

Company Registration No. 03335255 (England and Wales)

**AIRFLOW GROUP LTD**  
**UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2017**  
**PAGES FOR FILING WITH REGISTRAR**

## AIRFLOW GROUP LTD

### COMPANY INFORMATION

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|                          |  |
|--------------------------|--|
| <b>Directors</b>         | Mrs L B Frost<br>Mr J S Frost  |
| <b>Secretary</b>         | Mrs L B Frost  |
| <b>Company number</b>    | 03335255   |
| <b>Registered office</b> | Chester House<br>Lloyd Drive<br>Cheshire Oaks Business Park<br>Ellesmere Port<br>Cheshire<br>England<br>CH65 9HQ     |
| <b>Accountants</b>       | Morris & Co<br>Chester House<br>Lloyd Drive<br>Cheshire Oaks Business Park<br>Ellesmere Port<br>Cheshire<br>CH65 9HQ |

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# AIRFLOW GROUP LTD

## CONTENTS

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|                                   | Page  |
|-----------------------------------|-------|
| Accountants' report               | 1     |
| Balance sheet                     | 2 - 3 |
| Notes to the financial statements | 4 - 9 |

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## **AIRFLOW GROUP LTD**

### **CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF AIRFLOW GROUP LTD FOR THE YEAR ENDED 31 MARCH 2017**

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In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Airflow Group Ltd for the year ended 31 March 2017 which comprise, the Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of Airflow Group Ltd, as a body, in accordance with the terms of our engagement. Our work has been undertaken solely to prepare for your approval the financial statements of Airflow Group Ltd and state those matters that we have agreed to state to the Board of Directors of Airflow Group Ltd, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Airflow Group Ltd and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that Airflow Group Ltd has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Airflow Group Ltd. You consider that Airflow Group Ltd is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Airflow Group Ltd. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

**Morris & Co**

21 December 2017

**Chartered Accountants**

Chester House  
Hoyd Drive  
Cheshire Oaks Business Park  
Ellesmere Port  
Cheshire  
CH65 9HQ

# AIRFLOW GROUP LTD

## BALANCE SHEET

AS AT 31 MARCH 2017

|   | Notes | 2017<br>£      | £             | 2016<br>£      | £             |
|---|-------|----------------|---------------|----------------|---------------|
| <b>Fixed assets</b>                                   |       |                |               |                |               |
| Tangible assets                                       | 3     |                | 2,357         |                | 3,143         |
| Investments   | 4     |                | 3             |                | 3             |
|   |       |                | <u>2,360</u>  |                | <u>3,146</u>  |
| <b>Current assets</b>                                 |       |                |               |                |               |
| Stocks  |       | 10,000         |               | 25,000         |               |
| Debtors   | 5     | 79,275         |               | 59,148         |               |
| Cash at bank and in hand                              |       | 38,355         |               | 17,451         |               |
|   |       | <u>127,630</u> |               | <u>101,599</u> |               |
| <b>Creditors: amounts falling due within one year</b> | 6     | (80,929)       |               | (67,004)       |               |
| <b>Net current assets</b>                             |       |                | <u>46,701</u> |                | <u>34,595</u> |
| <b>Total assets less current liabilities</b>          |       |                | <u>49,061</u> |                | <u>37,741</u> |
| <b>Provisions for liabilities</b>                     |       |                | (125)         |                | (214)         |
| <b>Net assets</b>                                     |       |                | <u>48,936</u> |                | <u>37,527</u> |
| <b>Capital and reserves</b>                           |       |                |               |                |               |
| Called up share capital                               | 7     |                | 1,000         |                | 1,000         |
| Profit and loss reserves                              |       |                | 47,936        |                | 36,527        |
| <b>Total equity</b>                                   |       |                | <u>48,936</u> |                | <u>37,527</u> |

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

For the financial year ended 31 March 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

**AIRFLOW GROUP LTD**

**BALANCE SHEET (CONTINUED)**

***AS AT 31 MARCH 2017***

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The financial statements were approved by the board of directors and authorised for issue on 21 December 2017 and are signed on its behalf by:

Mr J S Frost  
Director

Company Registration No. 03335255

# AIRFLOW GROUP LTD

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2017

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#### 1 Accounting policies

##### Company information

Airflow Group Ltd is a private company limited by shares incorporated in England and Wales. The registered office is Chester House, Lloyd Drive, Cheshire Oaks Business Park, Ellesmere Port, Cheshire, England, CH65 9HQ.

