

Company registration number 02990201 (England and Wales)

EXECUTIVE JET SUPPORT LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021





EXECUTIVE JET SUPPORT LIMITED

COMPANY INFORMATION

Directors	Mr S A Browse Mr M R Browse
Company number	02990201
Registered office	Vincients Road Bumpers Farm Industrial Estate Chippenham Wiltshire SN14 6NQ
Auditor	Mander Duffill Limited The Old Post Office 41-43 Market Place Chippenham SN15 3HR
Business address	Vincients Road Bumpers Farm Industrial Estate Chippenham Wiltshire SN14 6NQ
Bankers	National Westminster Bank Plc 32 Corn Street Bristol BS1 1HQ



EXECUTIVE JET SUPPORT LIMITED

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EXECUTIVE JET SUPPORT LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their strategic report together with the audited financial statements for the year ended 31 December 2021.

Review of the business

The principal activity of the company is the stocking and distribution of components to the aviation industry.

The results of the company show a profit before tax of £2,985,560 (2020 £888,528). Turnover in the year was £10,568,105. The company's turnover and profit were in line with expectation.

During the year ended 31 December 2021 the company continued its strategy of investing in new aircraft types (notably Airbus A330/A320) and increasing inventories in current aircraft types supported.

The company continued to strengthen its position in the ATR, EMB145 market and most notably the BAE146RJ market, whilst adding Airbus A330/A320 aircraft to its portfolio.

Principal risks and uncertainties

The principal risks and uncertainties affecting the management of the business and the execution of the company's strategy are considered to relate to the sensitivity of the aviation industry to changes in the economic and regulatory environment. The Directors ensure that these risks are managed, monitored and reviewed on a regular basis and adopt appropriate policies accordingly.

Key performance indicators

The directors consider the key measures of the company's performance to be shown below :

	2021 £,000	2020 £,000
Turnover	10,568	11,607
Gross Profit	5,117	2,650
Profit before taxation	2,986	889
Stock	4,244	3,508
Total Shareholder Funds	8,870	6,452

The review of the business includes an analysis of the key performance indicators.

Future plans

The company seeks to acquire more airbus inventory, to push and generate sales with Airbus operators and to increase our inventory in existing platforms as well as looking to move into the Embraer EJet aircraft in 2023. With the larger scale of Airbus over our existing supported platforms we will need larger warehousing facilities and work is progressing on obtaining these whilst also assessing and factoring in the long term strategic goals of the company.

On behalf of the board



Mr M R Browse
Director

Date: 16 Dec 2022

EXECUTIVE JET SUPPORT LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their annual report and financial statements for the year ended 31 December 2021.

Principal activities

The principal activity of the company continued to be that of supplying aircraft spares.

Results and dividends

The results for the year are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr S A Browse

Mr M R Browse

Auditor

Mander Duffill Limited were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



Mr M R Browse

Director

Date: 16 Dec 2022

EXECUTIVE JET SUPPORT LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2021

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 year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and 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.

EXECUTIVE JET SUPPORT LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBER OF EXECUTIVE JET SUPPORT LIMITED

Opinion

We have audited the financial statements of Executive Jet Support Limited (the 'company') for the year ended 31 December 2021 which comprise the statement of income and retained earnings, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the strategic report and the report of the directors, but does not include the financial statements and our report of the auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the report of the directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the report of the directors have been prepared in accordance with applicable legal requirements.

EXECUTIVE JET SUPPORT LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBER OF EXECUTIVE JET SUPPORT LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the report of the directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the statement of directors' responsibilities set out on page four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

In planning and designing our audit tests, we identify and assess the risks of material mis-statements, whether due to fraud or error. Our risk assessment procedures included:

- Enquiries of management about the entities policies and procedures on compliance with laws and regulations and whether they were aware of any instances of noncompliance together with the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations.
- Enquiries of management about the entities policies and procedures on fraud risks, including any actual, suspected or alleged fraud.
- Considered the nature of the industry and sector, control environment and business performance including the key drivers for directors' remuneration, bonus levels and performance targets.
- Reading minutes of meetings of those charged with governance.

We communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

We obtained an understanding of the legal and regulatory frameworks that the entity operates in, through discussions with the director, and from our commercial knowledge and experience of the sector in which the company operates, to enable us to identify the key laws and regulations applicable to the company. We focused on specific laws and regulations which we considered may have a direct material effect on the financial statement or the operations of the company, including the Companies Act 2006, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation.

EXECUTIVE JET SUPPORT LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBER OF EXECUTIVE JET SUPPORT LIMITED

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override of controls including the following:

- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Enquiry of management concerning actual and potential litigation and claims.
- Reviewing correspondence with HMRC, and the company's legal advisors.
- Addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments, assessing whether judgements made in making accounting estimates are indicative of a potential bias, and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's member in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's member those matters we are required to state to them in a report of the auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's member for our audit work, for this report, or for the opinions we have formed.



Julian Duffill FCA (Senior Statutory Auditor)
For and on behalf of Mander Duffill Limited

Chartered Accountants & Statutory Auditor

The Old Post Office
41-43 Market Place
Chippenham
Wiltshire
SN15 3HR

Date: 20 Dec 2021 .

EXECUTIVE JET SUPPORT LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	2020 £
Turnover	3	10,568,105	11,606,516
Cost of sales		(5,451,312)	(8,956,235)
Gross profit		5,116,793	2,650,281
Administrative expenses		(2,159,797)	(1,808,121)
Other operating income		43,001	70,869
Operating profit	4	2,999,997	913,029
Interest payable and similar expenses	7	(14,437)	(24,501)
Profit before taxation		2,985,560	888,528
Tax on profit	8	(567,526)	(166,648)
Profit for the financial year		2,418,034	721,880
Retained earnings brought forward		6,451,884	6,230,004
Dividends	9	-	(500,000)
Retained earnings carried forward		8,869,918	6,451,884

The profit and loss account has been prepared on the basis that all operations are continuing operations.

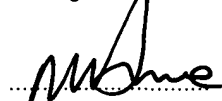
EXECUTIVE JET SUPPORT LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	10	206,423		227,595	
Investment properties	11	1,462,473		1,254,497	
		<u>1,668,896</u>		<u>1,482,092</u>	
Current assets					
Stocks	12	4,244,280		3,507,813	
Debtors	13	2,523,279		856,503	
Cash at bank and in hand		3,876,771		3,340,474	
		<u>10,644,330</u>		<u>7,704,790</u>	
Creditors: amounts falling due within one year	14	(2,596,016)		(1,643,989)	
Net current assets		<u>8,048,314</u>		<u>6,060,801</u>	
Total assets less current liabilities		<u>9,717,210</u>		<u>7,542,893</u>	
Creditors: amounts falling due after more than one year	15	(840,000)		(1,080,000)	
Provisions for liabilities					
Deferred tax liability	18	7,092		10,809	
		<u>(7,092)</u>		<u>(10,809)</u>	
Net assets		<u>8,870,118</u>		<u>6,452,084</u>	
Capital and reserves					
Called up share capital	20	200		200	
Profit and loss reserves		8,869,918		6,451,884	
Total equity		<u>8,870,118</u>		<u>6,452,084</u>	

The financial statements were approved by the board of directors and authorised for issue on 16.12.22 and are signed on its behalf by:



Mr M R Browse
Director

Company Registration No. 02990201

EXECUTIVE JET SUPPORT LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	24	1,039,065		2,507,070	
Interest paid		(14,437)		(24,501)	
Income taxes paid		(126,028)		(198,858)	
Net cash inflow from operating activities		<u>898,600</u>		<u>2,283,711</u>	
Investing activities					
Purchase of tangible fixed assets		(34,327)		(47,303)	
Purchase of investment property		(207,976)		(216,230)	
Net cash used in investing activities		<u>(242,303)</u>		<u>(263,533)</u>	
Financing activities					
New bank loans		-		1,200,000	
Repayment of bank loans		(120,000)		-	
Dividends paid		-		(500,000)	
Net cash (used in)/generated from financing activities		<u>(120,000)</u>		<u>700,000</u>	
Net increase in cash and cash equivalents		<u>536,297</u>		<u>2,720,178</u>	
Cash and cash equivalents at beginning of year		<u>3,340,474</u>		<u>620,296</u>	
Cash and cash equivalents at end of year		<u><u>3,876,771</u></u>		<u><u>3,340,474</u></u>	

EXECUTIVE JET SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

Executive Jet Support Limited (company registration number - 02990201) is a private company limited by shares incorporated in England and Wales. The registered office is Vincients Road, Bumpers Farm Industrial Estate, Chippenham, Wiltshire, SN14 6NQ.

