

**REGISTRAR'S
COPY**

Company Registration No. 03897611 (England and Wales)

**PRIME AIR EUROPE LIMITED
ANNUAL REPORT
FOR THE YEAR ENDED 31 OCTOBER 2015**

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COMPANIES HOUSE

PRIME AIR EUROPE LIMITED

COMPANY INFORMATION

Directors

B M Cohen
C L Macau

Secretary

E R Letendre

Company number

03897611

Registered office

30 Camp Road
Farnborough
Hampshire
GU14 6EW

Auditors

Haines Watts Farnborough LLP
30 Camp Road
Farnborough
Hampshire
GU14 6EW

PRIME AIR EUROPE LIMITED

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PRIME AIR EUROPE LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 OCTOBER 2015

The directors present their report and financial statements for the year ended 31 October 2015.

Principal activities

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 4.

Directors

The following directors have held office since 1 November 2014:

B M Cohen
C L Macau

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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.

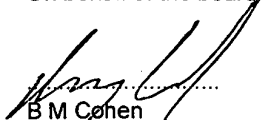
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies 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.

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: 7/18/16

PRIME AIR EUROPE LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF PRIME AIR EUROPE LIMITED

We have audited the financial statements of Prime Air Europe Limited for the year ended 31 October 2015 set out on pages 4 to 11. 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 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 Annual 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 31 October 2015 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 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

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 Haines Watts Farnborough LLP

28 July 2016

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 2015

	Notes	2015 \$	2014 \$
Turnover	2	8,643,927	9,823,665
Cost of sales		(6,714,781)	(8,184,845)
Gross profit		1,929,146	1,638,820
Distribution costs		(100,030)	(87,485)
Administrative expenses		(1,086,355)	(958,434)
Operating profit	3	742,761	592,901
Interest payable and similar charges	4	(978)	(901)
Profit on ordinary activities before taxation		741,783	592,000
Tax on profit on ordinary activities	5	(154,163)	(130,491)
Profit for the year	11	587,620	461,509

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.

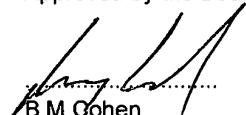
PRIME AIR EUROPE LIMITED

BALANCE SHEET

AS AT 31 OCTOBER 2015

	Notes	2015 \$	\$	2014 \$	\$
Fixed assets					
Tangible assets	6		5,514		7,432
Current assets					
Stocks	7	1,072,251		550,247	
Debtors	8	1,633,020		1,015,104	
Cash at bank and in hand		3,130,057		1,595,519	
		<u>5,835,328</u>		<u>3,160,870</u>	
Creditors: amounts falling due within one year	9	<u>(2,903,956)</u>		<u>(819,036)</u>	
Net current assets			<u>2,931,372</u>		<u>2,341,834</u>
Total assets less current liabilities			<u>2,936,886</u>		<u>2,349,266</u>
Capital and reserves					
Called up share capital	10		660		660
Profit and loss account	11		<u>2,936,226</u>		<u>2,348,606</u>
Shareholders' funds	12		<u>2,936,886</u>		<u>2,349,266</u>

Approved by the Board and authorised for issue on 7.11.16


B M Cohen
Director

Company Registration No. 03897611

PRIME AIR EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2015

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
Fixtures, fittings & equipment	10 years 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 Stock

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

1.7 Foreign currency translation

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 2015

2 Turnover

Geographical market

	Turnover 2015 \$	2014 \$
Australia and New Zealand	34,000	74,150
Africa	-	4,881
Asia and Middle East	206,180	212,006
United Kingdom	2,117,449	1,890,534
Rest of Europe	2,868,620	3,049,114
North America	3,410,835	4,434,623
South America	3,893	72,022
South East Asia	2,950	86,335
	<u>8,643,927</u>	<u>9,823,665</u>

3 Operating profit

	2015 \$	2014 \$
Operating profit is stated after charging:		
Depreciation of tangible assets	1,918	2,654
Loss on foreign exchange transactions	24,711	14,506
Operating lease rentals	101,999	111,940
	<u>128,628</u>	<u>129,100</u>

Auditors' remuneration

Audit fees	6,461	6,514
Taxation and non audit accounts work	4,307	4,015
	<u>10,768</u>	<u>10,529</u>

4 Interest payable

	2015 \$	2014 \$
On bank loans and overdrafts	978	691
On overdue tax	-	210
	<u>978</u>	<u>901</u>

