

Company Registration No. 02672115 (England and Wales)

PATRIOT AVIATION LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

PATRIOT AVIATION LIMITED

COMPANY INFORMATION

Director	Mr P R Southall
Company number	02672115
Registered office	Bridgeway House Bridgeway Stratford-upon-Avon Warwickshire CV37 6YX
Auditor	Ormerod Rutter Limited The Oakley Kidderminster Road Droitwich Worcestershire WR9 9AY

PATRIOT AVIATION LIMITED

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PATRIOT AVIATION LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The director presents his annual report and financial statements for the year ended 31 March 2023.

Principle activity

The principal activity of the company in the year under review was that of aviation service provider

Review of the business

Turnover in the year was £489,731 (2022: £480,623)

The results of the year, show a loss before tax of £110,676, the net liabilities of the company total £8.52m (2022: £8.42m).

Business environment

The UK general aviation sector continues to face global challenges with changing customer expectations technological change, and tight profit margins in a fiercely competitive sector.

Results and dividends

The results for the year are set out on page 6.

No ordinary dividends were paid. The director does not recommend payment of a final dividend.

Director

The director who held office during the year and up to the date of signature of the financial statements was as follows:

Mr P R Southall

Qualifying third party indemnity provisions

The company has made qualifying third party indemnity provisions for the benefit of its director during the year. These provisions remain in force at the reporting date.

Auditor

The auditors, Ormerod Rutter Limited, shall be proposed for re-appointment in accordance with Section 487(2) of the Companies Act 2006.

Statement of director's responsibilities

The director is responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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. He is 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.

PATRIOT AVIATION LIMITED

DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Going Concern

The remaining fixed asset was sold post year end and the company is in the process of winding up operations to become dormant. The financial statements have have therefore been prepared on a basis other than the going concern basis which the director believes is appropriate. Further details can be found in note 1 to the financial statements.

Strategic Report

The company has taken advantage of the small companies exemption not to prepare a strategic report in accordance with Part 15 of the Companies Act 2006.

On behalf of the board

Mr P R Southall

Director

12 December 2023

PATRIOT AVIATION LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PATRIOT AVIATION LIMITED

Opinion

We have audited the financial statements of Patriot Aviation Limited (the 'company') for the year ended 31 March 2023 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2023 and of its loss 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.

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.

Emphasis of matter

The remaining fixed asset was sold post year end and the company is in the process of winding up operations to become dormant. Therefore, we do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly the financial statements have been prepared on a basis other than going concern as described in note 1.2. Our opinion is not modified in respect of this matter.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the basis other than going concern of accounting in the preparation of the financial statements is appropriate.

Our responsibilities and the responsibilities of the director with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The director is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the director's report has been prepared in accordance with applicable legal requirements.

PATRIOT AVIATION LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF PATRIOT AVIATION LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the director's report. We have nothing to report in respect of the following matters in relation to which 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 remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

Responsibilities of director

As explained more fully in the director's responsibilities statement, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the director determines 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 director is 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 director either intends to liquidate the company or to cease operations, or has 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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company, we identified the principal risks of non-compliance with laws and regulations including those that have a direct impact on the preparation of financial statements such as the Companies Act 2006, and the extent to which non-compliance might have a material effect on the financial statements. Audit procedures performed included discussions with management, testing of journals, designing and performing audit procedures and challenging assumptions and judgements made by management.

There are inherent limitations in the audit procedures described above. We are likely to become aware of instances of non-compliance with laws and regulations which are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, intentional misstatement or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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 members, 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 members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

PATRIOT AVIATION LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF PATRIOT AVIATION LIMITED

Colm McGrory FCA
Senior Statutory Auditor
For and on behalf of Ormerod Rutter Limited

12 December 2023

Chartered Accountants
Statutory Auditor

The Oakley
Kidderminster Road
Droitwich
Worcestershire
WR9 9AY

PATRIOT AVIATION LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2023

		2023	2022
	Notes	£	£
Turnover	3	489,731	480,623
Cost of sales		(536,043)	(467,132)
		<u>(46,312)</u>	<u>13,491</u>
Gross (loss)/profit			
Administrative expenses		(63,990)	(118,930)
		<u>(110,302)</u>	<u>(105,439)</u>
Operating loss	4		
Interest payable and similar expenses	6	(374)	(10,679)
		<u>(110,676)</u>	<u>(116,118)</u>
Loss before taxation			
Tax on loss	7	3,030	160,817
		<u>(107,646)</u>	<u>44,699</u>
(Loss)/profit for the financial year		<u><u>(107,646)</u></u>	<u><u>44,699</u></u>

