

Company Registration No. 02990201 (England and Wales)

**EXECUTIVE JET SUPPORT LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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# EXECUTIVE JET SUPPORT LIMITED

## COMPANY INFORMATION

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

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# EXECUTIVE JET SUPPORT LIMITED

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# EXECUTIVE JET SUPPORT LIMITED

## STRATEGIC REPORT

**FOR THE YEAR ENDED 31 DECEMBER 2020**

The directors present their strategic report together with the audited financial statements for the year ended 31 December 2020.

### 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 £888,528 (2019 £1,021,349). Turnover in the year was £11,606,516. The company's turnover and profit were in line with expectation.

During the year ended 31 December 2020 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.

### COVID-19

Covid-19 is still having a significant negative impact on the international aviation industry and Management are constantly reviewing the impact that Covid-19 is having on the company.

### Key performance indicators

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

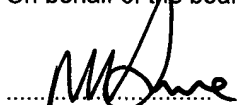
	2020	2019
	£,000	£,000
Turnover	11,607	10,969
Gross Profit	2,650	2,908
Profit before taxation	889	1,021
Stock	3,508	4,960
Total Shareholder Funds	6,452	6,230

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. 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: 12/11/2021

# EXECUTIVE JET SUPPORT LIMITED

## DIRECTORS' REPORT

**FOR THE YEAR ENDED 31 DECEMBER 2020**

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The directors present their annual report and financial statements for the year ended 31 December 2020.

### 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 8.

Ordinary dividends were paid amounting to £500,000. 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: 12/11/2021

# **EXECUTIVE JET SUPPORT LIMITED**

## **DIRECTORS' RESPONSIBILITIES STATEMENT**

***FOR THE YEAR ENDED 31 DECEMBER 2020***

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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

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#### Opinion

We have audited the financial statements of Executive Jet Support Limited (the 'company') for the year ended 31 December 2020 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 2020 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.

# **EXECUTIVE JET SUPPORT LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBER OF EXECUTIVE JET SUPPORT LIMITED**

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#### **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.

#### **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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. 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.



# **EXECUTIVE JET SUPPORT LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBER OF EXECUTIVE JET SUPPORT LIMITED**

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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.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

# **EXECUTIVE JET SUPPORT LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBER OF EXECUTIVE JET SUPPORT LIMITED**

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#### **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: 18/4/21

# EXECUTIVE JET SUPPORT LIMITED

## STATEMENT OF INCOME AND RETAINED EARNINGS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	2019 £
Turnover	3	11,606,516	10,969,363
Cost of sales		(8,956,235)	(8,061,317)
<b>Gross profit</b>		<b>2,650,281</b>	<b>2,908,046</b>
Administrative expenses		(1,808,121)	(1,883,030)
Other operating income		70,869	-
<b>Operating profit</b>	4	<b>913,029</b>	<b>1,025,016</b>
Interest receivable and similar income	7	-	13
Interest payable and similar expenses	8	(24,501)	(3,680)
<b>Profit before taxation</b>		<b>888,528</b>	<b>1,021,349</b>
Tax on profit	9	(166,648)	(195,213)
<b>Profit for the financial year</b>		<b>721,880</b>	<b>826,136</b>
Retained earnings brought forward		6,230,004	5,903,868
Dividends	10	(500,000)	(500,000)
<b>Retained earnings carried forward</b>		<b>6,451,884</b>	<b>6,230,004</b>

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

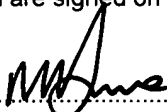
# EXECUTIVE JET SUPPORT LIMITED

## BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020		2019	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11		227,595		246,561
Investment properties	12		1,254,497		1,038,267
			<u>1,482,092</u>		<u>1,284,828</u>
<b>Current assets</b>					
Stocks	13	3,507,813		4,959,650	
Debtors	14	856,503		861,047	
Cash at bank and in hand		3,340,474		2,420,252	
		<u>7,704,790</u>		<u>8,240,949</u>	
<b>Creditors: amounts falling due within one year</b>	15	(1,643,989)		(3,277,265)	
<b>Net current assets</b>			<u>6,060,801</u>		<u>4,963,684</u>
<b>Total assets less current liabilities</b>			<u>7,542,893</u>		<u>6,248,512</u>
<b>Creditors: amounts falling due after more than one year</b>	16		(1,080,000)		-
<b>Provisions for liabilities</b>					
Deferred tax liability	19	10,809	(10,809)	18,308	(18,308)
<b>Net assets</b>			<u><u>6,452,084</u></u>		<u><u>6,230,204</u></u>
<b>Capital and reserves</b>					
Called up share capital	21		200		200
Profit and loss reserves			6,451,884		6,230,004
<b>Total equity</b>			<u><u>6,452,084</u></u>		<u><u>6,230,204</u></u>

