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Company Registration: FC 021049

HARRIER LLC

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

THURSDAY



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COMPANIES HOUSE

HARRIER LLC

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HARRIER LLC

COMPANY INFORMATION

DIRECTORS

C J Hughes
N D Cohen
A E Steinman
K Sturn

REGISTERED NUMBER

FC 021049

REGISTERED OFFICE

10501 Rhode Island Avenue
Beltsville
Maryland
USA
MD20705

ADMINISTRATION OFFICE

Harrier LLC
York Laboratories
Brunel Road
Newton Abbot
TQ12 4UH

INDEPENDENT AUDITOR

Nexia Smith & Williamson
Statutory Auditor & Chartered Accountants
Portwall Place
Portwall Lane
Bristol
BS1 6NA

HARRIER LLC

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF HARRIER LLC



INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF HARRIER LLC

Opinion

We have audited the financial statements of Harrier LLC (the 'company') for the year ended 31 December 2018 which comprise the company profit and loss account, the company balance sheet, the consolidated profit and loss account, the consolidated balance sheet and the notes to the financial statements, including a summary of significant accounting policies which have been prepared in accordance with the accounting policies set out in note 1.

In our opinion, the accompanying financial statements of the company are prepared, in all material aspects, in accordance with the accounting set out in note 1.

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 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 other information comprises the information included in annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and 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.

HARRIER LLC

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF HARRIER LLC (continued)

Responsibilities of directors

The directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view in accordance with Section 404 of the Companies Act 2006 as applied by the Overseas Companies Regulation 2009, applying the recognition and measurement principles of United Kingdom Generally Accepted Accounting Principles (UK GAAP), and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

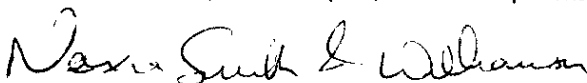
Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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: 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 directors, as a body, in accordance with our engagement letter dated 9 January 2018. Our audit work has been undertaken so that we might state to the company's directors 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 directors as a body, for our audit work, for this report, or for the opinions we have formed.



Nexia Smith & Williamson
Chartered Accountants
Registered Auditors

Portwall Place
Portwall Lane
Bristol
BS1 6NA

7 March 2019

HARRIER LLC

**COMPANY PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	Year ended 31 December 2018 £	Year ended 31 December 2017 £
Turnover	3	20,943,903	19,426,021
Cost of Sales		(15,338,860)	(13,576,158)
Gross profit		5,605,043	5,849,863
Sales and distribution costs		(2,224,974)	(1,985,268)
Administrative expenses		(863,932)	(2,600,084)
Profit from operations before other operating income		2,516,137	1,264,511
Other operating income	4	642,339	602,024
Dividends & Investment Income	17	7,681,672	323,767
Interest Received		12,367	141
Profit before tax		10,852,515	2,190,443
Taxation	7	(637,141)	(428,860)
Profit for the year attributable to the owners		10,215,374	1,761,583

All amounts relate to continuing activities,
There are no recognised gains or losses in the year other than those *included* above.

The notes on pages 8 to 19 form part of these financial statements.

HARRIER LLC

**COMPANY BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2018**

Company number FC 021049

		31 December 2018	31 December 2017
	Note	£	£
Fixed assets			
Intangible assets	9	3,658	3,658
Tangible assets	10	5,064,086	3,582,131
		<hr/>	<hr/>
		5,067,744	3,585,789
 Non current assets			
Investment in subsidiary	11	359,834	359,834
		<hr/>	<hr/>
		359,834	359,834
 Current assets			
Stocks	12	3,174,821	2,273,106
Debtors	14	11,849,821	6,500,194
Cash at bank and in hand		4,432,686	6,008,417
		<hr/>	<hr/>
		19,457,329	14,781,717
 Total assets		<hr/>	<hr/>
		24,884,907	18,727,340
 Current liabilities			
Creditors: amounts falling due in less than one year	15	(11,407,316)	(7,783,452)
		<hr/>	<hr/>
NET ASSETS		<u>13,477,591</u>	<u>10,943,888</u>
 Share capital			
Initial members' capital	16	636,670	636,670
Profit and loss account	18	12,840,921	10,307,218
		<hr/>	<hr/>
TOTAL EQUITY	19	<u>13,477,591</u>	<u>10,943,888</u>

The financial statements were approved by the board of directors and authorised for issue on 4/3/19


