

Company Registration No. 06311845 (England and Wales)

**OA HOLDINGS LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2018**



# OA HOLDINGS LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	S A J Nahum J A Reuben E M Sawyer	(Appointed 26 September 2018)
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<b>Company number</b>	06311845
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<b>Registered office</b>	73 Cornhill London EC3V 3QQ
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<b>Auditor</b>	Gerald Edelman 73 Cornhill London EC3V 3QQ
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# **OA HOLDINGS LIMITED**

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# **OA HOLDINGS LIMITED**

## **STRATEGIC REPORT**

### **FOR THE YEAR ENDED 31 MARCH 2018**

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The directors present the strategic report for the year ended 31 March 2018.

#### **Principal Activity and Review of the Business**

The principal activity of the group continued to be that of managing London Oxford Airport.

In the year ended 31 March 2018, the financial performance of London Oxford Airport continued to improve on the previous year, despite a reduction in movements, relating primarily to a decrease in flight training movements.

During the year the airport successfully attained a Stage 2 certification from IS-BAH and is the second only FBO within Europe to achieve this accreditation. IS-BAH Stage 2 gives users of the airport confidence in the exceptionally high level of safety regulation and compliance to European Standards and will help secure the airport's future business from commercial operators and airlines required to operate to European Standards.

Hangar demand continued to increase throughout the year, with London Oxford Airport again being consistently at full capacity. During the year, construction of a new hangar commenced and it was completed in July 2018. Further development on the airport is also under consideration.

#### **Principal risks and uncertainties**

The group is exposed to principal risks in the forms of financial risk, commercial risk and operating risk. The risk management policies employed by the group to manage these risks are discussed below.

##### **Financial risk**

The group supplies goods and services to customers on normal credit terms. Trade debtor balances are monitored on an ongoing basis and credit terms for all customers are regularly reviewed. The group's other financial risks arise on loans and cash balances. Cash projections and forecasts are regularly reviewed by management to identify any issues and act accordingly. The current loan facilities have been agreed at appropriate levels given the group's forecasted operating cash flows, loan repayments, expected future capital expenditure and trading income over the course of the foreseeable future.

##### **Commercial risk**

The group operates in a competitive market and there is a continuing risk that the group could lose customers due to challenges in the economy. This risk is mitigated by not being dependent on a single customer and continuously delivering a first class VIP service to customers. In order to manage commercial risk the covenant strength of potential tenants and customers is assessed on a case by case basis. For leased space, as a standard policy, security is obtained in the form of a rental deposit or guarantee. Tenants are reviewed on a regular basis to monitor payment and trading patterns.

##### **Operating risk**

The group has a responsibility to safeguard the welfare and safety of its people, business partners and the public who may be affected by its activities. The group recognises that a failure to exercise this responsibility effectively also risks operational disruption, inconvenience to customers and damage to its reputation. The group employs risk assessment procedures for activities entailing significant risk and relevant control measures to safeguard everyone impacted by the group's business. Robust asset management processes are in place to ensure property and equipment remain safe.

##### **Future Outlook**

Regulatory and safety compliance remain the number one priority of the airport as we strive to maintain a seamless VIP service and overall customer experience for business and private customers alike. We continue to invest in all manners of infrastructure, security and technology in order to ensure we offer first class services and facilities to all airport users.

The directors are confident about the prospects for the future and thank the staff and many business partners for their valued contributions.

# OA HOLDINGS LIMITED

## STRATEGIC REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2018**

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### **Key performance indicators**

#### Total revenue

Total revenue improved in the year at £10.091m (2017: £9.866m). A focus on delivering a first-class VIP customer experience continues to drive this result.

#### Operating Profit

Operating profit was £0.231m (2017: £0.523m).

#### Cash at bank and in hand

Available cash increased in the year to £1,435k (2017: £951k), mainly due to improved management of debtor days.

### **Our people**

Our people are central to our aim of being the Thames Valley area's primary regional and business aviation airport, the only commercial airport between London Heathrow and Birmingham. We recruit, train and remunerate to attract the best professionals to enhance organisational performance. Our people include administration personnel that are key to supporting the operational and management team. Performance is actively monitored and upon achievement of certain targets employees benefit from appropriate financial incentives. The company also operates a defined contribution pension scheme.

