

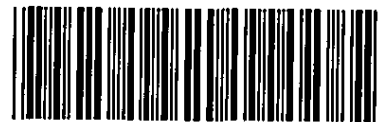
**Company Registration No. 05653923**

**Ocean Sky Jet Centre (Prestwick) Limited**

**Report and Financial Statements**

**31 December 2010**

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# **Ocean Sky Jet Centre (Prestwick) Limited**

## **Report and financial statements 2010**

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# **Ocean Sky Jet Centre (Prestwick) Limited**

## **Report and financial statements 2010**

### **Officers and professional advisers**

#### **Directors**

E L Allison  
J F Cordemans (resigned 31 December 10)  
S P Grimes (appointed 31 December 10)  
G L Curtis (appointed 31 December 10)

#### **Secretary**

Ms G Curtis

#### **Registered Office**

Portland House  
Bressenden Place London  
SW1E 5PN

#### **Bankers**

Royal Bank of Scotland  
Prestwick Branch  
41 Main Street  
Prestwick  
KA9 1AE

#### **Auditor**

Deloitte LLP  
Chartered Accountants  
London

# **Ocean Sky Jet Centre (Prestwick) Limited**

## **Directors' report**

The directors present their annual report and the audited financial statements for the year ended 31 December 2010

This directors' report has been prepared in accordance with the special provisions relating to small companies under s418 of the Companies Act 2006

### **Principal activity**

The principal activity of the company throughout the year was the provision of aircraft ground support services

### **Review of the business**

The net profit for the company was £65,682 (2009 £249,454) with the decrease principally due to an estimated loss of sales of £500,000 due to volcanic activity. The profits were considered to be satisfactory by the directors and an increase in profits is expected in 2011

### **Results and dividends**

The results for the year are set out on pages 5 – 6 of these financial statements. The directors do not recommend the payment of a dividend (2009 £nil)

### **Risk analysis**

The directors have set a framework to identify and respond to risk and to provide a methodology for risk management and its reporting. The risks considered relate to the operational performance of the company and the achievement of its aims and objectives and are summarised as operational risks, financial risks, external risks and compliance with law and regulations

The directors confirm that the risks to which they believe the company is exposed have been reviewed and that systems have been established to mitigate those risks. In order to identify relevant risks and appropriate controls the following matters were considered

- the company's objectives and strategies,
- the nature and scale of the company's activities,
- external legislation and regulations, and
- the operating structure of the company

### **Directors and their interests**

The directors of the company throughout the year were as follows

E L Allison  
J F Cordemans  
S P Grimes  
G L Curtis

# Ocean Sky Jet Centre (Prestwick) Limited

## Directors' report (continued)

### Auditor

Each of the persons who is a director at the date of approval of this report confirms that

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

Deloitte LLP have been appointed during the year and have indicated their willingness to work as auditor and a resolution to appoint them will be proposed at the forthcoming Annual General Meeting

Approved by the Board of Directors  
and signed on behalf of the Board



E L Allison  
Director

16 October 2011

## **Ocean Sky Jet Centre (Prestwick) Limited**

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

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). 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 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, and
- prepare the financial statements on the going concern basis

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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## **Independent auditor's report to the members of Ocean Sky Jet Centre (Prestwick) Limited**

We have audited the financial statements of Ocean Sky Jet Centre (Prestwick) Limited for the year ended 31 December 2010 which comprise the profit and loss account, the balance sheet and the related notes 1 to 13. 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 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.

### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement, 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 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 December 2010 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 matters prescribed by the Companies Act 2006**

In our opinion the information in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **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, or
- the directors were not entitled to take advantage of the small companies exemption in preparing the director's report.



James Bates (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
London, United Kingdom

16 October 2011

## Ocean Sky Jet Centre (Prestwick) Limited

### Profit and loss account Year ended 31 December 2010

|                                                      | Notes | 2010<br>£            | 2009<br>£             |
|------------------------------------------------------|-------|----------------------|-----------------------|
| Turnover – continuing operations                     | 1     | 2,098,720            | 2,478,268             |
| Cost of sales                                        |       | (1,440,234)          | (1,780,043)           |
| <b>Gross profit</b>                                  |       | <u>658,486</u>       | <u>698,225</u>        |
| Selling and distribution costs                       |       | (1,206)              | (255,442)             |
| Administration expenses                              |       | (591,598)            | (193,329)             |
|                                                      |       | <u>(592,804)</u>     | <u>(448,771)</u>      |
| <b>Profit on ordinary activities before taxation</b> | 2     | 65,682               | 249,454               |
| UK corporation tax                                   | 4     | -                    | -                     |
| <b>Profit on ordinary activities after taxation</b>  |       | <u><u>65,682</u></u> | <u><u>249,454</u></u> |