C Hughes
Director

The notes on pages 8 to 19 form part of these financial statements

HARRIER LLC

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	Year ended 31 December 2018 £	Year ended 31 December 2017 £
Turnover	3	54,403,234	42,738,155
Cost of Sales		(37,862,428)	(29,000,437)
Gross profit		16,540,806	13,737,718
Sales and distribution costs		(2,649,078)	(2,648,631)
Administrative expenses		(4,107,991)	(5,621,314)
Profit from operations before other operating income		9,783,736	5,467,773
Other operating income	4	642,339	714,134
Interest receivable		102,538	55,357
Profit before tax		10,528,613	6,237,264
Taxation	7	(2,031,266)	(1,276,469)
Profit for the year attributable to the owners		8,497,347	4,960,795

All amounts relate to continuing activities,
There are no recognised gains or losses in the year other than those included above.

The notes on pages 8 to 19 form part of these financial statements.

HARRIER LLC

**CONSOLIDATED BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2018**

Company number FC 021049

		31 December 2018	31 December 2017
	Note	£	£
Fixed assets			
Intangible assets	9	3,658	3,658
Tangible assets	10	5,064,086	3,582,131
		<u>5,067,744</u>	<u>3,585,789</u>
Non current assets			
Investments	11	2,039,425	2,058,805
Other Loan due after one year	12	1,695,596	-
		<u>3,735,021</u>	<u>2,058,805</u>
Current assets			
Stocks	13	3,174,821	2,273,106
Debtors due within one year	14	17,344,665	12,480,883
Cash at bank and in hand		7,550,425	10,201,219
		<u>28,069,911</u>	<u>24,955,208</u>
Total assets		<u>36,872,676</u>	<u>30,599,802</u>
Current liabilities			
Creditors: amounts falling due in less than one year	15	(16,482,536)	(11,025,337)
NET ASSETS		<u><u>20,390,140</u></u>	<u><u>19,574,465</u></u>
Share capital			
Initial members' capital	16	636,670	636,670
Profit and loss account	18	19,753,470	18,937,795
TOTAL EQUITY	19	<u><u>20,390,140</u></u>	<u><u>19,574,465</u></u>

The financial statements were approved by the board of directors and authorised for issue on 4/3/19

C Hughes
Director

The notes on pages 8 to 19 form part of these financial statements.

HARRIER LLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and are in accordance with Section 404 ('Overseas companies group accounts') of the Companies Act 2006 as applied to overseas companies by the Overseas Companies Regulations 2009. The accounts have been audited under the International Standards of Auditing (UK and Ireland) issued by the UK Financial Reporting Council

The following principal accounting policies which incorporate the recognition and valuation principles set out in UK Generally Accepted Accounting Practice (UK GAAP), have been applied.

Related party transactions are not disclosed separately in the financial statements.

1.2 Basis of consolidation

The financial statements present the Company's own results as well as consolidate the results of Harrier LLC and all of its subsidiary undertakings ('subsidiaries') using the acquisition method of accounting as required. Where this method is used, the results of subsidiary undertakings are included from the date of acquisition.

Harrier LLC is a USA limited liability company (LLC). LLCs are formed in accordance with the laws of the state in which such entities are organised. LLCs generally have the following characteristics:

- An LLC is an unincorporated association of two or more 'persons';
- Its members have limited personal liability for obligations or debts of the entity;
- It is classified as a partnership for federal income tax purposes.

1.3 Cash flow statement

The financial statements have been prepared for the purpose of delivery to Companies House. They have been prepared in accordance with Section 404 ('Overseas companies group accounts') of the Companies Act 2006 as applied to overseas companies by the Overseas Companies Regulations 2009. Consequently no cash flow statement is required.

HARRIER LLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. ACCOUNTING POLICES (continued)

1.4 Intangible fixed assets and amortisation

Goodwill

Goodwill represents the excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired.

Goodwill is capitalised and written off on a straight line basis over its useful economic life of between 4 to 15 years. Provision is made for any impairment.

Development costs

Development costs capitalised represent the market value of the customer list acquired on the acquisition of the trade and assets of the branch.

Development costs are being amortised to match the cost with the expected future economic benefits that are attributable to that asset. Provision is made for any impairment.

Concessions, patents, licenses, trademarks and similar rights and assets

Such expenditure is capitalised at cost and then subject to annual impairment reviews based on the existing benefit derived from the acquisition.

1.5 Revenue recognition

Revenue is recognised to the extent that the group obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, Value Added Tax and other sales taxes or duty, where appropriate. The following criteria must also be met before revenues recognised.

