REGISTRAR

Samson Aviation Services Limited

Report and Unaudited Financial Statements

31 March 2007

THURSDAY

AE3F2QSQ
A55 28/06/2007 24
COMPANIES HOUSE

Registered No 2595980

Directors
Mr A J N Ballinger
Mrs N J Crowther

Secretary
Mrs D S Ballinger

Accountants
Ernst & Young LLP
St James' Boulevard
Citygate
Newcastle upon Tyne
NE1 4JD

Bankers
HSBC Bank plc
Ponteland

Registered Office
General Aviation Terminal
Southside
Newcastle International Airport
Woolsington
Newcastle upon Tyne
NE13 8BT

Directors' report

The directors present their report and financial statements for the year ended 31 March 2007

Results and dividends

The profit for the year, after taxation, amounted to £14,760 (2006 £16,338)

Principal activity and review of the business

The company's principal activity during the year was that of refuelling, handling, hangarage, aircraft hire and servicing for executive, military and general aviation and anything else connected with aviation and the management thereof, especially at Newcastle International Airport

The directors are satisfied with the results for the year

Financial Risk Management Policy

The company's principal financial instruments comprise cash and cash equivalents Other financial assets and liabilities, such as trade debtors and trade creditors, arise directly from the company's operating activities

The main risks associated with the company's financial assets and liabilities are set out below The company does not undertake any hedging activity

Interest rate risk

The company invests surplus cash in floating rate interest yielding bank accounts, and has no bank borrowings Therefore financial assets, interest income and cash flows can be affected by movements in interest rates However, the directors do not consider there to be any significant exposure

Credit risk

The company's policy is aimed at minimising such losses, and require that deferred terms are granted only to customers who demonstrate an appropriate payment history and satisfy creditworthiness procedures Individual exposures and overdue debts are monitored with customers subject to credit limits to ensure that the company's exposure to bad debts is not significant

Liquidity risk

The company aims to mitigate liquidity risk by managing cash generated by its operations Capital expenditure is approved by the directors and flexibility is maintained by retaining surplus cash in readily accessible bank accounts

Foreign currency risk

The company does not make transactions in foreign currencies

Directors and their interests

The directors at 31 March 2007 and their interests in the share capital of the company were as follows

	At 31 March 2007 Ordinary shares	*At 31 March 2006 Ordinary shares*
Mr A J N Ballinger (appointed 28 February 2007)	-	-
Mrs N J Crowther (appointed 28 February 2007)	-	-
Mr M S A Ballinger (resigned 27 February 2007)	105,903	105,903

Directors' report

Special provisions relating to small companies

This directors' report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

Exemption from Audit

The directors have taken advantage of the exemption from the requirement to have the financial statements for the year ended 31 March 2007 audited They confirm that for the year ended 31 March 2007 the company was entitled to the exemption conferred by subsection 1 of Section 249A of the Companies Act 1985 for the year then ended and that no notice from members requiring an audit has been deposited under subsection 2 of Section 249B of the Companies Act 1985

By order of the board

Nikki Crowther

N J Crowther
Director

24 May 2007

Statement of directors' responsibilities in respect of the financial statements

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) The financial statements are required by law to 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 judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985 The directors 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

ERNST & YOUNG

Accountants' report

to the Board of Directors on the unaudited financial statements of Samson Aviation Services Limited

In accordance with the engagement letter dated 19 July 2006, and in order to assist you to fulfil your duties under the Companies Act 1985, we have compiled the financial statements of the company which comprise Profit and Loss Account, Statement of Total Recognised Gains and Losses, Balance Sheet and Notes 1 to 12 from the accounting records and information and explanations you have given to us

This report is made to the Company's Board of Directors, as a body, in accordance with the terms of our engagement Our work has been undertaken so that we might compile the financial statements that we have been engaged to compile, report to the Company's Board of Directors that we have done so, and state those matters that we have agreed to state to them in this 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 Board of Directors, as a body, for our work or for this report

