

**REGISTERED NUMBER: 05301982 (England and Wales)**

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**  
**FOR**  
**FAL AVIATION UK LTD.**

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FOR THE YEAR ENDED 31 DECEMBER 2018**

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**FAL AVIATION UK LTD.**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31 DECEMBER 2018**

**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 (England and Wales)

**AUDITORS:**

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

**BALANCE SHEET**  
**31 DECEMBER 2018**

	Notes	31.12.18 £	£	31.12.17 £	£
<b>FIXED ASSETS</b>					
Tangible assets	4		530		781
<b>CURRENT ASSETS</b>					
Debtors	5	48,497		44,369	
Cash at bank and in hand		<u>807</u>		<u>1,679</u>	
		49,304		46,048	
<b>CREDITORS</b>					
Amounts falling due within one year	6	<u>1,262,161</u>		<u>1,267,771</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(1,212,857)</u>		<u>(1,221,723)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>(1,212,327)</u>		<u>(1,220,942)</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	7		100		100
Retained earnings			<u>(1,212,427)</u>		<u>(1,221,042)</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>(1,212,327)</u>		<u>(1,220,942)</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 on 16 September 2019 and were signed on its behalf by:

B F M Al Athel - Director

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2018**

**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.

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.

The company has applied the Triennial review 2017 amendments to Financial Reporting Standard 102.

**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.

**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.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2018

2. ACCOUNTING POLICIES - continued

**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 £8,615 (2017 - £25,022), as at 31 December 2018 the liabilities of the company exceed the net assets of the company by £1,212,327 (2017 - £1,220,942). 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 6 (2017 - 6) .

4. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>				
At 1 January 2018	10,047	37,186	12,034	59,267
Disposals	-	(564)	-	(564)
At 31 December 2018	<u>10,047</u>	<u>36,622</u>	<u>12,034</u>	<u>58,703</u>
<b>DEPRECIATION</b>				
At 1 January 2018	10,047	36,405	12,034	58,486
Charge for year	-	251	-	251
Eliminated on disposal	-	(564)	-	(564)
At 31 December 2018	<u>10,047</u>	<u>36,092</u>	<u>12,034</u>	<u>58,173</u>
<b>NET BOOK VALUE</b>				
At 31 December 2018	<u>-</u>	<u>530</u>	<u>-</u>	<u>530</u>
At 31 December 2017	<u>-</u>	<u>781</u>	<u>-</u>	<u>781</u>

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.18 £	31.12.17 £
Trade debtors	16,562	4,923
Amounts owed by group undertakings	26,184	34,662
VAT	5,597	4,632
Prepayments	<u>154</u>	<u>152</u>
	<u>48,497</u>	<u>44,369</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2018

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

	31.12.18	31.12.17
	£	£
Trade creditors	2,486	8,141
Amounts owed to group undertakings	1,257,900	1,257,900
Accrued expenses	1,775	1,730
	<u>1,262,161</u>	<u>1,267,771</u>

7. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:			31.12.18	31.12.17
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 UK 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 there was a liability of £70,710 (2017 - £75,775) to HSBC UK Bank plc in respect of the fellow subsidiaries under the guarantee.

10. **RELATED PARTY DISCLOSURES**

At the balance sheet date the company owed an amount of £1,257,900 (2017- £1,257,900) to Lydd Holding Limited, the immediate parent company. 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.

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.