##### 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.

These financial statements for the year ended 31 March 2017 are the first financial statements of Airflow Group Ltd prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 April 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

##### 1.2 Turnover

Turnover includes invoices for services and amounts recoverable on contracts excluding value added tax.

##### 1.3 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:

|                     |                         |
|---------------------|-------------------------|
| Plant and machinery | 25% on 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.

##### 1.4 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

# AIRFLOW GROUP LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 1 Accounting policies

(Continued)

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

#### 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). 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.

#### 1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price is recognised as an impairment loss in profit or loss.

#### 1.7 Cash at bank and in hand

Cash at bank and in hand 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.

#### 1.8 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.



# AIRFLOW GROUP LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

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### 1 Accounting policies

(Continued)

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs. As all financial assets are classified within one year, they are not amortised but carried at face value.

#### **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.

#### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price. Financial liabilities classified as payable within one year are carried at face value.

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 continue to be measured at face value.

### 1.9 Equity Instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

### 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.

#### **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.

# AIRFLOW GROUP LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 1 Accounting policies

(Continued)

#### 1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

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.

#### 1.12 Retirement benefits

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

#### 1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 6 (2016 - 6).

### 3 Tangible fixed assets

Plant and machinery etc

£

#### Cost

At 1 April 2016 and 31 March 2017

46,275

#### Depreciation and impairment

At 1 April 2016

43,132

Depreciation charged in the year

786

At 31 March 2017

43,918

#### Carrying amount

At 31 March 2017

2,357

At 31 March 2016

3,143

# AIRFLOW GROUP LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

|          |   |                   |                   |
|----------|---|-------------------|-------------------|
| <b>4</b> | <b>Fixed asset investments</b>                        | <b>2017</b>       | <b>2016</b>       |
|          |   | <b>£</b>          | <b>£</b>          |
|          | Investments   | 3                 | 3                 |
|          |   | <u>          </u> | <u>          </u> |
| <b>5</b> | <b>Debtors</b>  | <b>2017</b>       | <b>2016</b>       |
|          |   | <b>£</b>          | <b>£</b>          |
|          | <b>Amounts falling due within one year:</b>           |                   |                   |
|          | Trade debtors   | 78,700            | 58,314            |
|          | Other debtors   | 575               | 834               |
|          |   | <u>          </u> | <u>          </u> |
|          |   | 79,275            | 59,148            |
|          |   | <u>          </u> | <u>          </u> |
| <b>6</b> | <b>Creditors: amounts falling due within one year</b> | <b>2017</b>       | <b>2016</b>       |
|          |   | <b>£</b>          | <b>£</b>          |
|          | Trade creditors                                       | 32,166            | 15,707            |
|          | Corporation tax                                       | 4,611             | 1,605             |
|          | Other taxation and social security                    | 28,184            | 24,858            |
|          | Other creditors                                       | 15,968            | 24,834            |
|          |   | <u>          </u> | <u>          </u> |
|          |   | 80,929            | 67,004            |
|          |   | <u>          </u> | <u>          </u> |
| <b>7</b> | <b>Called up share capital</b>                        | <b>2017</b>       | <b>2016</b>       |
|          |   | <b>£</b>          | <b>£</b>          |
|          | <b>Ordinary share capital</b>                         |                   |                   |
|          | <b>Issued and fully paid</b>                          |                   |                   |
|          | 1,000 Ordinary shares of £1 each                      | 1,000             | 1,000             |
|          |   | <u>          </u> | <u>          </u> |
|          |   | 1,000             | 1,000             |
|          |   | <u>          </u> | <u>          </u> |

## AIRFLOW GROUP LTD

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2017**

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#### **8 Operating lease commitments**

##### **Lessee**

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

| <b>2017</b> | <b>2016</b> |
|-------------|-------------|
| <b>£</b>    | <b>£</b>    |
| 7,499       | 2,773       |
| <b>==</b>   | <b>==</b>   |

#### **9 Related party transactions**

##### **Transactions with related parties**

The directors were owed £11,177 (2016 - £21,813) at the balance sheet date. No interest has been charged on this loan position and the loan is repayable on demand.

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.