

AVIA TECHNIQUE LIMITED

Registered number: 04494889

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2013

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COMPANIES HOUSE

AVIA TECHNIQUE LIMITED

COMPANY INFORMATION

DIRECTORS

SKG Beheer BV
C J Wright

COMPANY SECRETARY

C J Wright

REGISTERED NUMBER

04494889

REGISTERED OFFICE

Unit 1 Fishponds Estate
Fishponds Road
Wokingham
Berkshire
RG41 2QJ

INDEPENDENT AUDITORS

Haines Watts
Chartered Accountants & Statutory Auditors
7 - 11 Station Road
Reading
Berkshire
RG1 1LG

AVIA TECHNIQUE LIMITED

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AVIA TECHNIQUE LIMITED

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 DECEMBER 2013

The directors present their report and the financial statements for the period ended 31 December 2013.

PRINCIPAL ACTIVITIES

The principal activity of the company during the year was the manufacture, repair and overhaul of aircraft equipment.

DIRECTORS

The directors who served during the period were:

R R Sims
C I Campbell (resigned 31 December 2013)
C J Wright
G F Archer
SKG Beheer BV

The company was acquired by SKG Aviation BV during the period. R R Sims, C J Wright and G F Archer resigned as directors on 18 December 2012 and SKG Beheer BV was appointed on the same date.

C J Wright was appointed as a director on 1 January 2014.

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 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 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.

AVIA TECHNIQUE LIMITED

**DIRECTORS' REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2013**

DISCLOSURE OF INFORMATION TO AUDITORS

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

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that 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 auditors are aware of that information.

AUDITORS

Under section 487(2) of the Companies Act 2006, Haines Watts will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

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.


.....
C J Wright
Director

Date:

17-6-2014.

AVIA TECHNIQUE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AVIA TECHNIQUE LIMITED

We have audited the financial statements of Avia Technique Limited for the period ended 31 December 2013, set out on pages 5 to 13. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's shareholders, as a body, 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 shareholders those matters we are required to state to them in an Auditors' 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

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 Auditing Practices Board'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.

The scope of our audit did not extend to the comparatives, which were not audited in the prior year.

QUALIFIED OPINION: LIMITATION OF SCOPE

Basis for qualified opinion on financial statements

At 31 August 2012 the company did not require an audit and accordingly no audit was undertaken in respect of the year to 31 August 2012. As there was no audit attendance at the stocktake at 31 August 2012 we have been unable to obtain satisfactory evidence in relation to the existence of the opening stock for the period to 31 December 2013. If the opening stock figure included in cost of sales was found to be incorrectly stated this would affect the reported profit for the period.

Qualified opinion on financial statements

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; 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 period for which the financial statements are prepared is consistent with the financial statements.

AVIA TECHNIQUE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AVIA TECHNIQUE LIMITED

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 to take advantage of the small companies' exemption from the requirement to prepare a Strategic report or in preparing the Directors' report.

Haines Watts

Peter Wright BSc FCA (Senior statutory auditor)

for and on behalf of
Haines Watts

Chartered Accountants
Statutory Auditors

7 - 11 Station Road
Reading
Berkshire
RG1 1LG

19 June 2014

AVIA TECHNIQUE LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 31 DECEMBER 2013**

	Note	Period ended 31 December 2013 £	Year 31 August 2012 £
TURNOVER	1	6,058,168	4,311,789
Cost of sales		<u>(2,587,453)</u>	<u>(1,939,510)</u>
GROSS PROFIT		3,470,715	2,372,279
Administrative expenses		<u>(2,602,301)</u>	<u>(1,812,139)</u>
OPERATING PROFIT	2	868,414	560,140
Interest receivable and similar income		4	159
Interest payable and similar charges		<u>(1)</u>	<u>(1,868)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		868,417	558,431
Tax on profit on ordinary activities	4	<u>(190,742)</u>	<u>(83,544)</u>
PROFIT FOR THE FINANCIAL PERIOD	11	<u>677,675</u>	<u>474,887</u>

The notes on pages 7 to 13 form part of these financial statements.