### **Environment and society**

The company is committed to the goals of environmental sustainability and accountability. We are conscious of our operating environment and the effect our activities can have on neighboring communities. There are appropriate environmental policies and waste disposal contracts in place and noise surveys are conducted on a regular basis

On behalf of the board



E M Sawyer

**Director**

28 November 2018

# **OA HOLDINGS LIMITED**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 MARCH 2018**

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The directors present their annual report and financial statements for the year ended 31 March 2018.

#### **Principal activities**

The principal activity of the company continued to be that of a holding company.

#### **Directors**

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

P C O'Driscoll (Resigned 26 September 2018)

S A J Nahum

J A Reuben

E M Sawyer (Appointed 26 September 2018)

#### **Results and dividends**

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

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

#### **Auditors**

The auditors, Gerald Edelman, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

#### **Statement of directors' responsibilities**

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 group and company, and of the profit or loss of the group 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Statement of disclosure to auditors**

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 auditors of the company and group are 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 auditors of the company and group are aware of that information.

# **OA HOLDINGS LIMITED**

## **DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2018**

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### **Going concern**

Having reviewed the group's financial forecasts and expected future cash flows, and assuming continuing financial support will be provided to the group by the company's parent undertaking and ultimate controlling parties, the directors have a reasonable expectation that the group has adequate resources available to it to continue in operational existence for the foreseeable future, a period of not less than 12 months from the date of signing these financial statements. Accordingly, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies of the financial statements.

On behalf of the board



E M Sawyer

**Director**

28 November 2018

# OA HOLDINGS LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF OA HOLDINGS LIMITED

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#### Opinion

We have audited the financial statements of OA Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2018 which comprise the group profit and loss account, the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows, the company 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 FRS 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 group's and the parent company's affairs as at 31 March 2018 and of the group's loss 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

#### Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

#### Opinions on other matters prescribed by the Companies Act 2006

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



# OA HOLDINGS LIMITED

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF OA HOLDINGS LIMITED

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- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report 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 group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 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, 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

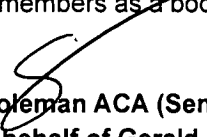
### **Auditor's responsibilities for the audit of the financial statements**

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 an auditor's report 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the company's members, 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 members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

  
**Stephen Coleman ACA (Senior Statutory Auditor)**  
for and on behalf of Gerald Edelman  
Chartered Accountants  
Statutory Auditor

28 November 2018

73 Cornhill  
London  
EC3V 3QQ

# OA HOLDINGS LIMITED

## GROUP PROFIT AND LOSS ACCOUNT

**FOR THE YEAR ENDED 31 MARCH 2018**

	Notes	2018 £'000	2017 £'000
Turnover	3	10,091	9,866
Cost of sales		(2,694)	(2,515)
<b>Gross profit</b>		<b>7,397</b>	<b>7,351</b>
Administrative expenses		(7,166)	(6,828)
<b>Operating profit</b>	4	<b>231</b>	<b>523</b>
Interest payable and similar expenses	8	(6,435)	(6,177)
<b>Loss before taxation</b>		<b>(6,204)</b>	<b>(5,654)</b>
Tax on loss	9	(221)	855
<b>Loss for the financial year</b>		<b>(6,425)</b>	<b>(4,799)</b>

Loss for the financial year is all attributable to the owners of the parent company.

The Profit And Loss Account has been prepared on the basis that all operations are continuing operations.

# OA HOLDINGS LIMITED

## GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2018

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	2018 £'000	2017 £'000
Loss for the year	(6,425)	(4,799)
Other comprehensive income		
Tax relating to other comprehensive income	182	516
Total comprehensive income for the year	<u>(6,243)</u>	<u>(4,283)</u>

Total comprehensive income for the year is all attributable to the owners of the parent company.

# OA HOLDINGS LIMITED

## GROUP BALANCE SHEET

AS AT 31 MARCH 2018

	Notes	2018 £'000	2017 £'000
<b>Fixed assets</b>			
Tangible assets	11	52,290	52,386
<b>Current assets</b>			
Stocks	15	123	131
Debtors	16	7,572	7,947
Cash at bank and in hand		1,435	951
		9,130	9,029
<b>Creditors: amounts falling due within one year</b>	17	(16,572)	(14,768)
<b>Net current liabilities</b>		(7,442)	(5,739)
<b>Total assets less current liabilities</b>		44,848	46,647
<b>Creditors: amounts falling due after more than one year</b>	18	(94,963)	(90,337)
<b>Provisions for liabilities</b>	20	-	(182)
<b>Net liabilities</b>		(50,115)	(43,872)
<b>Capital and reserves</b>			
Called up share capital	22	200	200
Profit and loss reserves		(50,315)	(44,072)
<b>Total equity</b>		(50,115)	(43,872)