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.

The presentation currency of the financial statements is the Pound Sterling (£). This is different from the functional currency of the company, which is the United States Dollar (\$). The reason for this is the functional currency of the international aviation industry is the United States Dollar (\$), as such most sales and purchases are made in United States Dollars (\$).

1.2 Going concern

Management have considered the impact of coronavirus Covid-19 on customers, suppliers and staff and in making its assessment, are constantly monitoring the impact that Covid-19 has on the recoverability of debtors - due to the economic impact on customers, the valuation of inventory - due to the decrease in demand and the valuation of investment properties - due to the impact on fair value. They consider that the company will be able to operate within its current facilities beyond the 12 months from the date these financial statements are approved.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and 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.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

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.

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:

Leasehold improvements	2% straight line
Fixtures, fittings & equipment	25% reducing balance
Computer equipment	25% reducing balance
Motor vehicles	25% reducing balance

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 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

EXECUTIVE JET SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.6 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). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.8 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.

1.9 Financial instruments

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

EXECUTIVE JET SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account 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.

EXECUTIVE JET SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.13 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.

2 Judgements and key sources of estimation uncertainty

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. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

EXECUTIVE JET SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2021	2020
	£	£
Turnover analysed by class of business		
Aircraft parts	10,568,105	11,606,516
	2021	2020
	£	£
Other significant revenue		
Grants received under the Coronavirus Job Retention Scheme	43,001	70,869
	2021	2020
	£	£
Turnover analysed by geographical market		
United Kingdom	2,657,745	2,595,923
Europe	1,353,367	3,322,225
Rest of the World	6,556,993	5,688,368
	10,568,105	11,606,516

4 Operating profit

	2021	2020
	£	£
Operating profit for the year is stated after charging/(crediting):		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	(192,756)	103,479
Government grants	(43,001)	(70,869)
Fees payable to the company's auditor for the audit of the company's financial statements	11,000	12,000
Depreciation of owned tangible fixed assets	55,499	66,269

EXECUTIVE JET SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

5 Employees

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

	2021	2020
	Number	Number
Warehouse	6	12
Admin/sales	21	20
Directors	2	2
Total	29	34

Their aggregate remuneration comprised:

	2021	2020
	£	£
Wages and salaries	846,913	956,290
Social security costs	89,720	96,520
Pension costs	115,335	26,007
	1,051,968	1,078,817

6 Directors' remuneration

	2021	2020
	£	£
Remuneration for qualifying services	49,775	69,833

7 Interest payable and similar expenses

	2021	2020
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	14,437	23,548
Other finance costs:		
Other interest	-	953
	14,437	24,501

EXECUTIVE JET SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

8 Taxation

	2021	2020
	£	£
Current tax		
UK corporation tax on profits for the current period	571,243	174,147
Deferred tax		
Origination and reversal of timing differences	(3,717)	(7,499)
Total tax charge	567,526	166,648

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2021	2020
	£	£
Profit before taxation	2,985,560	888,528
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	567,256	168,820
Tax effect of expenses that are not deductible in determining taxable profit	1,768	1,884
Permanent capital allowances in excess of depreciation	2,219	3,443
Deferred tax	(3,717)	(7,499)
Taxation charge for the year	567,526	166,648

9 Dividends

	2021	2020
	£	£
Interim paid	-	500,000

EXECUTIVE JET SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

10 Tangible fixed assets

	Leasehold improvements	Fixtures, fittings & equipment	Computer equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 January 2021	45,933	514,024	81,247	367,877	1,009,081
Additions	-	19,783	6,294	8,250	34,327
At 31 December 2021	45,933	533,807	87,541	376,127	1,043,408
Depreciation and impairment					
At 1 January 2021	2,339	427,201	70,405	281,541	781,486
Depreciation charged in the year	919	26,651	4,284	23,645	55,499
At 31 December 2021	3,258	453,852	74,689	305,186	836,985
Carrying amount					
At 31 December 2021	42,675	79,955	12,852	70,941	206,423
At 31 December 2020	43,594	86,823	10,842	86,336	227,595

11 Investment property

	2021 £
Cost	
At 1 January 2021	1,254,497
Additions	230,509
Foreign currency adjustments	(22,533)
At 31 December 2021	1,462,473

EXECUTIVE JET SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

12 Stocks

	2021	2020
	£	£
Finished goods and goods for resale	4,244,280	3,507,813

During the period impairment gains/reversal of £684,543 (2020 - impairment losses of £1,540,642) were recognised as a result of current market conditions.

