

Company Registration No 3897611 (England and Wales)

REGISTRAR'S  
COPY

PRIME AIR EUROPE LIMITED

DIRECTORS' REPORT  
AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2009

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# PRIME AIR EUROPE LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	B M Cohen T S Irwin
<b>Secretary</b>	E R Letendre
<b>Company number</b>	3897611
<b>Registered office</b>	HW 30 Camp Road Farnborough Hampshire GU14 6EW
<b>Auditors</b>	HW 30 Camp Road Farnborough Hampshire GU14 6EW
<b>Business address</b>	Unit 12 Portland Business Centre Manor House Datchet SL3 9EG

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# **PRIME AIR EUROPE LIMITED**

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# **PRIME AIR EUROPE LIMITED**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 OCTOBER 2009**

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The directors present their report and financial statements for the year ended 31 October 2009

#### **Principal activities and review of the business**

The principal activities of the company continued to be the provision of marketing consultancy services to the worldwide airline industry and the sale of aircraft spare parts

#### **Results and dividends**

The results for the year are set out on page 5

#### **Directors**

The following directors have held office since 1 November 2008

K J Trowbridge

(Resigned 31 March 2010)

B M Cohen

T S Irwin

#### **Statement of directors' responsibilities**

The directors are responsible for preparing 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 judgements 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

## PRIME AIR EUROPE LIMITED

### DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 OCTOBER 2009**


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#### Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors 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 auditors are aware of that information.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the board,

  
B. M. COHEN  
DIRECTOR  
Dated 7/30/10

# **PRIME AIR EUROPE LIMITED**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF PRIME AIR EUROPE LIMITED**

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We have audited the financial statements of Prime Air Europe Limited for the year ended 31 October 2009 set out on pages 5 to 15. 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 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 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 members 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 set out on page 1, 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 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.

#### **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 31 October 2009 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

# **PRIME AIR EUROPE LIMITED**

## **INDEPENDENT AUDITORS' REPORT (CONTINUED)**

### **TO THE MEMBERS OF PRIME AIR EUROPE LIMITED**

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#### **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



**Roslyn McFarlane (Senior Statutory Auditor)**  
**for and on behalf of HW**

18 August 2010

**Chartered Accountants**  
**Statutory Auditor**

30 Camp Road  
Farnborough  
Hampshire  
GU14 6EW

# PRIME AIR EUROPE LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 OCTOBER 2009

		Year ended 31 October 2009 £	Period ended 31 October 2008 £
	Notes		
Turnover	2	5,390,640	4,086,774
Cost of sales		(4,500,671)	(3,113,424)
<b>Gross profit</b>		<b>889,969</b>	<b>973,350</b>
Distribution costs		(97,842)	(58,927)
Administrative expenses		(606,916)	(553,275)
<b>Operating profit</b>	3	<b>185,211</b>	<b>361,148</b>
Investment income	4	3,186	-
Other interest receivable and similar income	4	108	134
Interest payable and similar charges	5	(1,613)	(7,695)
<b>Profit on ordinary activities before taxation</b>		<b>186,892</b>	<b>353,587</b>
Tax on profit on ordinary activities	6	(53,315)	(105,892)
<b>Profit for the year</b>	14	<b>133,577</b>	<b>247,695</b>

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account



# PRIME AIR EUROPE LIMITED

## BALANCE SHEET

AS AT 31 OCTOBER 2009

	Notes	2009 £	£	2008 £	£
<b>Fixed assets</b>					
Tangible assets	7		24,341		24,091
Investments	8		-		573
			<u>24,341</u>		<u>24,664</u>
<b>Current assets</b>					
Stocks	9	670,271		514,402	
Debtors	10	559,883		769,571	
Cash at bank and in hand		129,882		241,554	
		<u>1,360,036</u>		<u>1,525,527</u>	
<b>Creditors amounts falling due within one year</b>	11	(581,748)		(881,139)	
<b>Net current assets</b>			<u>778,288</u>		<u>644,388</u>
<b>Total assets less current liabilities</b>			<u>802,629</u>		<u>669,052</u>
<b>Capital and reserves</b>					
Called up share capital	13		400		400
Profit and loss account	14		802,229		668,652
<b>Shareholders' funds</b>	15		<u>802,629</u>		<u>669,052</u>

Approved by the Board and authorised for issue on 7/30/10

  
G M COHEN  
Director

Company Registration No 3897611

# PRIME AIR EUROPE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 OCTOBER 2009**

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### **1 Accounting policies**