The financial statements were approved by the board of directors and authorised for issue on 28 November 2018 and are signed on its behalf by:



E M Sawyer  
Director

# OA HOLDINGS LIMITED

## COMPANY BALANCE SHEET

AS AT 31 MARCH 2018

	Notes	2018 £'000	2017 £'000
<b>Fixed assets</b>			
Investments	12	1	1
<b>Current assets</b>			
Debtors	16	66,281	66,931
Creditors: amounts falling due within one year	17	(12,753)	(11,569)
<b>Net current assets</b>		53,528	55,362
<b>Total assets less current liabilities</b>		53,529	55,363
Creditors: amounts falling due after more than one year	18	(94,963)	(90,337)
<b>Net liabilities</b>		(41,434)	(34,974)
<b>Capital and reserves</b>			
Called up share capital	22	200	200
Profit and loss reserves		(41,634)	(35,174)
<b>Total equity</b>		(41,434)	(34,974)

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's loss for the year was £6,460,000 (2017: £6,202,000)

The financial statements were approved by the board of directors and authorised for issue on 28 November 2018 and are signed on its behalf by:



E M Sawyer  
Director

Company Registration No. 06311845

# OA HOLDINGS LIMITED

## GROUP STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2018

	Share capital	Profit and loss reserves	Total
	£'000	£'000	£'000
<b>Balance at 1 April 2016</b>	200	(39,789)	(39,589)
<b>Year ended 31 March 2017:</b>			
Loss for the year	-	(4,799)	(4,799)
Other comprehensive income:			
Tax relating to other comprehensive income	-	516	516
Total comprehensive income for the year	-	(4,283)	(4,283)
<b>Balance at 31 March 2017</b>	200	(44,072)	(43,872)
<b>Year ended 31 March 2018:</b>			
Loss for the year	-	(6,425)	(6,425)
Other comprehensive income:			
Tax relating to other comprehensive income	-	182	182
Total comprehensive income for the year	-	(6,243)	(6,243)
<b>Balance at 31 March 2018</b>	200	(50,315)	(50,115)

# OA HOLDINGS LIMITED

## COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2018

	Share capital	Profit and loss reserves	Total
	£'000	£'000	£'000
Balance at 1 April 2016	200	(28,972)	(28,772)
Year ended 31 March 2017:			
Loss and total comprehensive income for the year	-	(6,202)	(6,202)
Balance at 31 March 2017	200	(35,174)	(34,974)
Year ended 31 March 2018:			
Loss and total comprehensive income for the year	-	(6,460)	(6,460)
Balance at 31 March 2018	200	(41,634)	(41,434)

# OA HOLDINGS LIMITED

## GROUP STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2018 £'000	2017 £'000
<b>Cash flows from operating activities</b>			
Cash generated from operations	26	2,548	1,845
<b>Investing activities</b>			
Purchase of tangible fixed assets		(1,442)	(255)
Proceeds on disposal of tangible fixed assets		3	15
<b>Net cash used in investing activities</b>		(1,439)	(240)
<b>Financing activities</b>			
Repayment of bank loans		(625)	(1,350)
<b>Net cash used in financing activities</b>		(625)	(1,350)
<b>Net increase in cash and cash equivalents</b>		484	255
Cash and cash equivalents at beginning of year		951	696
<b>Cash and cash equivalents at end of year</b>		1,435	951



# OA HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2018

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#### 1 Accounting policies

##### Company information

OA Holdings Limited ("the company") is a limited company incorporated in England and Wales. The registered office is 73 Cornhill, London EC3V 3QQ.

The group consists of OA Holdings Limited and all of its subsidiaries.

#### 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 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 £'000.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Basis of consolidation

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

The consolidated financial statements incorporate those of OA Holdings Limited and all of its subsidiaries (ie. entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 March 2018. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

#### 1.3 Going concern

The directors have prepared these financial statements on a going concern basis, notwithstanding that there is a deficiency of assets as at 31 March 2018 amounting to £50,115,000 (2017: £43,872,000), the validity of which is dependent on the continued support of the company's parent undertaking and ultimate controlling parties. The financial statements do not include any adjustments that would result from discontinuance of their financial support. On this basis, the directors consider that it is appropriate for the financial statements to be prepared on the going concern basis.

#### 1.4 Turnover

Turnover represents amounts receivable and invoiced, for the provision of aircraft handling services and management of the airport, net of VAT and trade discounts. Turnover is recognised on service provision.