We have carried out this engagement in accordance with technical guidance issued by the Institute of Chartered Accountants in England and Wales and have complied with the ethical guidance laid down by the Institute relating to members undertaking the compilation of financial statements

You have acknowledged on the balance sheet for the year ended 31 March 2007 your duty to ensure that the company has kept proper accounting records and to prepare financial statements that give a true and fair view under the Companies Act 1985 You consider that the company is exempt from the statutory requirement for an audit for the year

We have not been instructed to carry out an audit of the financial statements For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the financial statements

Ernst & Young LLP
Newcastle upon Tyne

24 May 2007

Profit and loss account

for the year ended 31 March 2007

	Notes	2007 £	2006 £
Turnover	2	1,272,940	835,701
Cost of sales		805,269	418,881
Gross profit		467,671	416,820
Administrative expenses		452,290	402,145
Operating profit	4	15,381	14,675
Bank interest received		3,375	4,996
Other interest payable		(3,996)	(3,333)
Profit for the financial year before and after taxation	10	£14,760	£16,338

Statement of total recognised gains and losses

There are no recognised gains or losses other than the profit attributable to the shareholders of the company of £14,760 in the year ended 31 March 2007, and the profit of £16,338 in the year ended 31 March 2006

Balance sheet

at 31 March 2007

	Notes	2007 £	2006 £
Fixed assets			
Tangible assets	6	160,292	174,508
Current assets			
Stocks		12,086	16,930
Debtors	7	114,427	195,280
Cash at bank and in hand		207,161	75,726
		333,674	287,936
Creditors: amounts falling due within one year	8	162,972	150,207
Net current assets		170,702	137,729
Total assets less current liabilities		330,994	312,237
Creditors: amounts falling due after more than one year	8	189,768	185,771
Net assets		£141,226	£126,466
Capital and reserves			
Called up share capital	9	105,903	105,903
Profit and loss account	10	35,323	20,563
Shareholders' funds		£141,226	£126,466

The directors have taken advantage of the exemption from the requirement to have the financial statements for the year ended 31 March 2007 audited They confirm that for the year ended 31 March 2007 the company was entitled to the exemption conferred by subsection 1 of Section 249A of the Companies Act 1985 for the period then ended and that no notice from members requiring an audit has been deposited under subsection 2 of Section 249B of the Companies Act 1985 The directors acknowledge their responsibility for ensuring the company keeps accounting records which comply with section 221, and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of its financial year, and of its profit and loss for the financial year in accordance with section 226, and which otherwise comply with the requirements of the Companies Act relating to financial statements, so far as applicable to the company

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective January 2005)

The financial statements were approved by the Board of Directors on 24 May 2007

Nikki Crowther

N J Crowther
Director

Notes to the financial statements

at 31 March 2007

1. Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standards for Smaller Entities (effective January 2005)

Tangible fixed assets and depreciation

Tangible assets other than freehold land and buildings are depreciated over their estimated useful lives, as follows

Leasehold buildings	-	Period of lease per annum
Plant and machinery	-	15% reducing balance
Fixtures and fittings	-	15% reducing balance
Motor vehicles	-	25% reducing balance

Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads

Deferred taxation

Deferred taxation is recognised in respect of all material timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exception

Deferred taxation assets are recognised only to the extent that the directors consider that it is 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 taxation is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

2. Turnover

Turnover represents invoiced sales of goods and services provided, excluding VAT

All sales relate to the continuing principal activities of the company and were within the United Kingdom

.3. Pension commitments

The company operates a defined contribution pension scheme on behalf of its employees The assets of the scheme are held separately from those of the company in an independently managed fund The pension charge for the year was £22,015 (2006 £22,015)

4. Operating profit

This is stated after charging

	2007	*2006*
	£	*£*
Depreciation of tangible fixed assets	20,348	19,151
Loss on disposal of fixed assets	1,296	-
Director's emoluments	21,200	20,476