#### **1.1 Accounting convention**

The financial statements are prepared under the historical cost convention

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company

#### **1.2 Compliance with accounting standards**

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

#### **1.3 Turnover**

Turnover represents amounts receivable for goods and services net of VAT and trade discounts  
Turnover is recognised in the accounts at the date of despatch

#### **1.4 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 less estimated residual value of each asset over its expected useful life, as follows

Computer equipment	33% straight line on cost
Fixtures, fittings & equipment	25% - 33% straight line on cost

#### **1.5 Leasing**

Rentals payable under operating leases are charged against income on a straight line basis over the lease term

#### **1.6 Investments**

Fixed asset investments are stated at cost less provision for diminution in value

#### **1.7 Stock**

Stock is valued at the lower of cost and net realisable value after making necessary provisions for obsolete and slow moving stock

#### **1.8 Pensions**

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with FRS 17

#### **1.9 Deferred taxation**

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted

#### **1.10 Foreign currency translation**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account

# PRIME AIR EUROPE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2009

### 1 Accounting policies

(continued)

#### 1.11 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirement to do so by section 400 of the Companies Act 2006 as it is a wholly owned subsidiary of Prime Air LLC, a company incorporated in the United States of America. The ultimate parent company of Prime Air LLC is Heico Corporation and Heico Corporation prepares consolidated accounts incorporating Prime Air LLC.

### 2 Turnover

#### Geographical market

	Turnover 2009 £	2008 £
Australia and New Zealand	58,306	122,606
Africa	127,078	122,600
Asia	226,373	408,677
Europe	1,362,166	1,430,371
United Kingdom	1,420,118	858,223
United States of America	2,196,599	1,144,297
	<u>5,390,640</u>	<u>4,086,774</u>

### 3 Operating profit

	2009 £	2008 £
Operating profit is stated after charging		
Depreciation of tangible assets	11,087	12,552
Loss on foreign exchange transactions	28,291	-
Operating lease rentals - land and buildings	23,806	34,388
and after crediting		
Profit on foreign exchange transactions	-	(54,344)
	<u>-</u>	<u>(54,344)</u>

#### Auditors' remuneration

Fees payable to the company's auditor for the audit of the company's annual accounts	3,110	3,205
Taxation and other non audit accounts work carried out by the company's auditor	2,860	4,295
	<u>5,970</u>	<u>7,500</u>

## PRIME AIR EUROPE LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 OCTOBER 2009**

<b>4</b>	<b>Investment income</b>	<b>2009</b>	<b>2008</b>
		<b>£</b>	<b>£</b>
	Income from fixed asset investments	3,186	-
	Bank interest	104	134
	Other interest	4	-
		<u>3,294</u>	<u>134</u>
<b>5</b>	<b>Interest payable</b>	<b>2009</b>	<b>2008</b>
		<b>£</b>	<b>£</b>
	On amounts payable to group companies	1,596	75
	On bank loans and overdrafts	17	7,605
	On overdue tax	-	15
		<u>1,613</u>	<u>7,695</u>

# PRIME AIR EUROPE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2009

6	Taxation	2009 £	2008 £
	<b>Domestic current year tax</b>		
	U K corporation tax	54,251	105,892
	Adjustment for prior years	(936)	-
	<b>Current tax charge</b>	<u>53,315</u>	<u>105,892</u>
	<b>Factors affecting the tax charge for the year</b>		
	Profit on ordinary activities before taxation	<u>186,892</u>	<u>353,587</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 28.00% (2008 - 28.00%)	<u>52,330</u>	<u>99,004</u>
	Effects of		
	Non deductible expenses	3,134	-
	Depreciation add back	3,104	3,514
	Capital allowances	(4,384)	(2,265)
	Adjustments to previous periods	(936)	-
	Other tax adjustments	67	5,639
		<u>985</u>	<u>6,888</u>
	<b>Current tax charge</b>	<u>53,315</u>	<u>105,892</u>

# PRIME AIR EUROPE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2009

### 7 Tangible fixed assets

	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£
<b>Cost</b>			
At 1 November 2008	23,823	5,010	28,833
Additions	-	11,337	11,337
At 31 October 2009	23,823	16,347	40,170
<b>Depreciation</b>			
At 1 November 2008	3,887	855	4,742
Charge for the year	7,941	3,146	11,087
At 31 October 2009	11,828	4,001	15,829
<b>Net book value</b>			
At 31 October 2009	11,995	12,346	24,341
At 31 October 2008	19,936	4,155	24,091