# OA HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

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### 1 Accounting policies

(Continued)

#### 1.5 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:

Land and buildings Freehold	10-50 years
Fixtures, fittings & equipment	3-10 years
Motor vehicles	3-15 years

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 recognised in the profit and loss account.

#### 1.6 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

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

#### 1.7 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible 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.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

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.

# OA HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

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### 1 Accounting policies

(Continued)

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.

#### 1.8 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 replacement cost and 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.

#### 1.9 Cash and cash equivalents

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.

#### 1.10 Financial instruments

The group 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 group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and 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.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

# OA HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

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### 1 Accounting policies

(Continued)

#### ***Impairment of financial assets***

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

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

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

#### ***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group 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.

#### ***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 group after deducting all of its liabilities.

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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 subsequently measured at amortised cost using the effective interest method.

#### ***Derecognition of financial liabilities***

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

### 1.11 Equity instruments

Equity instruments issued by the group 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 group.

### 1.12 Taxation

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

# OA HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

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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 group'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 if, and only if, there is 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.

#### **1.13 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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.

#### **1.14 Retirement benefits**

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

### 2 Judgements and key sources of estimation uncertainty

In the application of the group'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.

# OA HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

### 3 Turnover and other revenue

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

	2018 £'000	2017 £'000
<b>Turnover analysed by class of business</b>		
Airport income	10,091	9,866

### 4 Operating profit

	2018 £'000	2017 £'000
Operating profit for the year is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	1,535	1,520
Profit on disposal of tangible fixed assets	-	(12)
Cost of stocks recognised as an expense	2,354	2,066

### 5 Auditor's remuneration

	2018 £'000	2017 £'000
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the group and company	21	21

### 6 Employees

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

	Group 2018 Number	2017 Number	Company 2018 Number	2017 Number
Airport staff	74	72	-	-

Their aggregate remuneration comprised:

	Group 2018 £'000	2017 £'000	Company 2018 £'000	2017 £'000
Wages and salaries	2,664	2,624	25	25
Social security costs	289	264	-	-
Pension costs	100	99	-	-
	3,053	2,987	25	25

# OA HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

<b>7</b>	<b>Directors' remuneration</b>	<b>2018</b>	<b>2017</b>
		<b>£'000</b>	<b>£'000</b>
	Remuneration for qualifying services	25	25
		<u>          </u>	<u>          </u>
<b>8</b>	<b>Interest payable and similar expenses</b>	<b>2018</b>	<b>2017</b>
		<b>£'000</b>	<b>£'000</b>
	<b>Interest on financial liabilities measured at amortised cost:</b>		
	Interest on loans	5,251	4,993
	Interest on preference shares	1,184	1,184
		<u>          </u>	<u>          </u>
	Total finance costs	6,435	6,177
		<u>          </u>	<u>          </u>
<b>9</b>	<b>Taxation</b>	<b>2018</b>	<b>2017</b>
		<b>£'000</b>	<b>£'000</b>
	<b>Current tax</b>		
	UK corporation tax on profits for the current period	161	-
		<u>          </u>	<u>          </u>
	<b>Deferred tax</b>		
	Origination and reversal of timing differences	60	(855)
		<u>          </u>	<u>          </u>
	Total tax charge/(credit) for the year	221	(855)
		<u>          </u>	<u>          </u>
The actual charge for the year can be reconciled to the expected charge based on the profit or loss and the standard rate of tax as follows:			
		<b>2018</b>	<b>2017</b>
		<b>£'000</b>	<b>£'000</b>
	Loss before taxation	(6,204)	(5,654)
		<u>          </u>	<u>          </u>
	Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2017: 20.00%)	(1,179)	(1,131)
	Tax effect of expenses that are not deductible in determining taxable profit	1,123	235
	Tax effect of utilisation of tax losses not previously recognised	(162)	(279)
	Effect of change in corporation tax rate	60	45
	Depreciation on assets not qualifying for tax allowances	139	136
	Losses recognised	-	(922)
	Losses not recognised	-	1,061
	Group relief not paid for	240	-
		<u>          </u>	<u>          </u>
	Taxation charge/(credit) for the year	221	(855)
		<u>          </u>	<u>          </u>

# OA HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

### 9 Taxation

(Continued)

In addition to the amount charged to the profit and loss account, the following amounts relating to tax have been recognised directly in other comprehensive income:

