

**AIR AND CARGO SERVICES
LIMITED**

**FINANCIAL STATEMENTS
YEAR ENDED 30 SEPTEMBER 2013**

RPG CROUCH CHAPMAN LLP
Chartered Accountants
62 Wilson Street
London
EC2A 2BU



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30/06/2014

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COMPANIES HOUSE

AIR AND CARGO SERVICES LIMITED

COMPANY INFORMATION

DIRECTORS	R E C McCarthy R A Winmill P D Shotter (resigned 31 January 2014) K D McLean M J Campbell-Webster C D Asptal
COMPANY SECRETARY	R A Winmill
REGISTERED NUMBER	00401523
REGISTERED OFFICE	Air and Cargo Services Limited Unit 24 Cobham Way Crawley Sussex RH10 9RX
INDEPENDENT AUDITORS	RPG Crouch Chapman LLP Chartered Accountants & Statutory Auditors 62 Wilson Street London EC2A 2BU
BANKERS	Barclays Bank Plc 1 Churchill Place London E14 5HP

AIR AND CARGO SERVICES LIMITED

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AIR AND CARGO SERVICES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2013

The directors present their report and the audited financial statements for the year ended 30 September 2013

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £102,139 (2012 - £34,188)

No dividend is recommended to be paid (2012 £Nil)

DIRECTORS

The directors who served during the year were

R E C McCarthy
R A Winmill
P D Shotter (resigned 31 January 2014)
K D McLean
M J Campbell-Webster
C D Aspital

The Secretary who held office during the year was R A Winmill

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Strategic Report, the Directors' report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and accounting estimates that are reasonable and prudent,
- 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 company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AIR AND CARGO SERVICES LIMITED

DIRECTORS' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2013

EVENTS SINCE THE END OF THE YEAR

There have been no events since the year end which require disclosure in the accounts

DISCLOSURE OF INFORMATION TO AUDITORS

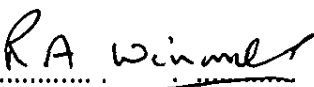
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

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

AUDITORS

The auditors, RPG Crouch Chapman LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

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


.....
R A. Winmill
Director

Date 30 June 2014

Air and Cargo Services Limited
Unit 24 Cobham Way
Crawley
Sussex
RH10 9RX

AIR AND CARGO SERVICES LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2013

The directors present their strategic report on the company for the year ended 30 Sept 2013

REVIEW OF BUSINESS

The performance of the Company during 2013 has produced encouraging results. Our UK based business has shown a good increase, Hong Kong business has nearly quadrupled from its start up in 2012 and our United States business is only marginally reduced. The company will continue to consolidate its position and concentrate its efforts on achieving maximum growth in its existing market segments. The Company are actively looking at other market segments some of which are likely to contribute to profitability in the current year.

In addition the Company constantly reviews its cost base to enhance profitability, as can be seen in the financial statements.

KEY PERFORMANCE INDICATORS

We have made significant progress throughout the year in relation to key elements of our strategy. The Board monitors the progress of the Company by reference to the following KPIs:

	2013	2012
Turnover	47.46m	44.78m
Gross profit margin	9.3 %	10.3%
Operating profit / (loss)	67,918	(29,491)

The directors are pleased to report a 6% increase in turnover. Despite this substantial increase, gross profit margins have been maintained at a reasonable level and operating profit margins have improved due to a reduction in administrative costs which has resulted from cost cutting strategies. The financial position at the year-end has improved with significant liquid resources available for operations.

PRINCIPLES, RISKS AND CERTAINTIES

The process of risk acceptance and risk management is addressed through a framework of policies, procedures and internal controls. All policies are subject to Board approval and ongoing review by management. Compliance with regulation, legal and ethical standards is a high priority for the Company and the board and management team take on an important oversight role in this regard.

The Company has developed a framework for identifying the risks that each business sector, and the Company as a whole, is exposed to and their impact on the company's financial position. This process is managed by the Company Finance Department to establish our capital requirements and to ensure we have the financial strength, capital adequacy and liquidity to support the growth of the business.