# Ocean Sky Jet Centre (Prestwick) Limited

## Balance sheet 31 December 2010

|                                                        | Notes | 2010<br>£        | 2009<br>£        |
|--------------------------------------------------------|-------|------------------|------------------|
| <b>Fixed assets</b>                                    |       |                  |                  |
| Tangible assets                                        | 5     | 117,066          | 102,856          |
| <b>Current assets</b>                                  |       |                  |                  |
| Debtors                                                | 6     | 257,558          | 249,987          |
| Cash at bank and in hand                               |       | 185,433          | 133,782          |
|                                                        |       | <u>442,991</u>   | <u>383,769</u>   |
| <b>Creditors: amounts due within one year</b>          | 7     | <u>(299,205)</u> | <u>(278,595)</u> |
| <b>Total assets less current liabilities</b>           |       | 260,852          | 208,030          |
| <b>Creditors: amounts due after more than one year</b> | 8     | -                | (12,860)         |
| <b>Net assets/(liabilities)</b>                        |       | <u>260,852</u>   | <u>195,170</u>   |
| <b>Capital and reserves</b>                            |       |                  |                  |
| Share capital                                          | 9     | 1,000            | 1,000            |
| Profit and loss account                                | 10    | 259,852          | 194,170          |
|                                                        |       | <u>260,852</u>   | <u>195,170</u>   |
| <b>Shareholders' funds</b>                             | 10    | <u>260,852</u>   | <u>195,170</u>   |

The financial statements of Ocean Sky Jet Centre (Prestwick) Limited registered number 05653923 were approved by the Board of Directors on *16 October* 2011

Signed on behalf of the Board of Directors



E L Allison  
Director

# Ocean Sky Jet Centre (Prestwick) Limited

## Notes to the financial statements Year ended 31 December 2010

### 1. Accounting policies

The financial statements have been prepared in accordance with applicable accounting standards

#### Accounting basis and standards

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. The principal accounting policies are set out below

#### Turnover

Turnover is recognised when the service is provided

Turnover is attributable to the principal activity of the company

#### Fixed assets and depreciation

Fixed assets are stated in the balance sheet at cost less depreciation

Depreciation is provided on fixed assets at rates calculated to write off the cost of each asset, less estimated residual value, over its estimated useful life as follows

|                       |                         |
|-----------------------|-------------------------|
| Fixtures and fittings | 25% on reducing balance |
| Motor van             | 25% on reducing balance |
| Plant and machinery   | 25% on reducing balance |

#### Leasing and similar arrangements

Assets financed under finance leases and similar arrangements such as HP contracts, are capitalised in the balance sheet and depreciated over their useful economic lives

The interest element of payments under such arrangements is charged to the profit and loss account so as to give a periodic charge commensurate with the balance outstanding

#### Foreign currencies

Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Assets and liabilities in foreign currencies are translated into sterling at rates of exchange ruling at the end of the financial year. All exchange differences are dealt with in the profit and loss account

#### Cash flow Statement

The company is exempt from the requirement of the Financial Reporting Standard No 1 to prepare a cash flow statement as it is a wholly-owned subsidiary of Ocean Sky Group Holdings Limited and its cash flows are included within the consolidated financial statements of that company which are publicly available

### 2. Profit on ordinary activities

|                                                                                      | 2010<br>£ | 2009<br>£ |
|--------------------------------------------------------------------------------------|-----------|-----------|
| The profit on ordinary activities is stated after charging                           |           |           |
| Depreciation                                                                         | 32,327    | 34,287    |
| Employee costs                                                                       | 367,074   | 319,962   |
| Fees payable to the Company's auditor for the audit of the Company's annual accounts | 5,000     | 5,000     |
| Fees payable to the Company's auditor for other services<br>- tax services           | 1,000     | 500       |
|                                                                                      | <hr/>     | <hr/>     |

# Ocean Sky Jet Centre (Prestwick) Limited

## Notes to the financial statements Year ended 31 December 2010

### 3. Employee costs

|                                                                                                            | 2010           | 2009           |
|------------------------------------------------------------------------------------------------------------|----------------|----------------|
|                                                                                                            | £              | £              |
| Salaries                                                                                                   | 263,893        | 219,913        |
| Directors' remuneration                                                                                    | 70,000         | 70,000         |
| Employer's national insurance                                                                              | 31,656         | 28,524         |
| Benefits in kind                                                                                           | 1,525          | 1,525          |
|                                                                                                            | <u>367,074</u> | <u>319,962</u> |
| The average monthly number of employees during the year working wholly in the UK, including directors, was | 15             | 13             |

### 4. Corporation tax

|                                                                                   | 2010     | 2009     |
|-----------------------------------------------------------------------------------|----------|----------|
|                                                                                   | £        | £        |
| <b>Current tax</b>                                                                |          |          |
| Current period tax (charge)/credit                                                | -        | -        |
| Adjustments in respect of prior years                                             | -        | -        |
|                                                                                   | <u>-</u> | <u>-</u> |
| Total current tax (charge)/credit                                                 | -        | -        |
| <b>Tax reconciliation</b>                                                         |          |          |
| Profit on activities before tax                                                   | 65,682   | 249,454  |
| Tax charge at 28% (2009 28%)                                                      | (18,391) | (69,847) |
| Expenses not deductible                                                           | -        | -        |
| Depreciation in excess of capital allowances                                      | (9,052)  | (7,402)  |
| Loss on sale of fixed assets                                                      | 1,902    | -        |
| Group relief claimed/(surrendered) for £nil consideration                         | 25,541   | 77,249   |
| Losses not utilised                                                               | -        | -        |
| Losses brought forward and utilised on which no deferred tax asset was recognised | -        | -        |
| Prior year adjustment                                                             | -        | -        |
|                                                                                   | <u>-</u> | <u>-</u> |
| Current tax (charge)/credit for period                                            | -        | -        |

