

**Financial Statements for the Year Ended 31 August 2021**

**for**

**Specialist Aviation Ltd**

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for the Year Ended 31 August 2021**

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**Specialist Aviation Ltd**

**Company Information  
for the Year Ended 31 August 2021**

**DIRECTOR:**

D F Hammond

**REGISTERED OFFICE:**

Aerospace Logistics Centre  
Fifth Avenue  
Letchworth  
Hertfordshire  
SG6 2TS

**REGISTERED NUMBER:**

03089944 (England and Wales)

**AUDITORS:**

Godfrey Laws & Co Limited  
Statutory Auditors  
69 Knowl Piece  
Wilbury Way  
Hitchin  
Hertfordshire  
SG4 0TY

**Specialist Aviation Ltd (Registered number: 03089944)****Balance Sheet  
31 August 2021**

	Notes	31.8.21 £	£	31.8.20 £	£
<b>FIXED ASSETS</b>					
Intangible assets	4		-		1,600
Tangible assets	5		31,953		50,145
Investment property	6		<u>1,170,000</u>		<u>1,200,000</u>
			<b>1,201,953</b>		<b>1,251,745</b>
<b>CURRENT ASSETS</b>					
Stocks		547,970		580,350	
Debtors	7	908,345		1,035,724	
Cash at bank and in hand		<u>799,093</u>		<u>570,490</u>	
		<b>2,255,408</b>		<b>2,186,564</b>	
<b>CREDITORS</b>					
Amounts falling due within one year	8	<u>1,377,590</u>		<u>1,378,028</u>	
<b>NET CURRENT ASSETS</b>			<b>877,818</b>		<b>808,536</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>2,079,771</b>		<b>2,060,281</b>
<b>CREDITORS</b>					
Amounts falling due after more than one year	9		(384,000)		(448,000)
<b>PROVISIONS FOR LIABILITIES</b>			<u>(35,453)</u>		<u>(40,330)</u>
<b>NET ASSETS</b>			<b><u>1,660,318</u></b>		<b><u>1,571,951</u></b>
<b>CAPITAL AND RESERVES</b>					
Called up share capital			501		501
Capital redemption reserve			499		499
Retained earnings			<u>1,659,318</u>		<u>1,570,951</u>
<b>SHAREHOLDERS' FUNDS</b>			<b><u>1,660,318</u></b>		<b><u>1,571,951</u></b>

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the director and authorised for issue on 30 May 2022 and were signed by:

D F Hammond - Director

**Notes to the Financial Statements  
for the Year Ended 31 August 2021**

**1. STATUTORY INFORMATION**

Specialist Aviation Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

**Turnover**

Turnover represents net invoiced sales of goods and management fees, excluding value added tax.

Operating income includes net rental income for storage and recharged costs, excluding value added tax.

**Goodwill**

Goodwill, being the amount paid in connection with the acquisition of a business in 2011, is being amortised evenly over its estimated useful life of ten years.

**Intangible assets**

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Short leasehold	- 10% on cost
Improvements to property	- 10% on cost
Plant and machinery	- 20% on cost
Fixtures and fittings	- 20% on cost
Motor vehicles	- 20% on cost
Computer equipment	- 33% on cost

**Government grants**

Grants are accounted for under the accruals model.

Grants of a revenue nature are recognised in 'other income' within profit and loss in the same period as the related expenditure. This includes the Government Coronavirus Job Retention Scheme.

**Investment property**

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2021**

**2. ACCOUNTING POLICIES - continued**

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**3. EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 10 (2020 - 12 ) .

**4. INTANGIBLE FIXED ASSETS**

	<b>Goodwill</b>
	<b>£</b>
<b>COST</b>	
At 1 September 2020	
and 31 August 2021	<b>16,000</b>
<b>AMORTISATION</b>	
At 1 September 2020	<b>14,400</b>
Amortisation for year	<b>1,600</b>
At 31 August 2021	<b>16,000</b>
<b>NET BOOK VALUE</b>	
At 31 August 2021	<b>-</b>
At 31 August 2020	<b>1,600</b>

Notes to the Financial Statements - continued  
for the Year Ended 31 August 2021

## 5. TANGIBLE FIXED ASSETS

	Short leasehold £	Improvements to property £	Plant and machinery £
<b>COST</b>			
At 1 September 2020 and 31 August 2021	<u>26,317</u>	<u>31,531</u>	<u>629,138</u>
<b>DEPRECIATION</b>			
At 1 September 2020	22,178	28,613	626,239
Charge for year	<u>991</u>	<u>2,223</u>	<u>633</u>
At 31 August 2021	<u>23,169</u>	<u>30,836</u>	<u>626,872</u>
<b>NET BOOK VALUE</b>			
At 31 August 2021	<u>3,148</u>	<u>695</u>	<u>2,266</u>
At 31 August 2020	<u>4,139</u>	<u>2,918</u>	<u>2,899</u>

