

Company Registration No. 06116015 (England and Wales)

**MARCUS EVANS (AVIATION) LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2020**  
**FILLETED ACCOUNTS**

# MARCUS EVANS (AVIATION) LIMITED

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# MARCUS EVANS (AVIATION) LIMITED

## BALANCE SHEET

AS AT 30 SEPTEMBER 2020

	Notes	2020 £	£	2019 £	£
<b>Fixed assets</b>					
Tangible assets	3		5,976,328		6,286,902
<b>Current assets</b>					
Debtors	4	27,088		17,818	
Cash at bank and in hand		70,063		75,938	
		<u>97,151</u>		<u>93,756</u>	
<b>Creditors: amounts falling due within one year</b>	5	<u>(620,158)</u>		<u>(620,661)</u>	
<b>Net current liabilities</b>			<u>(523,007)</u>		<u>(526,905)</u>
<b>Total assets less current liabilities</b>			5,453,321		5,759,997
<b>Creditors: amounts falling due after more than one year</b>	6		<u>(15,833,327)</u>		<u>(15,292,941)</u>
<b>Net liabilities</b>			<u><u>(10,380,006)</u></u>		<u><u>(9,532,944)</u></u>
<b>Capital and reserves</b>					
Called up share capital	8		1		1
Profit and loss reserves			<u>(10,380,007)</u>		<u>(9,532,945)</u>
<b>Total equity</b>			<u><u>(10,380,006)</u></u>		<u><u>(9,532,944)</u></u>

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

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

The financial statements were approved by the board of directors and authorised for issue on 29 September 2021 and are signed on its behalf by:

M P Studd  
**Director**

**Company Registration No. 06116015**

# MARCUS EVANS (AVIATION) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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### **1 Accounting policies**

#### **Company information**

Marcus Evans (Aviation) Limited is a private company limited by shares incorporated in England and Wales. The registered office is Magnus House, 7Th Floor, 3 Lower Thames Street, London, United Kingdom, EC3R 6HE.

#### **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.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

Marcus Evans (Aviation) Limited is a wholly owned subsidiary of Marcus Evans Worldwide Holdings (IOM) Limited and the results of Marcus Evans (Aviation) Limited are included in the consolidated financial statements of Marcus Evans Worldwide Holdings (IOM) Limited. Copies of these accounts are not publicly available.

#### **1.2 Going concern**

The group have prepared detailed financial projections for a period of 15 months following the date of approval of these financial statements based on a range of different sales assumptions. These projections are based on assumptions that the directors consider to be reasonable and achievable in light of the group's actual recent sales experience.

The company's shareholders continue to be supportive of the wider group and its business and have already committed to provide any support necessary.

#### **1.3 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

#### **1.4 Tangible fixed assets**

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

# MARCUS EVANS (AVIATION) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

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### 1 Accounting policies

(Continued)

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

Bombardier C-300 Aircraft	5% straight line
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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 period 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).

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.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

#### 1.6 Cash and cash equivalents

Cash and cash equivalents 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.

#### 1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet 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 initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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. Financial assets classified as receivable within one year are not amortised.

##### **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.

# MARCUS EVANS (AVIATION) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

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### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares 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. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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 if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **1.8 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.

#### **1.9 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.

#### **1.10 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 in the period are included in profit or loss.

#### **1.11 Going concern**

The directors are of the opinion that the financial statements be prepared on a going concern basis which is based on the continued support of the company's bankers and related parties.

Should the company be unable to continue trading, adjustments would have to be made to reduce the assets to their recoverable amount, to provide for any further liabilities and to reclassify fixed assets as current assets.

## MARCUS EVANS (AVIATION) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

#### 2 Employees

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

	2020 Number	2019 Number
Total	1	1

#### 3 Tangible fixed assets

	Bombardier C-300 Aircraft £
<b>Cost</b>	
At 1 October 2019 and 30 September 2020	9,211,472
<b>Depreciation and impairment</b>	
At 1 October 2019	2,924,570
Depreciation charged in the year	310,574
At 30 September 2020	3,235,144
<b>Carrying amount</b>	
At 30 September 2020	5,976,328
At 30 September 2019	6,286,902

#### 4 Debtors

	2020 £	2019 £
<b>Amounts falling due within one year:</b>		
Trade debtors	4,400	-
Other debtors	22,688	17,818
	27,088	17,818

# MARCUS EVANS (AVIATION) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2020

### 5 Creditors: amounts falling due within one year

	2020 £	2019 £
Bank loans and overdrafts	462,524	483,836
Trade creditors	154,557	122,638
Taxation and social security	3,077	12,788
Other creditors	-	1,399
	<u>620,158</u>	<u>620,661</u>

### 6 Creditors: amounts falling due after more than one year

	2020 £	2019 £
Bank loans and overdrafts	2,944,048	3,565,074
Other creditors	12,889,279	11,727,867
	<u>15,833,327</u>	<u>15,292,941</u>

### 7 Loans and overdrafts

	2020 £	2019 £
Bank loans	3,406,342	4,048,910
Bank overdrafts	230	-
Loans from group undertakings and related parties	12,889,279	11,727,867
	<u>16,295,851</u>	<u>15,776,777</u>
Payable within one year	462,524	483,836
Payable after one year	15,833,327	15,292,941

The long-term bank loans are secured by fixed charges over the assets of Marcus Evans (Aviation) Ltd and other group companies.

Interest on the bank loan is calculated and paid monthly at a variable rate which tracks the one month LIBOR.

### 8 Called up share capital

	2020 Number	2019 Number	2020 £	2019 £
Ordinary share capital Issued and fully paid				
Ordinary of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>



## **MARCUS EVANS (AVIATION) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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#### **9 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 auditor's report was unqualified.

#### **Emphasis of matter**

The company is heavily reliant on the support of fellow group companies to continue as a going concern. In view of the significance of this support we consider that it should be drawn to your attention but our opinion is not qualified in this respect.

The senior statutory auditor was Andrew Miller BSc FCA.

The auditor was Azets Audit Services.

#### **10 Related party transactions**

The company has taken advantage of the exemption available in accordance with FRS 102, section 33 'Related party disclosures' not to disclose transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

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.