The principal risks to our business arise from inaccurate job costing, exchange rate fluctuations and the very competitive nature of the industry.

AIR AND CARGO SERVICES LIMITED

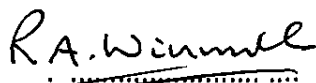
STRATEGIC REPORT (continued)

FUTURE DEVELOPMENTS

The UK economy strengthened in 2013, from which the Company has benefited. However, the risks to UK economic growth remain significant and future prospects may be influenced by developments in the global economy.

The Company will continue to consolidate its position within existing market sectors and look to increase its presence in new markets during 2014 as opportunities arise.

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

A handwritten signature in black ink, appearing to read 'R. A. Winmill', written over a horizontal line.

R. A. Winmill
Director

Date 30 June 2014

AIR AND CARGO SERVICES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AIR AND CARGO SERVICES LIMITED

We have audited the financial statements of Air and Cargo Services Limited for the year ended 30 September 2013, set out on pages 7 to 19. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's shareholders, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic report and the Directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 September 2013 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

AIR AND CARGO SERVICES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AIR AND CARGO SERVICES LIMITED

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



K L Foster BSc ACA (Senior statutory auditor)

for and on behalf of
RPG Crouch Chapman LLP

Chartered Accountants & Statutory Auditors

62 Wilson Street
London
EC2A 2BU

30 June 2014

AIR AND CARGO SERVICES LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2013

	Note	2013 £	2012 £
TURNOVER	1,2	47,459,830	44,795,323
Cost of sales		<u>(43,026,650)</u>	<u>(40,166,620)</u>
GROSS PROFIT		4,433,180	4,628,703
Administrative expenses		(4,373,610)	(4,650,281)
Other operating income	3	<u>78,046</u>	<u>62,208</u>
OPERATING PROFIT	4	137,616	40,630
Income from investments		7,000	-
Interest receivable and similar income		388	325
Interest payable and similar charges	7	<u>(81)</u>	<u>(542)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		144,923	40,413
Tax on profit on ordinary activities	8	<u>(42,784)</u>	<u>(6,225)</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		102,139	34,188
PROFIT AND LOSS ACCOUNT BROUGHT FORWARD		<u>2,346,220</u>	<u>2,312,032</u>
PROFIT AND LOSS ACCOUNT CARRIED FORWARD		<u><u>2,448,359</u></u>	<u><u>2,346,220</u></u>

All amounts relate to continuing operations

There were no recognised gains and losses for 2013 or 2012 other than those included in the Profit and loss account

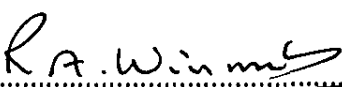
The notes on pages 10 to 19 form part of these financial statements

AIR AND CARGO SERVICES LIMITED
REGISTERED NUMBER 00401523

BALANCE SHEET
AS AT 30 SEPTEMBER 2013

	Note	£	2013 £	2012 £
FIXED ASSETS				
Tangible assets	9		177,066	195,774
CURRENT ASSETS				
Stocks		2,147		2,495
Debtors amounts falling due after more than one year	10	2,728,917		2,729,628
Debtors amounts falling due within one year	10	4,400,836		4,061,793
Investments	11	31,916		1,873
Cash at bank and in hand		393,646		253,101
		<u>7,557,462</u>		<u>7,048,890</u>
CREDITORS amounts falling due within one year	12	(5,163,854)		(4,776,348)
NET CURRENT ASSETS			<u>2,393,608</u>	<u>2,272,542</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>2,570,674</u>	<u>2,468,316</u>
PROVISIONS FOR LIABILITIES				
Deferred tax	13		(22,315)	(22,096)
NET ASSETS			<u><u>2,548,359</u></u>	<u><u>2,446,220</u></u>
CAPITAL AND RESERVES				
Called up share capital	14		100,000	100,000
Profit and loss account	15		<u>2,448,359</u>	<u>2,346,220</u>
SHAREHOLDERS' FUNDS	16		<u><u>2,548,359</u></u>	<u><u>2,446,220</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 30 June 2014


