

Financial Statements

Applied Satellite Technology Systems Limited

For the Year Ended 30 April 2016



Registered number: 03667051

Applied Satellite Technology Systems Limited

Company Information

Directors	G S Darling P A Truckle
Company secretary	D C P Verhulst
Registered number	03667051
Registered office	Satellite House, Bessemer Way Harfrey's Industrial Estate Great Yarmouth Norfolk NR31 0LX
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Kingfisher House 1 Gilders Way St James Place Norwich Norfolk NR3 1UB

Applied Satellite Technology Systems Limited

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Applied Satellite Technology Systems Limited

Directors' report

For the Year Ended 30 April 2016

The directors present their report and the financial statements for the year ended 30 April 2016.

Principal activity

The principal activity of the company during the year was the sale and hire of satellite communications systems, support and airtime.

Business review

The directors are satisfied with the performance of the company and with the company's prospects for the future.

Directors

The directors who served during the year were:

G S Darling
P A Truckle

Directors' responsibilities statement

The directors are responsible for preparing the Directors' 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgments 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.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Applied Satellite Technology Systems Limited

Directors' report (continued)

For the Year Ended 30 April 2016

Auditor

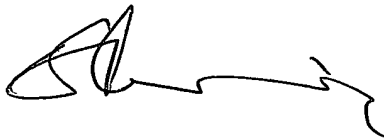
The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small Companies Note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

G S Darling
Director



Date:

26/11/17



Independent auditor's report to the member of Applied Satellite Technology Systems Limited

We have audited the financial statements of Applied Satellite Technology Systems Limited for the year ended 30 April 2016, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity and the related notes. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2006 and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 an Auditor's report 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.

Respective responsibilities of Directors and Auditor

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 April 2016 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with those financial statements.



Independent auditor's report to the member of Applied Satellite Technology Systems Limited (continued)

Matters on which we are required to report by exception

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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic report or in preparing the Directors' report.

A handwritten signature in black ink, appearing to read "Tobias Wilson".

Tobias Wilson (Senior statutory auditor)
for and on behalf of

Grant Thornton UK LLP

Chartered Accountants

Statutory Auditor

Norwich

Date: 31 January 2017

Statement of comprehensive income

For the Year Ended 30 April 2016

	Note	2016 £	2015 £
Turnover	4	2,213,887	2,499,325
Cost of sales		(1,275,206)	(1,660,934)
Gross profit		938,681	838,391
Administrative expenses		(905,572)	(695,053)
Other operating income	5	5,246	49,712
Operating profit	6	38,355	193,050
Tax on profit	10	(2,949)	(41,291)
Profit for the year		35,406	151,759

There were no recognised gains and losses for 2016 or 2015 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2016 (2015: £NIL).

The notes on pages 8 to 22 form part of these financial statements.

Statement of financial position

As at 30 April 2016

	Note	£	2016 £	£	2015 £
Fixed assets					
Intangible assets	12		204,606		179,307
Tangible assets	13		46,983		42,738
			<u>251,589</u>		<u>222,045</u>
Current assets					
Stocks	14	51,583		78,544	
Debtors: amounts falling due within one year	15	382,420		313,683	
Cash at bank and in hand	16	485,165		435,696	
			<u>919,168</u>	<u>827,923</u>	
Creditors: amounts falling due within one year	17	(326,761)		(241,378)	
Net current assets			<u>592,407</u>		<u>586,545</u>
Net assets			<u>843,996</u>		<u>808,590</u>
Capital and reserves					
Called up share capital	19		1,000		1,000
Share premium account	20		252		252
Profit and loss account	20		842,744		807,338
			<u>843,996</u>		<u>808,590</u>

The Company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

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

G S Darling
Director



Date: 26/11/17

The notes on pages 8 to 22 form part of these financial statements.