Notes to the financial statements

at 31 March 2007

5. Tax on profit on ordinary activities

(a) The tax charge is made up as follows

	2007 £	2006 £
Current tax		
UK corporation tax	-	-
Tax under/(over) provided in previous years	-	-
Total current tax	-	-
Deferred tax		
Original and reversal of timing differences	-	-
Prior year adjustments	-	-
Total deferred tax	-	-
Tax on profit on ordinary activities	£ -	£ -

(b) Factors affecting the current tax charge

The tax assessed on the profit on ordinary activities for the year is lower than the standard rate of corporation in the UK The differences are explained below

	2007 £	2006 £
Profit on ordinary activities before tax	14,760	16,338
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2006 19%)	2,804	3,104
Effect of		
Capital allowances in excess of depreciation	(1,094)	(2,124)
Effect of Nil rate tax on interest receivable	-	(949)
Tax losses brought forward utilised	(1,710)	(31)
Total current tax charge for the year	£ -	£ -

(c) Deferred taxation

	2007 £	2006 £
Capital allowances in advance of depreciation	8,691	7,597
Tax losses carried forward	(6,926)	(8,636)
Deferred tax liability/(asset) not provided	£1,765	£(1,039)

(d) The company has tax trading losses to carry forward at 31 March 2007 amounting to approximately £36,000 (2006 £45,000)

Notes to the financial statements

at 31 March 2007

6. Tangible fixed assets

	Short leasehold property	*Plant and machinery*	*Fixtures and fittings*	*Motor vehicles*	*Total*
	£	£	£	£	£
Cost					
At 1 April 2006	207,404	27,582	49,784	26,545	311,315
Additions	-	2,737	3,116	9,575	15,428
Disposals	-	(12,500)	-	-	(12,500)
At 31 March 2007	207,404	17,819	52,900	36,120	314,243
Depreciation					
At 1 April 2006	82,923	6,828	28,580	18,476	136,807
Charge for the year	10,374	3,081	3,479	3,414	20,348
Disposals	-	(3,204)	-	-	(3,204)
At 31 March 2007	93,297	6,705	32,059	21,890	153,951
Net book value					
At 31 March 2007	£114,107	£11,114	£20,841	£14,230	£160,292
At 1 April 2006	£124,481	£20,754	£21,204	£8,069	£174,508

7. Debtors

	2007	*2006*
	£	£
Trade debtors	103,001	180,920
Other debtors	1,264	3,025
Prepayments and accrued income	10,162	11,335
	£114,427	£195,280

Trade debtors include £12,350 (2006 £26,918) relating to amounts due after more than one year

Notes to the financial statements

at 31 March 2007

8. Creditors

	2007 £	2006 £
Amounts falling due within one year		
Trade creditors	100,588	95,751
Other taxation and social security costs	9,255	4,729
Other creditors	205	25,000
Accruals and deferred income	52,924	24,727
	£162,972	£150,207
Amounts falling due after more than one year		
Other creditors		
Director's loan account	189,768	185,771
	£189,768	£185,771

9. Share capital

Authorised

	2007 £	2006 £
Ordinary shares of £1 each	£106,000	£106,000

Allotted, called up and fully paid

	2007 No	2006 No	2007 £	2006 £
Ordinary shares of £1 each	105,903	105,903	£105,903	£105,903

10. Reserves

	Profit and loss account £
At 1 April 2006	20,563
Retained profit for the year	14,760
At 31 March 2007	£35,323

Notes to the financial statements

at 31 March 2007

11. Related party transactions

The company incurred charges for management fees during the year of £50,000 (2006 £50,000) which were payable to Champagne-Air Limited

Mr M S A Ballinger was a director and shareholder of both Samson Aviation Services Limited and Champagne-Air Limited during the year ended 31 March 2007

12. Controlling party

The company is controlled by the estate of Mr M S A Ballinger