PATRIOT AVIATION LIMITED

BALANCE SHEET

AS AT 31 MARCH 2023

		2023	2022
	Notes	£	£
Fixed assets			
Tangible assets	8	494,514	511,208
Current assets			
Debtors	9	563,393	645,584
Cash at bank and in hand		15,525	-
		578,918	645,584
Creditors: amounts falling due within one year	10	(10,102,031)	(10,152,265)
Net current liabilities		(9,523,113)	(9,506,681)
Total assets less current liabilities		(9,028,599)	(8,995,473)
Provisions for liabilities			
Deferred tax liability	12	(503,151)	(577,671)
		503,151	577,671
Net liabilities		(8,525,448)	(8,417,802)
Capital and reserves			
Called up share capital	13	1,813,610	1,813,610
Share premium account	14	5,927,983	5,927,983
Capital redemption reserve	15	1,428,292	1,428,292
Profit and loss reserves		(17,695,333)	(17,587,687)
Total equity		(8,525,448)	(8,417,802)

The financial statements were approved and signed by the director and authorised for issue on 12 December 2023

Mr P R Southall
Director

Company registration number 02672115 (England and Wales)

PATRIOT AVIATION LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2023

	Share capital	Share premium account	Capital redemption reserve	Profit and loss reserves	Total
	£	£	£	£	£
Balance at 1 April 2021	1,813,610	5,927,983	1,428,292	(17,632,386)	(8,462,501)
Year ended 31 March 2022:					
Profit and total comprehensive income	-	-	-	44,699	44,699
Balance at 31 March 2022	1,813,610	5,927,983	1,428,292	(17,587,687)	(8,417,802)
Year ended 31 March 2023:					
Loss and total comprehensive income	-	-	-	(107,646)	(107,646)
Balance at 31 March 2023	1,813,610	5,927,983	1,428,292	(17,695,333)	(8,525,448)

PATRIOT AVIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Company information

Patriot Aviation Limited is a private company limited by shares incorporated in England and Wales. The registered office is Bridgeway House, Bridgeway, Stratford-upon-Avon, Warwickshire, CV37 6YX.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The functional currency of Patriot Aviation Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Patriot Aviation Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosures exemptions available to it in respect of its financial statements. Exemptions have been taken in relation to related party transactions with wholly owned group companies, share-based payments, financial instruments, presentation of a cash flow statement and remuneration of key management personnel.

The financial statements contain information about Patriot Aviation Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its ultimate parent company, Rigby Group (RG) plc, a company registered in England and Wales.

1.2 Going concern

The remaining fixed asset was sold post year end and the company is in the process of winding up operations to become dormant. The financial statements have therefore been prepared on a basis other than that of the going concern basis. The basis includes, where applicable, writing down the company's assets to net realisable value. Provisions have been made in respect of contracts which have become onerous at the reporting date. No provisions has been made for future costs of terminating the business unless such costs were committed at the reporting date.

1.3 Turnover

Turnover represents amounts receivable for goods and services provided in the normal course of business, net of trade discounts, VAT and other sales related taxes. Revenue is recognised when persuasive evidence of an arrangement with a customer exists, delivery has occurred or all significant performance obligations have been completed, the price is fixed or determinable and the collection of the amount due is reasonably assured. Income from service contracts is recognised when the work has been completed.

1.4 Tangible fixed assets

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Aircraft - up to 20 years straight line and on the basis of flying hours

Aircraft major components are depreciated on the basis of hours flown compared to component life, with the remaining value depreciated on a straight line basis over up to 20 years depending on size or type of aircraft.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

PATRIOT AVIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

PATRIOT AVIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

PATRIOT AVIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, 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 liabilities are recognised for timing differences arising from investments in subsidiaries and associates, except where the company is able to control the reversal of the timing difference and it is probable that it will not reverse in the foreseeable future.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax relating to property, plant and equipment measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to sale of the asset.

PATRIOT AVIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: a) the company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

1.10 Leases

Assets held under finance leases, hire purchase contracts and other similar arrangements, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets at the fair value of the leased asset (or, if lower, the present value of the minimum lease payments as determined at the inception of the lease) and are depreciated over the shorter of the lease terms and their useful lives. Hire purchase transactions are dealt with similarly, except that assets are depreciated over their useful lives.

The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the profit and loss account over the period of the leases to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

1.11 Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

Exchange differences are recognised in profit or loss in the period in which they arise.

1.12 Investments

Investments are shown at cost value less any provision for diminution in value.

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, which are described above, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Future results could differ due to changes in these estimates and the difference between the actual result and the estimates are recognised in the period in which the results are known / materialise.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

PATRIOT AVIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

3 Turnover

An analysis of the company's turnover is as follows:

	2023	2022
	£	£
Turnover analysed by class of business		
Provision of services	489,731	480,623
	<u>489,731</u>	<u>480,623</u>

4 Operating loss

	2023	2022
	£	£
Operating loss for the year is stated after charging/(crediting):		
Exchange gains	-	(25,409)
Depreciation of owned tangible fixed assets	16,694	24,843
(Profit)/loss on disposal of tangible fixed assets	-	70,123
	<u>16,694</u>	<u>69,557</u>

5 Auditor's remuneration

	2023	2022
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	500	4,000
	<u>500</u>	<u>4,000</u>

6 Interest payable and similar expenses

	2023	2022
	£	£
Interest on bank overdrafts and loans	374	10,679
	<u>374</u>	<u>10,679</u>