The financial statements were approved by the board of directors and authorised for issue on 12/11/2021 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 2020

	Notes	2020 £	£	2019 £	£
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	24	2,507,070		(83,989)	
Interest paid		(24,501)		(3,680)	
Income taxes paid		(198,858)		(470,391)	
<b>Net cash inflow/(outflow) from operating activities</b>		<b>2,283,711</b>		<b>(558,060)</b>	
<b>Investing activities</b>					
Purchase of tangible fixed assets		(47,303)		(50,986)	
Purchase of investment property		(216,230)		(687,947)	
Interest received		-		13	
<b>Net cash used in investing activities</b>		<b>(263,533)</b>		<b>(738,920)</b>	
<b>Financing activities</b>					
New bank loans		1,200,000		-	
Dividends paid		(500,000)		(500,000)	
<b>Net cash generated from/(used in) financing activities</b>		<b>700,000</b>		<b>(500,000)</b>	
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>2,720,178</b>		<b>(1,796,980)</b>	
Cash and cash equivalents at beginning of year		620,296		2,417,276	
<b>Cash and cash equivalents at end of year</b>		<b>3,340,474</b>		<b>620,296</b>	
<b>Relating to:</b>					
Cash at bank and in hand		3,340,474		2,420,252	
Bank overdrafts included in creditors payable within one year		-		(1,799,956)	

# EXECUTIVE JET SUPPORT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

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### 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.

# EXECUTIVE JET SUPPORT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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### 1 Accounting policies

(Continued)

#### 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.

#### 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

# EXECUTIVE JET SUPPORT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies

(Continued)

##### **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.

##### **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.



# EXECUTIVE JET SUPPORT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1 Accounting policies

(Continued)

##### **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.

##### **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 2020

### 3 Turnover and other revenue

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

	2020	2019
	£	£
<b>Turnover analysed by class of business</b>		
Aircraft parts	11,606,516	10,969,363
	2020	2019
	£	£
<b>Other significant revenue</b>		
Interest income	-	13
Grants received under the Coronavirus Job Retention Scheme	70,869	-
	2020	2019
	£	£
<b>Turnover analysed by geographical market</b>		
United Kingdom	2,595,923	2,216,363
Europe	3,322,225	3,536,000
Rest of the World	5,688,368	5,217,000
	11,606,516	10,969,363

### 4 Operating profit

	2020	2019
	£	£
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	103,479	8,606
Government grants	(70,869)	-
Fees payable to the company's auditor for the audit of the company's financial statements	12,000	12,000
Depreciation of owned tangible fixed assets	66,269	75,241

# EXECUTIVE JET SUPPORT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 5 Employees

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

	2020	2019
	Number	Number
Warehouse	12	8
Admin/sales	20	19
Directors	2	2
Total	34	29

Their aggregate remuneration comprised:

	2020	2019
	£	£
Wages and salaries	956,290	784,691
Social security costs	96,520	109,904
Pension costs	26,007	17,267
	1,078,817	911,862

### 6 Directors' remuneration

	2020	2019
	£	£
Remuneration for qualifying services	69,833	59,975

### 7 Interest receivable and similar income

	2020	2019
	£	£
Interest income		
Bank interest received	-	22
Other interest income	-	(9)
Total income	-	13

# EXECUTIVE JET SUPPORT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 8 Interest payable and similar expenses

	2020	2019
	£	£
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on bank overdrafts and loans	23,548	3,346
<b>Other finance costs:</b>		
Other interest	953	334
	<u>24,501</u>	<u>3,680</u>

### 9 Taxation

	2020	2019
	£	£
<b>Current tax</b>		
UK corporation tax on profits for the current period	174,147	199,536
	<u>174,147</u>	<u>199,536</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(7,499)	(4,323)
	<u>(7,499)</u>	<u>(4,323)</u>
<b>Total tax charge</b>	<u>166,648</u>	<u>195,213</u>

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:

	2020	2019
	£	£
Profit before taxation	888,528	1,021,349
	<u>888,528</u>	<u>1,021,349</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	168,820	194,056
Tax effect of expenses that are not deductible in determining taxable profit	1,884	1,067
Permanent capital allowances in excess of depreciation	3,443	4,413
Deferred tax	(7,499)	(4,323)
	<u>166,648</u>	<u>195,213</u>
<b>Taxation charge for the year</b>	<u>166,648</u>	<u>195,213</u>