Statement of changes in equity

For the Year Ended 30 April 2016

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 May 2015	1,000	252	807,338	808,590
Comprehensive income for the year				
Profit for the year	-	-	35,406	35,406
At 30 April 2016	1,000	252	842,744	843,996

Statement of changes in equity

For the Year Ended 30 April 2015

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 May 2014	1,000	252	905,579	906,831
Comprehensive income for the year				
Profit for the year	-	-	151,759	151,759
Contributions by and distributions to owners				
Dividends: Equity capital	-	-	(250,000)	(250,000)
At 30 April 2015	1,000	252	807,338	808,590

The notes on pages 8 to 22 form part of these financial statements.

Notes to the financial statements

For the Year Ended 30 April 2016

1. General information

Applied Satellite Technology Systems Limited is a company limited by shares, incorporated in England and Wales. The Company's registered office is Satellite House, Bessemer Way, Harfrey's Industrial Estate, Great Yarmouth, Norfolk, NR31 0LX.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 24.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of AST Group Holdings Limited as at 30 April 2016 and these financial statements may be obtained from Companies House.

2.3 Going concern

The company and group of which it is a member has considerable financial resources and continues to trade profitably in the current financial year. As a consequence the directors believe that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook. Accordingly, it remains appropriate to prepare the financial statements on a going concern basis.

Notes to the financial statements

For the Year Ended 30 April 2016

2. Accounting policies (continued)

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Revenue from administration and billing of airtime and subscriptions is recognised in the accounting period in which the airtime and subscription was rendered.

2.5 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed five years. The useful life of intangibles held is estimated to be five years.

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Notes to the financial statements

For the Year Ended 30 April 2016

2. Accounting policies (continued)

2.6 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Motor vehicles	- 25% straight line per annum
Office furniture	- 25% straight line per annum
Equipment	- 25% straight line per annum

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

2.7 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in statement of comprehensive income.

2.8 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Notes to the financial statements

For the Year Ended 30 April 2016

2. Accounting policies (continued)

2.11 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'administrative expenses'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'administrative expenses'.

2.12 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.13 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payments obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

Notes to the financial statements

For the Year Ended 30 April 2016

2. Accounting policies (continued)

2.14 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.15 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project. The expenditure is treated as if it were all incurred in the research phase only.

Notes to the financial statements

For the Year Ended 30 April 2016

3. Judgements in applying accounting policies 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. 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, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The items in which estimates and assumptions have been made within the financial statements include the following:

- Stock (note 14), against which an estimated provision for obsolescence has been made
- Depreciation (note 13), which has been charged in line with the accounting policy 2.6
- Amortisation (note 12), which has been charged in line with the accounting policy 2.5
- Revenue Recognition for subscriptions and airtime billing, which has been charged in line with the accounting policy 2.4

4. Turnover

All turnover is attributable to the principal activities of the company.

Analysis of turnover by country of destination:

	2016 £	2015 £
United Kingdom	1,589,347	1,787,567
Rest of Europe	288,534	431,271
Rest of the world	336,006	280,487
	<u>2,213,887</u>	<u>2,499,325</u>

5. Other operating income

	2016 £	2015 £
Sundry income	3,935	20,948
Rental income	1,311	28,764
	<u>5,246</u>	<u>49,712</u>

Notes to the financial statements

For the Year Ended 30 April 2016

6. Operating profit

The operating profit is stated after charging:

	2016	2015
	£	£
Depreciation of tangible fixed assets	21,258	21,259
Amortisation of intangible assets	32,736	-
Exchange differences	6,726	4,439
Defined contribution pension cost	15,696	10,693
	<u>76,416</u>	<u>36,391</u>

During the year, no director received any emoluments (2015 - £NIL).