R. A. Winmill
Director

The notes on pages 10 to 19 form part of these financial statements

AIR AND CARGO SERVICES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 30 SEPTEMBER 2013

	Note	2013 £	2012 £
Net cash flow from operating activities	17	548,730	(563,121)
Returns on investments and servicing of finance	18	7,307	(217)
Taxation		(1,709)	(30,161)
Capital expenditure and financial investment	18	(74,360)	(71,300)
INCREASE/(DECREASE) IN CASH IN THE YEAR		<u>479,968</u>	<u>(664,799)</u>

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT FOR THE YEAR ENDED 30 SEPTEMBER 2013

	2013 £	2012 £
Increase/(Decrease) in cash in the year	<u>479,968</u>	<u>(664,799)</u>
MOVEMENT IN NET DEBT IN THE YEAR	479,968	(664,799)
Net (debt)/funds at 1 October 2012	<u>(470,616)</u>	<u>194,183</u>
NET FUNDS/(DEBT) AT 30 SEPTEMBER 2013	<u>9,352</u>	<u>(470,616)</u>

The notes on pages 10 to 19 form part of these financial statements

AIR AND CARGO SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2013

1 ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable Accounting Standards. A summary of the important policies, which have been applied consistently, is set out below.

Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Turnover

Turnover comprises revenue recognised by the company in respect of freight forwarding services to clients and disbursements made on their behalf, exclusive of Value Added Tax and trade discounts. Included within these disbursements are charges for customs duty and import value added tax, which amounts to £29,276,490 (2012 - £26,882,699).

Tangible fixed assets and depreciation

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

L/Term Leasehold Property	-	10% on cost
Plant & machinery	-	20% on cost
Motor vehicles	-	25% on cost

Leased Assets

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.

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.

Deferred taxation

Deferred tax is provided using the full provision method. Deferred tax is recognised in respect of all timing differences which have originated but not reversed at the balance sheet date. It is the company's policy not to discount deferred tax to reflect the time value of money.

AIR AND CARGO SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2013

1 ACCOUNTING POLICIES (continued)

Foreign currencies

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

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

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

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 year

Consolidated financial statements

The financial statements contain information about Air and Cargo Services Limited as an individual company and do not contain consolidated financial information as the parent of a group

2 TURNOVER

An analysis of turnover by location is as follows

	2013 £	2012 £
United Kingdom	44,418,591	42,187,098
United States	2,245,050	2,403,261
Hong Kong	796,189	204,964
	<u>47,459,830</u>	<u>44,795,323</u>

3 OTHER OPERATING INCOME

	2013 £	2012 £
Rent receivable	<u>78,046</u>	<u>62,208</u>

AIR AND CARGO SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2013

4 OPERATING PROFIT

The operating profit is stated after charging

	2013 £	2012 £
Depreciation of tangible fixed assets		
- owned by the company	63,158	61,978
Auditors' remuneration	20,180	22,500
Operating lease rentals		
- other operating leases	286,631	292,081
Difference on foreign exchange	(45,799)	(18,011)
	<u> </u>	<u> </u>

5 STAFF COSTS

Staff costs, including directors' remuneration, were as follows

	2013 £	2012 £
Wages and salaries	2,141,400	2,252,654
Social security costs	257,015	256,144
Other pension costs	34,551	36,399
	<u> </u>	<u> </u>
	<u>2,432,966</u>	<u>2,545,197</u>

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

	2013 No	2012 No
Directors	6	6
Administration	49	53
	<u> </u>	<u> </u>
	<u>55</u>	<u>59</u>

AIR AND CARGO SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2013

6 DIRECTORS' REMUNERATION

	2013 £	2012 £
Remuneration	<u>303,504</u>	<u>294,045</u>
Pension contributions	<u>5,285</u>	<u>5,022</u>

During the year retirement benefits were accruing to 5 directors (2012 - 5) in respect of defined contribution pension schemes

The highest paid director received remuneration of £132,132 (2012 - £125,538)