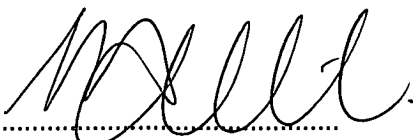
AVIA TECHNIQUE LIMITED
REGISTERED NUMBER: 04494889

BALANCE SHEET
AS AT 31 DECEMBER 2013

	Note	31 December 2013 £	31 August 2012 £
FIXED ASSETS			
Intangible assets	5	88,460	-
Tangible assets	6	226,630	161,202
		<u>315,090</u>	<u>161,202</u>
CURRENT ASSETS			
Stocks		1,060,242	252,922
Debtors	7	1,023,228	817,662
Cash at bank		406,887	342,135
		<u>2,490,357</u>	<u>1,412,719</u>
CREDITORS: amounts falling due within one year	8	<u>(1,342,403)</u>	<u>(472,033)</u>
NET CURRENT ASSETS		<u>1,147,954</u>	<u>940,686</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,463,044</u>	<u>1,101,888</u>
PROVISIONS FOR LIABILITIES			
Deferred tax	9	(18,744)	(24,008)
NET ASSETS		<u>1,444,300</u>	<u>1,077,880</u>
CAPITAL AND RESERVES			
Called up share capital	10	38,000	38,000
Profit and loss account	11	1,406,300	1,039,880
SHAREHOLDERS' FUNDS		<u>1,444,300</u>	<u>1,077,880</u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

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


.....
C J Wright
Director

Date: 17-6-2014

The notes on pages 7 to 13 form part of these financial statements.

AVIA TECHNIQUE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2013

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

1.2 TURNOVER

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the period, exclusive of Value Added Tax and trade discounts.

Revenue is recognised in respect of goods when the goods are despatched. In respect of services, revenue represents the value of work done in the period, including estimates of amounts not invoiced.

1.3 INTANGIBLE FIXED ASSETS AND AMORTISATION

Development costs are capitalised within intangible assets where they can be identified with a specific product or project anticipated to produce future benefits, and are amortised on the straight line basis over the anticipated life of the benefits arising from the completed product or project.

Amortisation is provided at the following rates:

Development expenditure	- 3 years
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1.4 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant & machinery	- 15% Reducing balance
Fixtures & fittings	- 15% Straight line
Computer equipment	- 33.33% Straight line
Other fixed assets	- 10% - 15% Straight line

1.5 OPERATING LEASES

Rentals under operating leases are charged to the Profit and loss account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

AVIA TECHNIQUE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2013

1. ACCOUNTING POLICIES (continued)

1.6 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

During the period, the company brought its basis of providing for obsolete and slow moving stock in line with that of the group. This change in the stock provision basis has led to an increase in the value of stock as previously stated of £316,000 in 2013.

1.7 DEFERRED TAXATION

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.8 FOREIGN CURRENCIES

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and loss account.

1.9 PENSIONS

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the period.

AVIA TECHNIQUE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2013**

2. OPERATING PROFIT

The operating profit is stated after charging:

	Period ended 31 December 2013 £	Year 31 August 2012 £
Depreciation of tangible fixed assets: - owned by the company	49,352	26,336
Auditors' remuneration	5,500	-
Pension costs	232,980	216,350
Research and development expenditure written off	-	151,208
Difference on foreign exchange	31,081	18,025
	<u> </u>	<u> </u>

3. DIRECTORS' REMUNERATION

	Period ended 31 December 2013 £	Year 31 August 2012 £
Aggregate remuneration	24,002	19,677
	<u> </u>	<u> </u>

4. TAXATION

	Period ended 31 December 2013 £	Year 31 August 2012 £
ANALYSIS OF TAX CHARGE/(CREDIT) IN THE PERIOD/YEAR		
CURRENT TAX		
UK corporation tax charge on profit for the period/year	189,062	85,601
Adjustments in respect of prior periods	6,944	(269)
	<u> </u>	<u> </u>
TOTAL CURRENT TAX	196,006	85,332
DEFERRED TAX (see note 9)		
Origination and reversal of timing differences	(5,264)	(1,788)
	<u> </u>	<u> </u>
TAX ON PROFIT ON ORDINARY ACTIVITIES	190,742	83,544
	<u> </u>	<u> </u>