7. Auditor's remuneration

	2016	2015
	£	£
Fees payable to the Company's auditor for the audit of the Company's annual accounts	4,350	3,462
	<u>4,350</u>	<u>3,462</u>

8. Employees

Staff costs, including directors' remuneration, were as follows:

	2016	2015
	£	£
Wages and salaries	523,773	382,829
Social security costs	59,825	44,322
Cost of defined contribution scheme	15,696	10,693
	<u>599,294</u>	<u>437,844</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2016	2015
	No.	No.
Administration	15	12
	<u>15</u>	<u>12</u>

Notes to the financial statements

For the Year Ended 30 April 2016

9. Directors' remuneration

	2016 £	2015 £
Directors' emoluments	105,251	87,999
Directors pension costs	-	3,377
	<u>105,251</u>	<u>91,376</u>

During the year retirement benefits were accruing to no directors (2015 - 1) in respect of defined contribution pension schemes.

10. Taxation

	2016 £	2015 £
Corporation tax		
Current tax on profits for the year	-	41,267
Adjustments in respect of previous periods	37	5,791
Total current tax	<u>37</u>	<u>47,058</u>
Deferred tax		
Origination and reversal of timing differences	2,128	(625)
Adjustment in respect of previous periods	784	(5,142)
Total deferred tax	<u>2,912</u>	<u>(5,767)</u>
Taxation on profit on ordinary activities	<u>2,949</u>	<u>41,291</u>

Notes to the financial statements

For the Year Ended 30 April 2016

10. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2015 - higher than) the standard rate of corporation tax in the UK of 20% (2015 - 20%). The differences are explained below:

	2016 £	2015 £
Profit on ordinary activities before tax	38,355	193,050
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20%)	7,671	38,610
Effects of:		
Expenses not deductible for tax purposes	62	232
Group relief claimed	(5,405)	-
Other timing differences	-	1,772
Adjustments to tax charge in respect of prior periods	37	649
Tax payable at lower rate	584	28
Total tax charge for the year	2,949	41,291

Factors that may affect future tax charges

Legislation to reduce the main rate of corporation tax to 18% by 1 April 2020 was included in the Finance Act 2015 and has since become substantively enacted. Deferred tax has been provided for at 18% in these financial statements.

11. Dividends

	2016 £	2015 £
Dividends paid on equity capital	-	250,000
	-	250,000

Notes to the financial statements

For the Year Ended 30 April 2016

12. Intangible assets

	Software licence £	Development costs £	Total £
Cost			
At 1 May 2015	2,259	177,048	179,307
Additions	-	58,035	58,035
At 30 April 2016	2,259	235,083	237,342
Amortisation			
Charge for the year	-	32,736	32,736
At 30 April 2016	-	32,736	32,736
Net book value			
At 30 April 2016	2,259	202,347	204,606
At 30 April 2015	2,259	177,048	179,307

Notes to the financial statements

For the Year Ended 30 April 2016

13. Tangible fixed assets

	Equipment £	Office furniture and motor vehicles £	Total £
Cost			
At 1 May 2015	33,995	169,378	203,373
Additions	704	24,799	25,503
Disposals	(881)	-	(881)
At 30 April 2016	33,818	194,177	227,995
Depreciation			
At 1 May 2015	31,670	128,965	160,635
Charge for period	2,319	18,939	21,258
Disposals	(881)	-	(881)
At 30 April 2016	33,108	147,904	181,012
Net book value			
At 30 April 2016	710	46,273	46,983
At 30 April 2015	2,325	40,413	42,738

14. Stocks

	2016 £	2015 £
Stocks for resale	51,583	78,544

Stock recognised in cost of sales during the year as an expense was £26,962 (2015 - £26,833).

An impairment loss of £3,063 (2015 - £13,215) was recognised in cost of sales against stock during the year due to slow-moving and obsolete stock.