PRIME AIR EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2015

5

Taxation	2015 \$	2014 \$
Domestic current year tax		
U.K. corporation tax	152,931	129,339
Foreign corporation tax		
Foreign corporation tax	1,232	1,152
	<u>154,163</u>	<u>130,491</u>
Current tax charge		
Factors affecting the tax charge for the year		
Profit on ordinary activities before taxation	741,783	592,000
	<u>741,783</u>	<u>592,000</u>
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 20.00% (2014 - 21.00%)	148,357	124,320
	<u>148,357</u>	<u>124,320</u>
Effects of:		
Non deductible expenses	1,945	921
Depreciation add back	384	557
Capital allowances	(854)	(1,330)
Foreign tax	1,232	1,152
Other tax adjustments	3,099	4,871
	<u>5,806</u>	<u>6,171</u>
Current tax charge for the year	154,163	130,491
	<u>154,163</u>	<u>130,491</u>

6

Tangible fixed assets	Computer equipment \$	Fixtures, fittings & equipment \$	Total \$
Cost			
At 1 November 2014 & at 31 October 2015	14,064	6,944	21,008
	<u>14,064</u>	<u>6,944</u>	<u>21,008</u>
Depreciation			
At 1 November 2014	12,330	1,246	13,576
Charge for the year	1,224	694	1,918
	<u>13,554</u>	<u>1,940</u>	<u>15,494</u>
At 31 October 2015	13,554	1,940	15,494
	<u>13,554</u>	<u>1,940</u>	<u>15,494</u>
Net book value			
At 31 October 2015	510	5,004	5,514
	<u>510</u>	<u>5,004</u>	<u>5,514</u>
At 31 October 2014	1,734	5,698	7,432
	<u>1,734</u>	<u>5,698</u>	<u>7,432</u>

PRIME AIR EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2015

7	Stocks	2015	2014
		\$	\$
	Finished goods and goods for resale	1,072,251	550,247
		<u> </u>	<u> </u>
8	Debtors	2015	2014
		\$	\$
	Trade debtors	1,558,294	965,572
	Amounts owed by parent and fellow subsidiary undertakings	27,830	26,718
	Other debtors	2,309	-
	Prepayments and accrued income	44,587	22,814
		<u> </u>	<u> </u>
		1,633,020	1,015,104
		<u> </u>	<u> </u>
9	Creditors: amounts falling due within one year	2015	2014
		\$	\$
	Trade creditors	474,432	320,078
	Amounts owed to parent and fellow subsidiary undertakings	2,251,049	341,484
	Corporation tax	71,573	54,734
	Other taxes and social security costs	-	1,725
	Accruals and deferred income	106,902	101,015
		<u> </u>	<u> </u>
		2,903,956	819,036
		<u> </u>	<u> </u>
10	Share capital	2015	2014
		\$	\$
	Allotted, called up and fully paid		
	200 Ordinary shares of £1 each	330	330
	200 Ordinary 'A' shares of £1 each	330	330
		<u> </u>	<u> </u>
		660	660
		<u> </u>	<u> </u>

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

PRIME AIR EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2015

11 Statement of movements on profit and loss account

	Profit and loss account \$
Balance at 1 November 2014	2,348,606
Profit for the year	587,620
Balance at 31 October 2015	<u>2,936,226</u>

12 Reconciliation of movements in Shareholders' funds

	2015 \$	2014 \$
Profit for the financial year	587,620	461,509
Opening Shareholders' funds	<u>2,349,266</u>	<u>1,887,757</u>
Closing Shareholders' funds	<u>2,936,886</u>	<u>2,349,266</u>

13 Financial commitments

At 31 October 2015 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 October 2016:

	Land and buildings	
	2015 \$	2014 \$
Operating leases which expire:		
Within one year	-	34,461
Between two and five years	<u>80,060</u>	<u>82,990</u>
	<u>80,060</u>	<u>117,451</u>

PRIME AIR EUROPE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2015

14 Employees

Number of employees

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

	2015 Number	2014 Number
Sales	5	5
Warehouse	1	1
	<u>6</u>	<u>6</u>

Employment costs

	2015 \$	2014 \$
Wages and salaries	410,726	357,082
Social security costs	59,423	60,450
	<u>470,149</u>	<u>417,532</u>

15 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.

16 Related party relationships and transactions

The company has taken advantage of the exemption available in FRS 8 "Related party disclosures" whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertakings of the group.