7 INTEREST PAYABLE

	2013 £	2012 £
Other interest payable	<u>81</u>	<u>542</u>

8 TAXATION

	2013 £	2012 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	42,565	12,568
Adjustments in respect of prior periods	-	(12,229)
Total current tax	<u>42,565</u>	<u>339</u>
Deferred tax (see note 13)		
Origination and reversal of timing differences	219	5,886
Tax on profit on ordinary activities	<u>42,784</u>	<u>6,225</u>

AIR AND CARGO SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2013

8 TAXATION (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2012 - lower than) the standard rate of corporation tax in the UK of 23.5% (2012 - 20%). The differences are explained below

	2013 £	2012 £
Profit on ordinary activities before tax	<u>144,923</u>	<u>40,413</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.5% (2012 - 20%)	34,057	8,083
Effects of		
Expenses not deductible for tax purposes	11,592	7,081
Capital allowances for year in excess of depreciation	1,747	(2,596)
Adjustments to tax charge in respect of prior periods	-	(12,229)
Profit on disposal	(32)	-
Marginal relief	(4,799)	-
Current tax charge for the year (see note above)	<u>42,565</u>	<u>339</u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges

AIR AND CARGO SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2013

9 TANGIBLE FIXED ASSETS

	L/Term Leasehold Property £	Plant & machinery £	Motor vehicles £	Total £
Cost				
At 1 October 2012	256,291	460,990	30,826	748,107
Additions	6,555	37,895	-	44,450
Disposals	-	(5,876)	(10,219)	(16,095)
At 30 September 2013	<u>262,846</u>	<u>493,009</u>	<u>20,607</u>	<u>776,462</u>
Depreciation				
At 1 October 2012	190,141	336,517	25,675	552,333
Charge for the year	10,218	47,789	5,151	63,158
On disposals	-	(5,876)	(10,219)	(16,095)
At 30 September 2013	<u>200,359</u>	<u>378,430</u>	<u>20,607</u>	<u>599,396</u>
Net book value				
At 30 September 2013	<u>62,487</u>	<u>114,579</u>	<u>-</u>	<u>177,066</u>
At 30 September 2012	<u>66,150</u>	<u>124,473</u>	<u>5,151</u>	<u>195,774</u>

10 DEBTORS

	2013 £	2012 £
Due after more than one year		
Amounts owed by group undertaking	<u>2,728,917</u>	<u>2,729,628</u>
Due within one year		
Trade debtors	3,603,673	3,443,803
Value added tax	31,564	36,766
Other debtors	508,894	297,415
Prepayments and accrued income	256,705	283,809
	<u>4,400,836</u>	<u>4,061,793</u>

The amount owed by the parent company has no fixed date for repayment and is non-interest bearing

Included within other debtors is £10,887 (2012 - £2,461) relating to directors' loan accounts
Directors' loan accounts are non interest bearing with no fixed date for repayment

AIR AND CARGO SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2013

11 CURRENT ASSET INVESTMENTS

	2013 £	2012 £
At cost - Unlisted investments	<u>31,916</u>	<u>1,873</u>

12 CREDITORS

Amounts falling due within one year

	2013 £	2012 £
Bank overdraft (secured)	-	15,023
Trade creditors	4,466,196	3,793,866
Corporation tax	42,517	1,661
Advances under invoice discounting facility	384,294	708,694
Other creditors	184,904	186,470
Accruals and deferred income	85,943	70,634
	<u>5,163,854</u>	<u>4,776,348</u>

The bank overdraft facility is personally secured by the shareholders of the company up to the value of £200,000

Air and Cargo Services Limited is party to a cross guarantee arrangement with Air and Cargo Services (Holdings) Limited, its parent company, and all subsidiary undertakings in Barclays Bank Plc's standard form by way of debenture over the assets of all group companies

13 DEFERRED TAXATION

	2013 £	2012 £
At beginning of year	22,096	16,210
Charge for year (P&L)	219	5,886
At end of year	<u>22,315</u>	<u>22,096</u>