7 Taxation

	2023	2022
	£	£
Current tax		
UK corporation tax on profits for the current period	(78,799)	(65,765)
Adjustments in respect of prior periods	1,249	(5,458)
	<u>(77,550)</u>	<u>(71,223)</u>
Deferred tax		
Origination and reversal of timing differences	57,771	43,589
Changes in tax rates	18,244	(138,641)
Adjustment in respect of prior periods	(1,495)	5,458
	<u>74,520</u>	<u>(89,594)</u>
Total deferred tax	<u>74,520</u>	<u>(89,594)</u>
Total tax credit	<u>(3,030)</u>	<u>(160,817)</u>

PATRIOT AVIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

7 Taxation

(Continued)

The actual credit for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	2023 £	2022 £
Loss before taxation	(110,676)	(116,118)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2022: 19.00%)	(21,028)	(22,062)
Tax effect of expenses that are not deductible in determining taxable profit	-	(114)
Effect of change in corporation tax rate	18,244	(138,641)
Under/(over) provided in prior years	1,249	-
Deferred tax adjustments in respect of prior years	(1,495)	-
Taxation credit for the year	(3,030)	(160,817)

The standard rate of corporation tax in the UK is currently 19%. An increase to the main rate of corporation tax in the UK to 25% from April 2023 was substantively enacted on 24 May 2021. This will increase the company's future current tax charge accordingly. Deferred tax at the balance sheet date has been measured using these enacted tax rates and reflected in these financial statements.

8 Tangible fixed assets

Aircraft - up to
20 years straight
line and on the
basis of flying
hours
£

Cost

At 1 April 2022 and 31 March 2023

664,773

Depreciation and impairment

At 1 April 2022

153,565

Depreciation charged in the year

16,694

At 31 March 2023

170,259

Carrying amount

At 31 March 2023

494,514

At 31 March 2022

511,208

PATRIOT AVIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

9 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Group relief debtor	498,432	532,289
Other debtors	16,832	66,696
Prepayments and accrued income	48,129	46,599
	<u>563,393</u>	<u>645,584</u>

10 Creditors: amounts falling due within one year

	Notes	2023	2022
		£	£
Bank loans and overdrafts	11	-	1,182,088
Trade creditors		49,958	27,889
Amounts owed to group undertakings		10,043,932	8,726,369
Taxation and social security		804	169,938
Other creditors		(49)	35,503
Accruals and deferred income		7,386	10,478
		<u>10,102,031</u>	<u>10,152,265</u>

11 Loans and overdrafts

	2023	2022
	£	£
Bank overdrafts	-	1,182,088
	<u>-</u>	<u>1,182,088</u>
Payable within one year	-	1,182,088
	<u>-</u>	<u>1,182,088</u>

Bank loans and overdrafts are secured by way of a fixed and floating charge over all assets of the company.

12 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities	Liabilities
	2023	2022
	£	£
Balances:		
Accelerated capital allowances	(503,151)	(577,671)
	<u>(503,151)</u>	<u>(577,671)</u>

PATRIOT AVIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

12 Deferred taxation (Continued)

Movements in the year:	2023
	£
Liability/(Asset) at 1 April 2022	(577,671)
Charge to profit or loss	74,520
Liability/(Asset) at 31 March 2023	<u>(503,151)</u>

Deferred tax assets in respect of fixed asset timing differences are expect to reverse in full during the 12 months to 31 March 2024.

A deferred tax asset of £911,768 has not been recognised on the basis that there is insufficient evidence that the asset will be recoverable

13 Share capital

	2023	2022	2023	2022
	Number	Number	£	£
Ordinary share capital				
Issued and fully paid				
Ordinary Shares of £1 each	1,813,610	1,813,610	1,813,610	1,813,610

All classes of shares hold equal voting rights with no right to fixed income.

14 Share premium account

This reserve records the amount above the nominal value received for shares sold, less transaction costs.

15 Capital redemption reserve

This reserve records the nominal value of shares repurchased by the company.

16 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023	2022
	£	£
Within one year	-	356,327
Between two and five years	-	356,327
	<u>-</u>	<u>712,654</u>

17 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

PATRIOT AVIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

17	Related party transactions		(Continued)
		Sales	Sales
		2023	2022
		£	£
	Other related parties	489,731	482,623
		<u> </u>	<u> </u>

18 Ultimate parent company

Rigby Group (RG) plc is regarded by the directors as being the company's ultimate parent company.

The principal place of business of Rigby Group (RG) plc is at Bridgeway House, Stratford-upon-Avon, Warwickshire, CV37 6YX. Rigby Group (RG) plc is the largest group to consolidate these financial statements.

The consolidated statements for Rigby Group (RG) plc are available at the above address.

Ultimate controlling party

The immediate parent company is Patriot Aerospace Limited who owns all of the issued ordinary share capital.

Sir Peter Rigby controls Rigby Group (RG) plc as a result of owning 52.02% of the issued share capital and 60% of the voting rights.

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