676	5,548
		<u>35,635</u>	<u>33,386</u>
CREDITORS			
Amounts falling due within one year	6	1,281,599	1,331,694
NET CURRENT LIABILITIES		<u>(1,245,964)</u>	<u>(1,298,308)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(1,245,964)</u>	<u>(1,298,308)</u>
CAPITAL AND RESERVES			
Called up share capital	7	100	100
Retained earnings		<u>(1,246,064)</u>	<u>(1,298,408)</u>
SHAREHOLDERS' FUNDS		<u>(1,245,964)</u>	<u>(1,298,308)</u>

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

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 on 31/8/2017 and were signed on its behalf by:


.....
B F M Al Athel - Director

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**

1. STATUTORY INFORMATION

Fal Aviation UK Ltd. 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.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

The financial statements are presented in sterling which is the functional currency of the company.

Changes in accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year. These policies have been consistently applied to all years presented unless otherwise stated.

These financial statements, for the year ended 31 December 2016, are the first financial statements that comply with FRS 102 Section 1A "Small Entities". The date of transition is 1 January 2015.

The transition to FRS 102 Section 1A "Small Entities" has not resulted in any changes to the accounting policies or to the opening equity and profit for the comparative period.

Turnover

Turnover represents net invoiced sales of goods and services, excluding value added tax.

Tangible fixed assets

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

Plant and machinery	- 25% on cost
Fixtures and fittings	- 25% on cost
Computer equipment	- 33% on cost

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.

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.

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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2016

2. ACCOUNTING POLICIES - continued**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 because, although during the year the company made a profit of £52,344 (2015 - £37,276), as at 31 December 2016 the liabilities of the company exceed the net assets of the company by £1,245,964 (2015 - £1,298,308). 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 immediate and ultimate parent companies.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 4 (2015 - 4).

4. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST				
At 1 January 2016	10,047	42,823	12,565	65,435
Disposals	-	(596)	(531)	(1,127)
At 31 December 2016	10,047	42,227	12,034	64,308
DEPRECIATION				
At 1 January 2016	10,047	42,823	12,565	65,435
Eliminated on disposal	-	(596)	(531)	(1,127)
At 31 December 2016	10,047	42,227	12,034	64,308
NET BOOK VALUE				
At 31 December 2016	-	-	-	-
At 31 December 2015	-	-	-	-

FAL AVIATION UK LTD. (REGISTERED NUMBER: 05301982)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2016**

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Trade debtors	24,527	21,885
Amounts owed by group undertakings	516	-
VAT	6,766	5,802
Prepayments	150	151
	<u>31,959</u>	<u>27,838</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2015
	£	£
Trade creditors	8,380	2,836
Amounts owed to group undertakings	1,271,219	1,327,445
Accrued expenses	2,000	1,413
	<u>1,281,599</u>	<u>1,331,694</u>

7. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2016	2015
Number:	Class:	Nominal value:	£	£
100	Ordinary	£1	<u>100</u>	<u>100</u>

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

The Report of the Auditors was unqualified.

Ian Pascall FCA (Senior Statutory Auditor)
for and on behalf of McCabe Ford Williams

9. CONTINGENT LIABILITIES

HSBC Bank PLC holds an unlimited Multilateral Guarantee dated 8 July 2005 given by the following group subsidiaries; London Ashford Airport Limited, FAL Aviation UK Ltd and Phoenix Aero Engineering Ltd, as well as a group set off. The security given to the bank is in the form of a debenture dated 8 September 2005 which creates fixed and floating charges over all the company's assets. At the balance sheet date the liability outstanding to HSBC Bank PLC was £820 (2015 - £nil).

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2016**

10. RELATED PARTY DISCLOSURES

At the balance sheet date the company owed an amount of £1,257,900 (2015 - £1,257,900) to Lydd Holdings Limited, the immediate parent company. The balance is interest free, unsecured and payable on demand.

During the year the company supplied goods and services to London Ashford Airport Limited, a fellow subsidiary, of £35 (2015 - £15,207), as well as acquiring goods and services from London Ashford Airport Limited of £235,772 (2015 - £221,059). These transactions were all on normal commercial terms. During the year the company made repayments to London Ashford Airport Limited of £312,391 (2015 - £261,888) and received funds from London Ashford Airport Limited of £20,428 (2015 - £20,249). At the balance sheet date the company owed £13,319 (2015 - £69,545) to London Ashford Airport Limited. The balance is interest free, unsecured and payable on demand.

During the year the company supplied goods and services to FAL Aviation SA, a fellow subsidiary, of £516 (2015 - £nil). At the balance sheet date the company was owed an amount of £516 (2015 - £nil). The balance is interest free, unsecured and payable on demand.

11. PARENT AND ULTIMATE PARENT COMPANY

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.