The provision for deferred taxation is made up as follows

	2013 £	2012 £
Accelerated capital allowances	<u>22,315</u>	<u>22,096</u>

AIR AND CARGO SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2013

14 SHARE CAPITAL

	2013 £	2012 £
Allotted, called up and fully paid 100,000 Ordinary shares shares of £1 each	<u>100,000</u>	<u>100,000</u>

15 RESERVES

	Profit and loss account £
At 1 October 2012	2,346,220
Profit for the year	<u>102,139</u>
At 30 September 2013	<u>2,448,359</u>

16 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2013 £	2012 £
Opening shareholders' funds	2,446,220	2,412,032
Profit for the financial year	<u>102,139</u>	<u>34,188</u>
Closing shareholders' funds	<u>2,548,359</u>	<u>2,446,220</u>

17 NET CASH FLOW FROM OPERATING ACTIVITIES

	2013 £	2012 £
Operating profit	137,616	40,630
Depreciation of tangible fixed assets	63,158	61,978
Profit on disposal of tangible fixed assets	(133)	(1,822)
Decrease/(increase) in stocks	349	(2,495)
Increase in debtors	(338,332)	(238,209)
Increase/(decrease) in creditors	686,072	(423,203)
Net cash inflow/(outflow) from operating activities	<u>548,730</u>	<u>(563,121)</u>

AIR AND CARGO SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2013

18 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2013 £	2012 £
Returns on investments and servicing of finance		
Interest received	388	325
Interest paid	(81)	(542)
Income from investments	7,000	-
	<u>7,307</u>	<u>(217)</u>
Net cash inflow/(outflow) from returns on investments and servicing of finance		
	2013 £	2012 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(44,450)	(76,119)
Sale of tangible fixed assets	133	4,819
Purchase of unlisted and other investments	(30,043)	-
	<u>(74,360)</u>	<u>(71,300)</u>
Net cash outflow from capital expenditure		

19 ANALYSIS OF CHANGES IN NET DEBT

	1 October 2012 £	Cash flow £	Other non-cash changes £	30 September 2013 £
Cash at bank and in hand	253,101	140,545	-	393,646
Bank overdraft	(15,023)	15,023	-	-
Proceeds of debts discounted	(708,694)	324,400	-	(384,294)
	<u>(470,616)</u>	<u>479,968</u>	<u>-</u>	<u>9,352</u>
Net debt				

20 PENSION COMMITMENTS

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £34,551 (2012 - £36,399). Contributions totalling £10,098 (2012 - £5,714) were payable to the fund at the balance sheet date and are included in creditors.

AIR AND CARGO SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2013

21 OPERATING LEASE COMMITMENTS

At 30 September 2013 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings			Other
	2013	2012	2013	2012
	£	£	£	£
Expiry date				
Within 1 year	92,500	136,775	39,454	15,865
Between 2 and 5 years	40,000	119,000	64,853	80,350
After more than 5 years	82,068	-	-	792
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

22 FUTURE COMMITMENTS

The company is not committed to any future commitments other than those already disclosed in the financial statements

23 RELATED PARTY TRANSACTIONS

During the year, Mr P. Shotton, a Director (resigned 31 01 14), is a 20% shareholder in a company called Executive Flight Services (Gatwick) Limited. Air and Cargo Services Limited paid consultancy fees of £48,196 during the year ended 30th September 2013 (2012 - £43,971) to the above company.

The parent company Air & Cargo Services Holdings Limited owed Air & Cargo Services Limited £2,728,917 (2012 - £2,729,628) at 30 September 2013.

During the year Air & Cargo Services Holdings Limited charged £221,200 (2012 - £227,200) in respect of costs incurred on behalf of this company.

24 ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

Air & Cargo Services Limited is wholly owned by Air & Cargo Services (Holdings) Limited, a company registered in England and Wales.

The shareholders of Air & Cargo Services (Holdings) Limited are the ultimate owners of Air & Cargo Services Limited. The ultimate parent company is controlled collectively by its shareholders with no one party having overall control.