# EXECUTIVE JET SUPPORT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 10 Dividends

	2020	2019
	£	£
Interim paid	500,000	500,000

### 11 Tangible fixed assets

	Leasehold improvements	Fixtures, fittings & equipment	Computer equipment	Motor vehicles	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 January 2020	23,669	488,985	81,247	367,877	961,778
Additions	22,264	25,039	-	-	47,303
At 31 December 2020	45,933	514,024	81,247	367,877	1,009,081
<b>Depreciation and impairment</b>					
At 1 January 2020	1,420	398,260	62,772	252,765	715,217
Depreciation charged in the year	919	28,941	7,633	28,776	66,269
At 31 December 2020	2,339	427,201	70,405	281,541	781,486
<b>Carrying amount</b>					
At 31 December 2020	43,594	86,823	10,842	86,336	227,595
At 31 December 2019	22,249	90,725	18,475	115,112	246,561

### 12 Investment property

	2020 £
<b>Cost</b>	
At 1 January 2020	1,009,212
Additions	222,301
Foreign currency adjustments	22,984
At 31 December 2020	1,254,497

# EXECUTIVE JET SUPPORT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 13 Stocks

	2020	2019
	£	£
Finished goods and goods for resale	3,507,813	4,959,650

During the period impairment losses of £1,540,642 (2019 - £965,318) were recognised as a result of current market conditions.

### 14 Debtors

	2020	2019
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	752,791	740,797
Other debtors	40,043	26,340
Prepayments and accrued income	63,669	93,910
	856,503	861,047

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

		2020	2019
	Notes	£	£
Bank loans and overdrafts	17	120,000	1,799,956
Trade creditors		476,989	480,711
Corporation tax		126,028	150,739
Other taxation and social security		-	45,264
Other creditors		859,488	699,918
Accruals and deferred income		61,484	100,677
		1,643,989	3,277,265

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

		2020	2019
	Notes	£	£
Bank loans and overdrafts	17	1,080,000	-

# EXECUTIVE JET SUPPORT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 17 Loans and overdrafts

	2020	2019
	£	£
Bank loans	1,200,000	-
Bank overdrafts	-	1,799,956
	<u>1,200,000</u>	<u>1,799,956</u>
Payable within one year	120,000	1,799,956
Payable after one year	<u>1,080,000</u>	<u>-</u>

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

### 18 Provisions for liabilities

		2020	2019
	Notes	£	£
Deferred tax liabilities	19	<u>10,809</u>	<u>18,308</u>

### 19 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 2020	Liabilities 2019
	£	£
<b>Balances:</b>		
Accelerated capital allowances	34,231	41,730
Capital losses	(23,422)	(23,422)
	<u>10,809</u>	<u>18,308</u>
<b>Movements in the year:</b>		2020 £
Liability at 1 January 2020		18,308
Credit to profit or loss		(7,499)
Liability at 31 December 2020		<u>10,809</u>

# EXECUTIVE JET SUPPORT LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

### 19 Deferred taxation

(Continued)

Of the deferred tax liability set out above £10,745 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.

### 20 Retirement benefit schemes

	2020	2019
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	26,007	17,267

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.

### 21 Share capital

	2020	2019
	£	£
Ordinary share capital		
Issued and fully paid		
200 Ordinary shares of £1 each	200	200

### 22 Directors' transactions

During the year, total dividends of £500,000 (2019 - £500,000), were paid to the directors.

During the year, total remuneration paid to the close family members of directors totalled £106,283 (2019 - £103,400).

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 (2019 - £nil) for the use of this premises.

Included within other creditors is a loan payable to a director of the company of £836,343 (2019 - £650,770).

During the period, a total key management personal compensation of £92,853 (2019 - £78,701).

### 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 2020

### 24 Cash generated from/(absorbed by) operations

	2020	2019
	£	£
Profit for the year after tax	721,880	826,136
<b>Adjustments for:</b>		
Taxation charged	166,648	195,213
Finance costs	24,501	3,680
Investment income	-	(13)
Depreciation and impairment of tangible fixed assets	66,269	75,241
<b>Movements in working capital:</b>		
Decrease/(increase) in stocks	1,451,837	(592,633)
Decrease in debtors	4,544	836,187
Increase/(decrease) in creditors	71,391	(1,427,800)
<b>Cash generated from/(absorbed by) operations</b>	<b>2,507,070</b>	<b>(83,989)</b>

### 25 Analysis of changes in net funds

	1 January 2020 £	Cash flows £	31 December 2020 £
Cash at bank and in hand	2,420,252	920,222	3,340,474
Bank overdrafts	(1,799,956)	1,799,956	-
	620,296	2,720,178	3,340,474
Borrowings excluding overdrafts	-	(1,200,000)	(1,200,000)
	620,296	1,520,178	2,140,474