	2018 £'000	2017 £'000
Deferred tax arising on: Revaluation of property	(182)	(516)

### 10 Intangible fixed assets

Group	Goodwill £'000
<b>Cost</b>	
At 1 April 2017 and 31 March 2018	324
<b>Amortisation and impairment</b>	
At 1 April 2017 and 31 March 2018	324
<b>Carrying amount</b>	
At 31 March 2018	-
At 31 March 2017	-



# OA HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

### 11 Tangible fixed assets

Group	Land and buildings Freehold £'000	Assets under construction £'000	Fixtures, fittings & equipment £'000	Motor vehicles £'000	Total £'000
<b>Cost</b>					
At 1 April 2017	55,714	318	6,038	712	62,782
Additions	-	1,374	68	-	1,442
Disposals	-	-	(3)	-	(3)
Reclassification	(5)	(113)	118	-	-
At 31 March 2018	55,709	1,579	6,221	712	64,221
<b>Depreciation and impairment</b>					
At 1 April 2017	7,308	-	2,869	219	10,396
Depreciation charged in the year	861	-	599	75	1,535
At 31 March 2018	8,169	-	3,468	294	11,931
<b>Carrying amount</b>					
At 31 March 2018	47,540	1,579	2,753	418	52,290
At 31 March 2017	48,406	318	3,169	493	52,386

The company had no tangible fixed assets at 31 March 2018 or 31 March 2017.

### 12 Fixed asset investments

	Notes	Group 2018 £'000	2017 £'000	Company 2018 £'000	2017 £'000
Investments in subsidiaries	13	-	-	1	1

#### Movements in fixed asset investments Company

	Shares in group undertakings £'000
<b>Cost or valuation</b>	
At 1 April 2017 and 31 March 2018	1
<b>Carrying amount</b>	
At 31 March 2018	1
At 31 March 2017	1

# OA HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

### 13 Subsidiaries

Details of the company's subsidiaries at 31 March 2018 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
OA Acquisitions Limited	England & Wales	Intermediate holding company	Ordinary	100	
Oxford Aviation Services Limited*	England & Wales	Managing London Oxford Airport	Ordinary	100	

\* Indirect holding through subsidiary

### 14 Financial instruments

	Group 2018 £'000	2017 £'000	Company 2018 £'000	2017 £'000
<b>Carrying amount of financial assets</b>				
Debt instruments measured at amortised cost	5,922	6,279	66,281	66,931
<b>Carrying amount of financial liabilities</b>				
Measured at amortised cost	111,259	104,885	107,716	101,906

### 15 Stocks

	Group 2018 £'000	2017 £'000	Company 2018 £'000	2017 £'000
Finished goods and goods for resale	123	131	-	-

# OA HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

### 16 Debtors

	Group 2018 £'000	2017 £'000	Company 2018 £'000	2017 £'000
<b>Amounts falling due within one year:</b>				
Trade debtors	853	1,199	-	-
Amounts owed by group undertakings	5,000	5,000	66,281	66,931
Other debtors	69	80	-	-
Prepayments and accrued income	855	813	-	-
	<u>6,777</u>	<u>7,092</u>	<u>66,281</u>	<u>66,931</u>
<b>Amounts falling due after more than one year:</b>				
Deferred tax asset (note 20)	<u>795</u>	<u>855</u>	<u>-</u>	<u>-</u>
<b>Total debtors</b>	<u>7,572</u>	<u>7,947</u>	<u>66,281</u>	<u>66,931</u>

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

	Group 2018 £'000	2017 £'000	Company 2018 £'000	2017 £'000
Trade creditors	960	798	-	-
Corporation tax payable	161	-	-	-
Other taxation and social security	115	220	-	-
Other creditors	13,933	12,106	12,728	11,544
Accruals and deferred income	1,403	1,644	25	25
	<u>16,572</u>	<u>14,768</u>	<u>12,753</u>	<u>11,569</u>

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

		Group 2018 £'000	2017 £'000	Company 2018 £'000	2017 £'000
	<b>Notes</b>				
Loans	19	80,163	75,537	80,163	75,537
Other borrowings	19	14,800	14,800	14,800	14,800
		<u>94,963</u>	<u>90,337</u>	<u>94,963</u>	<u>90,337</u>

# OA HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

### 19 Loans and overdrafts

	Group 2018 £'000	2017 £'000	Company 2018 £'000	2017 £'000
Other loans	80,163	75,537	80,163	75,537
Preference shares	14,800	14,800	14,800	14,800
	<u>94,963</u>	<u>90,337</u>	<u>94,963</u>	<u>90,337</u>
Payable after one year	<u>94,963</u>	<u>90,337</u>	<u>94,963</u>	<u>90,337</u>

The loan is secured over the group's assets.