13 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	1,560,110	752,791
Other debtors	48,871	40,043
Prepayments and accrued income	914,298	63,669
	2,523,279	856,503

14 Creditors: amounts falling due within one year

		2021	2020
	Notes	£	£
Bank loans	16	240,000	120,000
Trade creditors		856,337	476,989
Corporation tax		571,243	126,028
Other taxation and social security		49,151	-
Other creditors		836,900	859,488
Accruals and deferred income		42,385	61,484
		2,596,016	1,643,989

15 Creditors: amounts falling due after more than one year

		2021	2020
	Notes	£	£
Bank loans and overdrafts	16	840,000	1,080,000

EXECUTIVE JET SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

16 Loans and overdrafts

	2021	2020
	£	£
Bank loans	1,080,000	1,200,000
Payable within one year	240,000	120,000
Payable after one year	840,000	1,080,000

This overdraft is secured by fixed and floating charges over the assets of the company.

17 Provisions for liabilities

	2021	2020
	£	£
Deferred tax liabilities	7,092	10,809

18 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2021	Liabilities 2020
	£	£
Balances:		
Accelerated capital allowances	30,514	34,231
Capital losses	(23,422)	(23,422)
	7,092	10,809
Movements in the year:		2021 £
Liability at 1 January 2021		10,809
Credit to profit or loss		(3,717)
Liability at 31 December 2021		7,092

Of the deferred tax liability set out above £7,600 is expected to reverse within 12 months and relates to capital allowances that are expected to mature within the same period.

Of the deferred tax asset set out above £nil is expected to reverse within 12 months as this relates to capital losses and no capital gains are expected within the next period.

EXECUTIVE JET SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

19 Retirement benefit schemes

	2021	2020
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>115,335</u>	<u>26,007</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

20 Share capital

	2021	2020
	£	£
Ordinary share capital		
Issued and fully paid		
200 Ordinary shares of £1 each	<u>200</u>	<u>200</u>

21 Events after the reporting date

Subsequent to the end of the year, dividends of £11,000,000 have been paid to directors from distributable reserves.

22 Directors' transactions

During the year, total dividends of £nil (2020 - £500,000), were paid to the directors.

During the year, total remuneration paid to the close family members of directors totalled £87,531 (2020 - £106,283).

The company's premises at Vincients Road, Bumpers Farm Industrial Estate, Chippenham, Wiltshire, SN14 6NQ is owned by a director. During the year, the company paid £nil (2020 - £nil) for the use of this premises.

Included within other creditors is a loan payable to a director of the company of £732,677 (2020 - £836,343).

During the period, a total key management personal compensation of £92,853 (2020 - £92,853).

23 Ultimate controlling party

The ultimate controlling party is Mr S A Browse, a director of the company.

EXECUTIVE JET SUPPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

24 Cash generated from operations

	2021	2020
	£	£
Profit for the year after tax	2,418,034	721,880
Adjustments for:		
Taxation charged	567,526	166,648
Finance costs	14,437	24,501
Depreciation and impairment of tangible fixed assets	55,499	66,269
Movements in working capital:		
(Increase)/decrease in stocks	(736,467)	1,451,837
(Increase)/decrease in debtors	(1,666,776)	4,544
Increase in creditors	386,812	71,391
Cash generated from operations	1,039,065	2,507,070

25 Analysis of changes in net funds

	1 January 2021 £	Cash flows £	31 December 2021 £
Cash at bank and in hand	3,340,474	536,297	3,876,771
Borrowings excluding overdrafts	(1,200,000)	120,000	(1,080,000)
	<u>2,140,474</u>	<u>656,297</u>	<u>2,796,771</u>