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on dispatch of the goods.

1.6 Recognition of other operating income

Other operating income is recognised in the financial statements upon receipt of consideration, or on an accruals basis where the amounts can be reliably measured and there is the probability beyond reasonable doubt that consideration will be received.

1.7 Interest

Interest is included in the financial statements on an accruals basis.

HARRIER LLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. ACCOUNTING POLICIES (continued)

1.8 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 basis:

Property improvements	-	5-10 years
Plant & Machinery	-	2-7 years
Motor Vehicles	-	2-5 years

1.9 Investments

Subsidiary undertakings:

Investments are shown at cost less any provision for impairment.

Other investments:

Investments are remeasured at fair value at each balance sheet date through reference to market value as quoted in an active market. Gains and losses on remeasurement are recognised in Profit or Loss for the year.

1.10 Loans

Loans receivable are shown at amortised cost using the effective interest method. Interest is charged at a variable rate above Bank of England base rate.

1.11 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.

1.12 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 rate gains and losses are recognised in the Profit and Loss account.

1.13 Deferred Taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a charge 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.

HARRIER LLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. ACCOUNTING POLICES (continued)

1.13 Deferred Taxation (continued)

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or subsequently enacted by the balance sheet date in the countries where the company operates and generates income.

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.

1.14 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.

1.15 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.

1.16 Provision for liabilities

A provision is recognised when the group has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions for the expected costs of dilapidations and onerous leases are charged against profits when the above recognition criteria are met. The effect of the time value of money is not material and therefore the provisions are not discounted.

1.17 Derivative financial instruments

The company enters into derivative financial instruments, such as commodity futures and options and commodity swaps, for trading purposes. All derivative instruments are classified as fair value through profit or loss and are measured at fair value upon initial recognition and are re-measured to fair value at each subsequent reporting date.

HARRIER LLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. ACCOUNTING POLICES (continued)

1.17 Derivative financial instruments (continued)

Movements in fair value of derivative instruments are recognised in the profit and loss account.

Derivative financial instruments receivable and payable (including amounts owed by and to group companies) are measured at fair value. Receivables and payables are offset and the net amount presented in the balance sheet when the company has a legally enforceable right to set off the recognised amounts and either intends to settle on a net basis, or to realise the receivable and settle the payable simultaneously.

2. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements in conformity with generally accepted accounting practice requires management to make estimates and judgements that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period.

The key areas of judgement and estimation uncertainty in these financial statements are highlighted below:

Valuation of debtors

Debtors are reviewed periodically by management for evidence of impairment with reference to the financial position of the counterparty. Where indicators of impairment are identified and it is considered probable that a debt will not be recovered in full, a provision is recognised.

Valuation of stock

Stock is assessed periodically by management to determine the lower of cost and the estimated selling price less costs to sell. Provisions are included where the amount held in the accounts is more than the lower of the two calculated amounts.

Valuation of forward contracts

Forward contracts re-measured by management at fair value at the end of the financial year based upon the market prices for the contracts which are held by the company. Differences are taken to the profit and loss account.

3. TURNOVER

The whole of the turnover is attributable to the principle activity of the group.

4. OTHER OPERATING INCOME

	Year ended 31 December 2018	Year ended 31 December 2017
	£	£
Company	642,339	602,024
Group	642,339	714,134

Other Operating Income in the current year is mostly attributable to recycling of waste materials.

Prior year for the group included the recharge of not-standard packaging materials.

HARRIER LLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

5. PROFIT FROM OPERATIONS

The profit is stated after charging

	Year ended 31 December 2018 £	Year ended 31 December 2017 £
Depreciation of tangible fixed assets:		
- owned by the group	1,184,361	1,095,107
Auditor's remuneration	30,750	40,000
Auditor's remuneration - non-audit	7,240	-
Difference on foreign exchange	(68,804)	856,680
Loss / (Profit) on disposal of assets	<u>37,403</u>	<u>(24,801)</u>

6. STAFF COSTS

Staff costs were as follows

	Year ended 31 December 2018 £	Year ended 31 December 2017 £
Wages and salaries	7,056,572	6,345,581
Social security costs	709,216	629,838
Other pension costs	<u>683,722</u>	<u>574,639</u>
	<u>8,449,510</u>	<u>7,550,058</u>

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

	Year ended 31 December 2018 No.	Year ended 31 December 2017 No.
Production	130	124
Administration	<u>95</u>	<u>97</u>
	<u>225</u>	<u>221</u>