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>				
At 1 September 2020 and 31 August 2021	<u>272,084</u>	<u>73,609</u>	<u>105,289</u>	<u>1,137,968</u>
<b>DEPRECIATION</b>				
At 1 September 2020	237,337	73,609	99,847	1,087,823
Charge for year	<u>11,903</u>	<u>-</u>	<u>2,442</u>	<u>18,192</u>
At 31 August 2021	<u>249,240</u>	<u>73,609</u>	<u>102,289</u>	<u>1,106,015</u>
<b>NET BOOK VALUE</b>				
At 31 August 2021	<u>22,844</u>	<u>-</u>	<u>3,000</u>	<u>31,953</u>
At 31 August 2020	<u>34,747</u>	<u>-</u>	<u>5,442</u>	<u>50,145</u>

## 6. INVESTMENT PROPERTY

	Total £
<b>FAIR VALUE</b>	
At 1 September 2020	1,200,000
Revaluations	<u>(30,000)</u>
At 31 August 2021	<u>1,170,000</u>
<b>NET BOOK VALUE</b>	
At 31 August 2021	<u>1,170,000</u>
At 31 August 2020	<u>1,200,000</u>

The investment property has been measured at fair value which is the open market value of the property. The valuation was undertaken by independent valuer, Kemsley LLP on 1 September 2021.

Notes to the Financial Statements - continued  
for the Year Ended 31 August 2021

6. INVESTMENT PROPERTY - continued

Fair value at 31 August 2021 is represented by:

	£
Valuation in 2020	1,200,000
Valuation in 2021	(30,000)
	<u>1,170,000</u>

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.21	31.8.20
	£	£
Trade debtors	300,992	318,313
Amounts owed by group undertakings	442,499	553,505
Amounts owed by associates	32,548	32,548
Other debtors	132,306	131,358
	<u>908,345</u>	<u>1,035,724</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.21	31.8.20
	£	£
Bank loans and overdrafts	64,000	311,099
Trade creditors	504,024	572,596
Amounts owed to group undertakings	443,048	182,395
Taxation and social security	49,758	150,034
Other creditors	316,760	161,904
	<u>1,377,590</u>	<u>1,378,028</u>

9. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.8.21	31.8.20
	£	£
Bank loans	<u>384,000</u>	<u>448,000</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans more 5 yr by instal	<u>256,000</u>	<u>320,000</u>

10. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.8.21	31.8.20
	£	£
Within one year	64,029	50,000
Between one and five years	<u>210,833</u>	<u>16,667</u>
	<u>274,862</u>	<u>66,667</u>



Notes to the Financial Statements - continued  
for the Year Ended 31 August 2021

11. SECURED DEBTS

The following secured debts are included within creditors:

	31.8.21	31.8.20
	£	£
Bank overdraft	-	247,099
Bank loans	448,000	512,000
	<u>448,000</u>	<u>759,099</u>

Securities include:

Fixed and floating charge created in favour of Lloyds Bank to cover all property or undertaking of the company. The charge includes a negative pledge.

Fixed charge created in favour of Lloyds bank on the leasehold property, The Roofing Centre, Works Road, Letchworth Garden City, Herts SG6 1JY.

Fixed and floating charge created in favour of Aldermore Bank PLC to cover all property or undertaking of the company. The charge includes a negative pledge.

The company has a charge in the form a rent deposit deed in favour of Davis Schottlander & Davis Limited. A deposit sum of £12,487 plus vat is included in other debtors. The amount is secured over all monies due or become due to the company.

The company has an omnibus guarantee and set off agreement with it's fellow group companies:

Cabinair Services Ltd

SATTO Solutions Ltd

HSM Aero Ltd

Specialist Aviation Holding Ltd

Hermitage S M Ltd

12. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Howard Ashmore FCA (Senior Statutory Auditor)  
for and on behalf of Godfrey Laws & Co Limited

13. DIRECTOR'S ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 31 August 2021 and 31 August 2020:

	31.8.21	31.8.20
	£	£
<b>D F Hammond</b>		
Balance outstanding at start of year	-	6,098
Amounts repaid	-	(6,098)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>-</u>	<u>-</u>

**Notes to the Financial Statements - continued  
for the Year Ended 31 August 2021**

**14. RELATED PARTY DISCLOSURES**

At the balance sheet date, the following amounts are due from companies under common control:

	<b>31.8.2021</b>	<b>31.8.2020</b>
	<b>£</b>	<b>£</b>
HSM Aero Limited	<b>356,822</b>	417,611
SATTO Solutions Limited	<b>20,048</b>	20,048
Cabinair Limited	<b>65,629</b>	115,846
Mix 14 Ltd	<b>32,548</b>	32,548

At the balance sheet date, the following amounts are due to companies under common control

	<b>31.8.2021</b>	<b>31.8.2020</b>
	<b>£</b>	<b>£</b>
Specialist Aviation Holding Limited	<b>443,048</b>	182,395

The controlling party is D F Hammond.

**15. ULTIMATE PARENT COMPANY**

The ultimate parent company is Specialist Aviation Holdings Limited, the registered office is: Aerospace Logistics Centre, Fifth Avenue, Letchworth Garden City, Herts, SG6 2TS.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.