### 8 Fixed asset investments

	Unlisted investments £
<b>Cost</b>	
At 1 November 2008	573
Disposals	(573)
At 31 October 2009	-
<b>Net book value</b>	
At 31 October 2009	-
At 31 October 2008	573

# PRIME AIR EUROPE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2009

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<b>9</b>	<b>Stocks</b>	<b>2009</b>	<b>2008</b>
		<b>£</b>	<b>£</b>
	Finished goods and goods for resale	670,271	514,402

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<b>10</b>	<b>Debtors</b>	<b>2009</b>	<b>2008</b>
		<b>£</b>	<b>£</b>
	Trade debtors	522,479	747,861
	Amounts owed by parent and fellow subsidiary undertakings	6,692	388
	Corporation tax	24,797	819
	Other debtors	2,248	15,544
	Prepayments and accrued income	3,667	4,959
		559,883	769,571

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<b>11</b>	<b>Creditors amounts falling due within one year</b>	<b>2009</b>	<b>2008</b>
		<b>£</b>	<b>£</b>
	Trade creditors	359,788	441,349
	Amounts owed to parent and fellow subsidiary undertakings	78,351	241,631
	Corporation tax	-	105,892
	Other taxes and social security costs	438	10,849
	Other creditors	1,200	8,434
	Accruals and deferred income	141,971	72,984
		581,748	881,139

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# PRIME AIR EUROPE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 OCTOBER 2009

#### 12 Pension costs

##### Defined contribution

The company operates a defined contribution 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. Contributions totalling £608 (2008 - £366) were payable to the fund at the year end and are included in other creditors.

	2009 £	2008 £
Contributions payable by the company for the year	3,887	4,280

#### 13 Share capital

##### Allotted, called up and fully paid

	2009 £	2008 £
200 Ordinary shares of £1 each	200	200
200 Ordinary 'A' shares of £1 each	200	200
	400	400

The Ordinary and Ordinary A shares rank par passu in all respects.

#### 14 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 November 2008	668,652
Profit for the period	133,577
Balance at 31 October 2009	802,229

#### 15 Reconciliation of movements in shareholders' funds

	2009 £	2008 £
Profit for the financial year	133,577	247,695
Opening shareholders' funds	669,052	421,357
Closing shareholders' funds	802,629	669,052



# PRIME AIR EUROPE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 OCTOBER 2009

#### 16 Financial commitments

At 31 October 2009 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 October 2010

	Land and buildings	
	2009	2008
	£	£
Operating leases which expire		
Between two and five years	22,000	22,000

#### 17 Directors' remuneration

	2009	2008
	£	£
Remuneration for qualifying services	124,816	132,288
Company pension contributions to money purchase schemes	3,887	4,055
	128,703	136,343

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 1 (2008 - 1)

#### 18 Employees

##### Number of employees

The average monthly number of employees (including directors) during the year was

	2009	2008
	Number	Number
Total	6	7

##### Employment costs

	2009	2008
	£	£
Wages and salaries (including social security costs)	277,156	315,351
Other pension costs	3,887	4,280
	281,043	319,631

## **PRIME AIR EUROPE LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

#### **FOR THE YEAR ENDED 31 OCTOBER 2009**

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##### **19 Control**

The immediate parent company is Prime Air LLC, a company incorporated in the United States of America

The ultimate parent company is Heico Corporation, a company incorporated in the United States of America

Consolidated accounts for Heico Corporation, are available from 3000 Taft Street, Hollywood, Florida 33021, United States of America

##### **20 Related party transactions**

Heico Corporation and Prime Air LLC are considered to be related parties as they are the company's ultimate parent and immediate parent respectively. Heico Aerospace Corporation is considered to be a related party as it is a direct subsidiary of Heico Corporation.

Included in creditors at the year end is an amount of £76,127 (2008 - £44,684) owed to Prime Air LLC. The movement during the year relates to sales invoices raised of £674,683 (2008 - £233,319), receipts of £710,213 (2008 - £142,416), purchases recharged of £840,967 (2008 - £137,297), payments of £844,397 (2008 - £9,632), accountancy fees of £48,000 (2008 - £4,000), accountancy fee repayments of £52,000 (2008 - £nil) and unrealised gains/losses on foreign exchange of £3,343 (2008 - £3,921).

Included in creditors at the year end is an amount of £nil (2008 - £147,136) owed to Heico Aerospace Corporation. The net movement during the year relates to repayments to Heico Aerospace Corporation.

##### **21 Comparatives**

The comparatives relate to the period from 21 November 2007 to 31 October 2008.