15. Debtors

	2016 £	2015 £
Trade debtors	158,883	214,411

Notes to the financial statements

For the Year Ended 30 April 2016

15. Debtors (continued)

Amounts owed by group undertakings (note 22)	135,454	69,214
Amounts owed by related undertakings (note 22)	-	1,890
Other debtors	12,818	-
Prepayments and accrued income	70,334	20,325
Deferred taxation (note 18)	4,931	7,843
	<u>382,420</u>	<u>313,683</u>

16. Cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	<u>485,165</u>	<u>435,696</u>

17. Creditors: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	59,350	67,042
Amounts owed to group undertakings	73,498	17,870
Amounts owed to related undertakings	-	537
Corporation tax	-	24,885
Other taxation and social security	96,367	38,889
Other creditors	14,459	30,382
Accruals and deferred income	83,087	61,773
	<u>326,761</u>	<u>241,378</u>

Notes to the financial statements

For the Year Ended 30 April 2016

18. Deferred taxation

	2016 £	2015 £
At beginning of year	7,843	2,076
Charged to the profit or loss	(2,912)	5,767
At end of year	4,931	7,843

The deferred tax asset is made up as follows:

	2016 £	2015 £
Accelerated capital allowances	4,692	2,076
Short term timing differences	239	625
Adjustments in respect of previous periods	-	5,142
	4,931	7,843

19. Share capital

	2016 £	2015 £
Shares classified as equity		
Authorised		
100,000 Ordinary shares of £1 each	100,000	100,000
Allotted, called up and fully paid		
1,000 Ordinary shares of £1 each	1,000	1,000

20. Reserves

Share premium

Includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Profit and loss account

Includes all current and prior period retained profits and losses.

Notes to the financial statements

For the Year Ended 30 April 2016

21. Contingent liabilities

A cross guarantee exists between Applied Satellite Technology Limited, AST Connections Limited, Applied Satellite Technology Systems Limited, AST Marine Sciences Ltd and Castell Satcom Radio Limited in relation to the group overdraft facility. The overdraft facility is set at £1,350,000 and various loan agreements have been entered into. An unlimited multilateral bank guarantee has been provided in respect of these loans. At the year end £221,080 (2015: £323,629) was owed in respect of these bank loans.

There is a joint and several liability under a group VAT registration. The total liability at 30 April 2016 and 30 April 2015 was £nil as there was a refund due to the Group as at this date.

22. Related party transactions

The company has taken advantage of the exemptions available whereby wholly owned subsidiary undertakings do not have to disclose transactions with other wholly owned members of that group.

During the year the company had transactions with other Applied Satellite Technology group undertakings that are not wholly owned. The company made purchases totalling £25,654 (2015: £37,350). At the year end the company owed £Nil (2015: £Nil) in respect of these transactions. The company made sales totalling £10,299 (2015: £Nil). At the year end the company was owed £1,667 (2015: £Nil) in respect of these transactions.

Gardline Shipping Limited owned 80% of the ordinary share capital of the company's immediate parent company, Applied Satellite Technology Limited, until the group reorganisation on 30 April 2015. Accordingly, Gardline Shipping Limited is considered a related party and there is a requirement to disclose transactions with companies within the Gardline Shipping group. Additionally, G S Darling (a director of this company) is also a director of Gardline Shipping Limited.

During the year ended 30 April 2016 the company made sales totalling £Nil, made purchases totalling £Nil and incurred recharges of administrative expenses of £9,683 from other companies within the Gardline Shipping group.

At the year end the company was owed £Nil and owed £1,019 in respect of these transactions.

23. Controlling party

The company's immediate parent undertaking is Applied Satellite Technology Limited and its ultimate parent undertaking is AST Group Holdings Limited.

The parent undertaking of the largest and smallest group for which consolidated accounts are prepared is AST Group Holdings Limited. Consolidated accounts are available from Companies House, Crown Way, Cardiff, CF14 3UZ.

The company's ultimate controlling party is Gregory Darling by virtue of his ownership of the ordinary share capital of AST Group Holdings Limited.

Notes to the financial statements

For the Year Ended 30 April 2016

24. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.

Computer software costs have been reclassified from tangible assets to intangible assets during both the current and prior years.