HARRIER LLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

7. TAXATION

	Group		Company	
	Year ended	Year ended	Year ended	Year ended
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	£	£	£	£
UK Corporation tax				
Current tax on profits of the year	1,974,822	1,271,745	580,697	424,136
Adjustment in respect of previous periods	27,544	(5,332)	27,544	(5,332)
Total current tax	2,002,366	1,266,413	608,241	418,804
Deferred tax				
Origination and reversal of timing differences	28,900	5,185	28,900	5,185
Effect of changes in tax rates	-	4,871	-	4,871
Total	2,031,266	1,276,469	637,141	428,860

8. DEFERRED TAX ASSET

	Group		Company	
	Year ended	Year ended	Year ended	Year ended
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	£	£	£	£
At beginning of year	106,607	116,663	106,607	116,663
(Released) / additions during the year	(28,900)	(10,056)	(28,900)	(10,056)
At end of year	77,707	106,607	77,707	106,607

The deferred tax asset is made up as follows:

	Group		Company	
	Year ended	Year ended	Year ended	Year ended
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
	£	£	£	£
Accelerated capital allowances	48,621	82,505	48,621	82,505
Short term timing differences	29,086	24,102	29,086	24,102
	77,707	106,607	77,707	106,607

HARRIER LLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

9. INTANGIBLE FIXED ASSETS

	Trademark £	Development £	Goodwill £	Total £
Group and Company Cost				
At 31 December 2017	88,800	6,042,870	2,200,459	8,332,129
At 31 December 2018	<u>88,800</u>	<u>6,042,870</u>	<u>2,200,459</u>	<u>8,332,129</u>
Amortisation				
At 31 December 2017	88,800	6,039,212	2,200,459	8,328,471
At 31 December 2018	<u>88,800</u>	<u>6,039,212</u>	<u>2,200,459</u>	<u>8,328,471</u>
Net Book Value				
At 31 December 2017	-	3,658	-	3,658
At 31 December 2018	<u>-</u>	<u>3,658</u>	<u>-</u>	<u>3,658</u>

10. TANGIBLE FIXED ASSETS

	Property improvements £	Plant & machinery £	Motor Vehicles £	Total £
Group and Company				
Cost				
At 31 December 2017	704,114	12,651,409	24,435	13,379,958
Additions	137,590	2,566,960	51,876	2,756,426
Disposals	-	(384,240)	(3,950)	(388,190)
At 31 December 2018	<u>841,704</u>	<u>14,834,129</u>	<u>72,361</u>	<u>15,748,194</u>
Depreciation				
At 31 December 2017	500,945	9,274,429	22,453	9,797,827
Charge for the year	69,578	1,111,487	3,295	1,184,361
On disposals	-	(294,129)	(3,950)	(298,079)
At 31 December 2018	<u>570,523</u>	<u>10,091,787</u>	<u>21,798</u>	<u>10,684,108</u>
Net book value				
At 31 December 2017	<u>203,169</u>	<u>3,376,980</u>	<u>1,982</u>	<u>3,582,131</u>
At 31 December 2018	<u>271,181</u>	<u>4,742,342</u>	<u>50,563</u>	<u>5,064,086</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

Group and Company	31 December 2018 £	31 December 2017 £
	Nil	Nil

HARRIER LLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

11. NON CURRENT ASSET INVESTMENTS

Group	Unlisted	Total
Cost	Investments	
	£	£
At 1 January 2018	2,058,805	2,058,805
Additions marked to market	52,238	52,238
Revaluation to market value	(71,618)	(71,618)
At 31 December 2018	<u>2,039,425</u>	<u>2,039,425</u>
Net book value		-
At 31 December 2017	2,058,805	2,058,805
At 31 December 2018	<u>2,039,425</u>	<u>2,039,425</u>

Company	Investments in subsidiary companies
Cost	£
At 31 December 2017	359,834
At 31 December 2018	359,834
Net book value	
At 31 December 2017	<u>359,834</u>
At 31 December 2018	<u>359,834</u>

Company name	Country of incorporation	% shareholding	Activity
Harrier Print Ltd	England	100%	Commercial Printing

12. OTHER LOAN

	Group	Company
	£	£
At 31 December 2017	-	-
Loan advanced	2,000,000	-
Interest receivable at effective interest rate	3,288	-
Amount receivable within 12 months, recognised in Current Assets	(307,692)	-
Repayments received	-	-
At 31 December 2018	<u>1,695,596</u>	<u>-</u>

