

Westair Engineering Services Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 May 2021

Giles Hewitt & Co Ltd
Chartered Certified Accountants
257 Clifton Dr South
St Annes on Sea
Lytham St Annes
Lancashire
FY8 1HW

Westair Engineering Services Limited

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Westair Engineering Services Limited

Company Information

Directors	P J Westoby J R Westoby
Registered office	Hangar 8 Blackpool Airport Squires Gate Lane Blackpool Lancashire FY4 2QY
Accountants	Giles Hewitt & Co Ltd Chartered Certified Accountants 257 Clifton Dr South St Annes on Sea Lytham St Annes Lancashire FY8 1HW

Westair Engineering Services Limited

(Registration number: 2134427)

Balance Sheet as at 31 May 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	<u>4</u>	6,428	7,378
Current assets			
Stocks	<u>5</u>	65,224	88,889
Debtors	<u>6</u>	65,968	108,990
Cash at bank and in hand		172,738	149,467
		<u>303,930</u>	<u>347,346</u>
Creditors: Amounts falling due within one year	<u>7</u>	<u>(114,490)</u>	<u>(167,944)</u>
Net current assets		<u>189,440</u>	<u>179,402</u>
Total assets less current liabilities		195,868	186,780
Provisions for liabilities		<u>(1,221)</u>	<u>(1,402)</u>
Net assets		<u>194,647</u>	<u>185,378</u>
Capital and reserves			
Called up share capital	<u>8</u>	90	90
Profit and loss account		<u>194,557</u>	<u>185,288</u>
Shareholders' funds		<u>194,647</u>	<u>185,378</u>

For the financial year ending 31 May 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 23 February 2022 and signed on its behalf by:

.....
P J Westoby
Director

The notes on pages 3 to 8 form an integral part of these financial statements.
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Westair Engineering Services Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2021

1 General information

The company is a private company limited by share capital, incorporated in England.

The address of its registered office is:

Hangar 8
Blackpool Airport
Squires Gate Lane
Blackpool
Lancashire
FY4 2QY

These financial statements were authorised for issue by the Board on 23 February 2022.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Contract revenue recognition

In respect of long-term contracts and contracts for ongoing services, turnover represents the value of work done in the year, including estimates of amounts not invoiced. Turnover in such circumstances is recognised by reference to the stage of completion at the selling price (with the corresponding asset included in debtors).

Government grants

The company has received grant income in the year of £37,137 (2020 £23,415) under the Government's Coronavirus business support and job retention schemes. The amount recognised in the profit and loss account as income is the amount paid or payable in the year based on the related costs incurred for which the grants are intended to compensate.

Westair Engineering Services Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2021

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

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

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets less their residual values over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Leasehold property	over the term of the lease
Plant and machinery	15% on net book value
Office equipment	over 3 years on cost

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Westair Engineering Services Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2021

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Westair Engineering Services Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2021

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 6 (2020 - 7).

4 Tangible assets

	Land and buildings £	Office equipment £	Plant and machinery £	Total £
Cost or valuation				
At 1 June 2020	1,717	18,760	43,650	64,127
Additions	-	416	-	416
At 31 May 2021	1,717	19,176	43,650	64,543
Depreciation				
At 1 June 2020	1,716	17,898	37,135	56,749
Charge for the year	-	389	977	1,366
At 31 May 2021	1,716	18,287	38,112	58,115
Carrying amount				
At 31 May 2021	1	889	5,538	6,428
At 31 May 2020	1	862	6,515	7,378

Included within the net book value of land and buildings above is £1 (2020 - £1) in respect of short leasehold land and buildings.

5 Stocks

	2021 £	2020 £
Other inventories	65,224	88,889

6 Debtors

	2021 £	2020 £
Trade debtors	48,568	62,441
Prepayments	12,668	16,330
Amounts recoverable on contracts	4,732	30,219
	65,968	108,990

Westair Engineering Services Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2021

7 Creditors

Creditors: amounts falling due within one year

	Note	2021 £	2020 £
Due within one year			
Loans and other borrowings	9	44,321	44,320
Trade creditors		33,147	34,142
Taxation and social security		23,486	28,926
Accruals and deferred income		5,878	8,408
Other creditors		7,658	52,148
		<u>114,490</u>	<u>167,944</u>

8 Share capital

Allotted, called up and fully paid shares

	2021		2020	
	No.	£	No.	£
Ordinary shares of £1 each	90	90	90	90

9 Loans and borrowings

	2021 £	2020 £
Current loans and borrowings		
Loans	<u>44,321</u>	<u>44,320</u>

10 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of guarantees not included in the balance sheet is £22,222 (2020 - £24,390). The company has given a trade guarantee.

11 Related party transactions

Westair Flying Services Ltd and Westair Flying School Ltd are companies also controlled by the company's directors and shareholders. The company repairs and maintains aircraft owned by Westair Flying Services Ltd and used by Westair Flying School Ltd. All of these transactions between the companies are considered to take place at market value and for that reason (in accordance with Financial Reporting Standard 102 Section 1A) have not been disclosed.

Westair Engineering Services Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2021

Directors' remuneration

The directors' remuneration for the year was as follows:

	2021	2020
	£	£
Remuneration	-	9,680

Summary of transactions with other related parties

Other companies controlled by the directors and shareholders of the company

The company has received a loan from Westair Flying Services Ltd with of £787 (2020 £787). The loan is interest free, unsecured and repayable on demand.

The company has received a loan from Westair Flying School Ltd of £30,000 (2020 £30,000). The loan is interest free, unsecured and repayable on demand.

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.