AVIA TECHNIQUE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2013**

5. INTANGIBLE FIXED ASSETS

	Develop- ment £
COST	
At 1 September 2012	-
Additions	88,460
At 31 December 2013	88,460
NET BOOK VALUE	
At 31 December 2013	88,460
At 31 August 2012	-

6. TANGIBLE FIXED ASSETS

	Plant & machinery £	Fixtures & fittings £	Computer equipment £	Premises improvements £	Total £
COST					
At 1 September 2012	247,070	3,376	9,160	20,503	280,109
Additions	33,572	14,825	3,980	62,516	114,893
Disposals	(5,296)	-	-	-	(5,296)
At 31 December 2013	275,346	18,201	13,140	83,019	389,706
DEPRECIATION					
At 1 September 2012	102,648	971	1,049	14,239	118,907
Charge for the period	32,570	1,908	4,189	10,685	49,352
On disposals	(5,183)	-	-	-	(5,183)
At 31 December 2013	130,035	2,879	5,238	24,924	163,076
NET BOOK VALUE					
At 31 December 2013	145,311	15,322	7,902	58,095	226,630
At 31 August 2012	144,422	2,405	8,111	6,264	161,202

AVIA TECHNIQUE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2013

7. DEBTORS

	31 December 2013 £	31 August 2012 £
Trade debtors	703,979	628,269
Other debtors	319,249	189,393
	<u>1,023,228</u>	<u>817,662</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 December 2013 £	31 August 2012 £
Trade creditors	585,800	155,719
Corporation tax	189,062	85,601
Other taxation and social security	32,479	-
Other creditors	535,062	230,713
	<u>1,342,403</u>	<u>472,033</u>

9. DEFERRED TAXATION

	31 December 2013 £	31 August 2012 £
At beginning of period/year	24,008	25,796
Released during period/year (P&L)	(5,264)	(1,788)
	<u>18,744</u>	<u>24,008</u>
At end of period/year		

The provision for deferred taxation is made up as follows:

	31 December 2013 £	31 August 2012 £
Accelerated capital allowances	20,474	24,008
Short term timing difference	(1,730)	-
	<u>18,744</u>	<u>24,008</u>

AVIA TECHNIQUE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2013

10. SHARE CAPITAL

	31 December 2013 £	31 August 2012 £
ALLOTTED, CALLED UP AND FULLY PAID		
38,000 Ordinary shares shares of £1 each	<u>38,000</u>	<u>38,000</u>

11. RESERVES

	Profit and loss account £
At 1 September 2012	1,039,880
Profit for the financial period	677,675
Dividends: Equity capital	(311,255)
	<u>1,406,300</u>
At 31 December 2013	

12. DIVIDENDS

	Period ended 31 December 2013 £	Year 31 August 2012 £
Dividends paid on equity capital	<u>311,255</u>	<u>164,000</u>

13. PENSION COMMITMENTS

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company. The pension cost charge represents contributions payable by the company to the fund. Contributions totalling £8,650 (2012 : £nil) were payable to the fund at the balance sheet date and are included in creditors.

14. OPERATING LEASE COMMITMENTS

At 31 December 2013 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	31 December 2013 £	31 August 2012 £	31 December 2013 £	31 August 2012 £
EXPIRY DATE:				
Between 2 and 5 years	107,574	-	30,475	-
After more than 5 years	<u>-</u>	<u>107,604</u>	<u>-</u>	<u>-</u>

AVIA TECHNIQUE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2013**

15. RELATED PARTY TRANSACTIONS

The company was under the control of Mr Campbell and Mr Wright, both directors and shareholders, until 18 December 2012 when the company was sold to SK Aviation BV.

During the period total dividends of £311,255 (2012: £164,000) were paid to directors.

The company is a subsidiary of SK Aviation BV and has taken advantage of the exemption conferred by the provisions of the FRSSE, consistent with Financial Reporting Standard 8 'Related party disclosures' not to disclose transactions with SK Aviation BV or other subsidiaries within the group.

16. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The company's ultimate parent undertaking and controlling party is SKG Beheer BV, a company registered in the Netherlands. The accounts of SKG Beheer BV can be obtained from Huifakkerstraat 22, 4815 PN Breda, The Netherlands.