HARRIER LLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

13. STOCKS

	Group		Company	
	Year ended 31 December 2018	Year ended 31 December 2017	Year ended 31 December 2018	Year ended 31 December 2017
	£	£	£	£
Raw materials	<u>3,174,821</u>	<u>2,273,106</u>	<u>3,174,821</u>	<u>2,273,106</u>

14. DEBTORS DUE WITHIN ONE YEAR

	Group		Company	
	Year ended 31 December 2018	Year ended 31 December 2017	Year ended 31 December 2018	Year ended 31 December 2017
	£	£	£	£
Trade debtors	10,923,170	11,453,461	6,367,840	5,401,419
Amounts owed by group undertakings	-	-	4,171,310	457,168
Other Loan due within one year	307,692	-	-	-
Other debtors	1,440,941	615,037	573,025	236,422
Prepayments and accrued income	4,595,154	305,778	659,939	298,578
Deferred tax asset (see note 8)	77,708	106,607	77,708	106,607
	<u>17,344,665</u>	<u>12,480,883</u>	<u>11,849,821</u>	<u>6,500,194</u>

15. CREDITORS:

Amount falling due within one year

	Group		Company	
	Year ended 31 December 2018	Year ended 31 December 2017	Year ended 31 December 2018	Year ended 31 December 2017
	£	£	£	£
Trade creditors	(3,978,168)	(2,256,632)	(3,978,168)	(2,256,632)
Amounts owed to group undertakings	-	-	-	-
UK Corporation Tax	(1,397,848)	(847,963)	-	-
Other taxation and social security	(550,634)	(1,068,735)	(550,634)	(810,737)
Other creditors	(2,306,487)	(2,246,404)	(937,963)	(1,076,398)
Accruals and deferred income	(8,249,399)	(4,605,603)	(5,940,551)	(3,639,685)
	<u>(16,482,536)</u>	<u>(11,025,337)</u>	<u>(11,407,316)</u>	<u>(7,783,452)</u>

HARRIER LLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

16. INITIAL MEMBERS' CAPITAL

Group		Company	
Year ended	Year ended	Year ended	Year ended
31 December 2018	31 December 2017	31 December 2018	31 December 2017
<u>636,670</u>	<u>636,670</u>	<u>636,670</u>	<u>636,670</u>

17. DIVIDENDS & DISTRIBUTIONS

	Group		Company	
	Year ended	Year ended	Year ended	Year ended
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
Dividends Received	-	-	7,681,672	323,767
Distributions Paid	<u>(7,681,672)</u>	<u>-</u>	<u>(7,681,672)</u>	<u>-</u>

18. RESERVES

	Profit and Loss account
Group	£
At 31 December 2017	18,937,795
Profit for the year	8,497,347
Distributions	(7,681,672)
At 31 December 2018	<u>19,753,470</u>
	Profit and Loss account
Company	£
At 31 December 2017	10,307,218
Profit for the year	10,215,375
Distributions	<u>(7,681,672)</u>
At 31 December 2018	<u>12,840,921</u>

HARRIER LLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

19 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	31 December 2018	31 December 2017
Group	£	£
Opening shareholders' funds	19,574,465	14,613,670
Profit for the financial year	8,497,347	4,960,795
Distribution to members	(7,681,672)	-
Closing shareholders' funds	<u>20,390,140</u>	<u>19,574,465</u>
Company		
Opening shareholders' funds	10,943,888	9,182,305
Profit for the financial year	10,215,375	1,761,583
Distribution to members	(7,681,672)	-
Closing shareholders' funds	<u>13,477,591</u>	<u>10,943,888</u>

20. PENSION COMMITMENTS

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension charge amounted to £683,722 (2017 - £574,639). Contributions amounting to £19,264 (2017 - £13,681) were payable and included in creditors.

21. GUARANTEES

On 12 June 2013, a debenture was created over certain assets, securing amounts owed by Harrier LLC to Barclays Bank plc.

On 15 January 2007, a debenture was created over certain assets, securing amounts owed by Harrier LLC to HSBC Bank plc.

There are no liabilities attached to these debentures.

22. EVENTS AFTER END OF THE REPORTING PERIOD

Since the end of the reporting period the group has registered a wholly owned subsidiary entity in the Czech Republic which will setup and operate a production facility for the fulfilment of orders destined for Europe.

The financial effect of this for the group is expected to be the issue of loans of up to £6 million to its subsidiary primarily for the purchase of fixed assets.