The preference shares have the right to receive a fixed cumulative preferential dividend at a rate of 8% per annum. Any unpaid preference dividends shall be carried forward each year and become a debt due from and immediately payable by the company in respect of each preference share held, to the extent that the company has profits available for distribution.

### 20 Deferred taxation

Deferred tax assets and liabilities are offset where the group or 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 2018 £'000	Liabilities 2017 £'000	Assets 2018 £'000	Assets 2017 £'000
Group				
Accelerated capital allowances	-	-	(727)	(716)
Tax losses	-	-	1,522	1,571
Revaluations	-	182	-	-
	<u>-</u>	<u>182</u>	<u>795</u>	<u>855</u>

The company has no deferred tax assets or liabilities.

	Group 2018 £'000	Company 2018 £'000
Movements in the year:		
Asset at 1 April 2017	(673)	-
Charge to profit or loss	60	-
Credit to other comprehensive income	(182)	-
Asset at 31 March 2018	<u>(795)</u>	<u>-</u>

# OA HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2018

### 20 Deferred taxation

(Continued)

The deferred tax liability arising on timing differences on capital allowances has been offset by deferred tax asset for taxable losses in the accounts.

### 21 Retirement benefit schemes

	2018	2017
	£'000	£'000
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	100	99
	<u>100</u>	<u>99</u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

### 22 Share capital

	Group and company	
	2018	2017
	£'000	£'000
Ordinary share capital		
Issued and fully paid		
100,000 Ordinary A share of £1 each	100	100
100,000 Ordinary B share of £1 each	100	100
	<u>200</u>	<u>200</u>

The "A" shares and "B" shares are ranked pari passu in relation to each other in all respects.

### 23 Operating lease commitments

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

	Group		Company	
	2018	2017	2018	2017
	£'000	£'000	£'000	£'000
Within one year	32	37	-	-
Between two and five years	48	28	-	-
	<u>80</u>	<u>65</u>	<u>-</u>	<u>-</u>

# OA HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

### 23 Operating lease commitments

(Continued)

#### Lessor

At the reporting end date the group had contracted with tenants for the following minimum lease payments:

	Group		Company	
	2018	2017	2018	2017
	£'000	£'000	£'000	£'000
Within one year	2,716	2,631	-	-
Between two and five years	3,988	4,251	-	-
In over five years	761	831	-	-
	<u>7,465</u>	<u>7,713</u>	<u>-</u>	<u>-</u>

### 24 Related party transactions

#### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2018	2017
	£'000	£'000
Aggregate compensation	<u>25</u>	<u>25</u>

#### Transactions with related parties

The group and company have taken advantage of the exemption available in FRS102 not to disclose transactions with wholly owned subsidiaries within the group.

Included within other creditors is a balance of £680,015 (2017: £262,322) due to Aldersgate Investments Limited, an entity under common control.

Included in administration expenses is £25,000 (2017: £25,000) paid by the company to Siren Capital London Limited for director services provided by J A Reuben.

Included within creditors falling due after more than one year is a loan amount of £80,162,783 (2017: £75,536,701) due to TFB (Mortgages) Designated Activity Company, a company registered in Ireland which is under common control. Interest of £5,251,083 (2017: £4,992,126) was charged during the period.

### 25 Controlling party

The immediate parent company is Alnwick Estates Limited, a company registered in the British Virgin Islands. The ultimate parent company is Omaha Business Holdings Corp., a company registered in the British Virgin Islands whose registered office address is 2nd Floor, O'Neal Marketing Associates Building, PO Box 3174, Wickham's Cay II, Road Town, Tortola, BVI.

## OA HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2018

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#### 26 Cash generated from group operations

	2018 £'000	2017 £'000
Loss for the year after tax	(6,425)	(4,799)
Adjustments for:		
Taxation charged/(credited)	221	(855)
Finance costs	6,435	6,177
Gain on disposal of tangible fixed assets	-	(12)
Depreciation and impairment of tangible fixed assets	1,535	1,520
Movements in working capital:		
Decrease/(increase) in stocks	8	(30)
Decrease/(increase) in debtors	315	(512)
Increase in creditors	459	356
<b>Cash generated from operations</b>	<b>2,548</b>	<b>1,845</b>