# Ocean Sky Jet Centre (Prestwick) Limited

## Notes to the financial statements Year ended 31 December 2010

### 5 Tangible fixed assets

|                                    | Fixtures<br>and fittings<br>£ | Motor van<br>£ | Plant and<br>machinery<br>£ | Total<br>£ |
|------------------------------------|-------------------------------|----------------|-----------------------------|------------|
| Brought forward at cost            | 53,379                        | 5,000          | 183,047                     | 241,426    |
| Additions in year                  | 16,490                        | 14,041         | 22,800                      | 53,331     |
| Disposals in year                  | (12,078)                      | (5,000)        | -                           | (17,078)   |
| Cost at 31 December 2010           | 57,791                        | 14,041         | 205,847                     | 277,679    |
| Depreciation brought forward       | (31,415)                      | (3,420)        | (103,735)                   | (138,570)  |
| Charge for the year                | (5,962)                       | (2,925)        | (23,440)                    | (32,327)   |
| Disposals                          | 6,864                         | 3,420          | -                           | 10,284     |
| Depreciation at 31 December 2010   | (30,513)                      | (2,925)        | (127,175)                   | (160,613)  |
| Net book value at 31 December 2010 | 27,278                        | 11,116         | 78,672                      | 117,066    |
| Net book value at 31 December 2009 | 21,964                        | 1,580          | 79,312                      | 102,856    |

The net book value of plant and machinery includes £66,408 in respect of assets held under HP agreements

There were no material capital commitments at the balance sheet date

### 6. Debtors

|                                     | 2010<br>£ | 2009<br>£ |
|-------------------------------------|-----------|-----------|
| Trade debtors                       | 193,261   | 201,992   |
| Other debtors                       | 33,038    | 33,795    |
| Amounts due from group undertakings | 30,408    | -         |
| Prepayments                         | 851       | 14,200    |
|                                     | 257,558   | 249,987   |

Amounts due from group undertakings and loan accounts are non interest bearing and payable on demand

# **Ocean Sky Jet Centre (Prestwick) Limited**

## **Notes to the financial statements Year ended 31 December 2010**

### **7 Creditors: amounts falling due within one year**

|                                         | <b>2010</b>    | <b>2009</b>    |
|-----------------------------------------|----------------|----------------|
|                                         | <b>£</b>       | <b>£</b>       |
| Obligations under finance leases        | 10,200         | 24,004         |
| Trade creditors                         | 153,990        | 133,068        |
| Accruals                                | 6,750          | 6,500          |
| PAYE/N1                                 | 10,290         | 8,559          |
| Loan account Ocean Sky Aviation Limited | 116,968        | 106,464        |
| Amounts due to group undertakings       | 1,007          | -              |
|                                         | <u>299,205</u> | <u>278,595</u> |

The loan accounts and amounts due to group undertakings are non interest bearing and are payable on demand

### **8 Creditors: amounts falling due after more than one year**

|                                                                | <b>2010</b> | <b>2009</b>   |
|----------------------------------------------------------------|-------------|---------------|
|                                                                | <b>£</b>    | <b>£</b>      |
| Obligations under finance leases repayable between 2 – 5 years | <u>-</u>    | <u>12,860</u> |

### **9 Share capital**

|                                  | <b>2010</b>  | <b>2009</b>  |
|----------------------------------|--------------|--------------|
|                                  | <b>£</b>     | <b>£</b>     |
| <b>Issued and fully paid</b>     |              |              |
| 1,000 Ordinary shares of £1 each | <u>1,000</u> | <u>1,000</u> |

### **10. Shareholders' funds/reserves**

|                                                    | <b>2010</b>    | <b>2009</b>    |
|----------------------------------------------------|----------------|----------------|
|                                                    | <b>£</b>       | <b>£</b>       |
| Reconciliation of movements on shareholders' funds |                |                |
| Profit for the year                                | 65,682         | 249,454        |
|                                                    | <u>65,682</u>  | <u>249,454</u> |
| Opening shareholders' funds at 1 January           | 195,170        | (54,284)       |
|                                                    | <u>260,852</u> | <u>195,170</u> |

# Ocean Sky Jet Centre (Prestwick) Limited

## Notes to the financial statements Year ended 31 December 2010

### 11 Operating lease commitments

There were no capital commitments contracted for at the year end (2009 £nil)

At 31 December 2010 the company had annual commitments under an operating lease as follows

£8,000 per annum (2009 £8,000) ground rent

£50,000 per annum (2009 £50,000) rental of office facilities

At 31 December 2010 the company had annual commitments under a hire purchase lease as follows

£10,200 per annum

At 31 December the company had annual commitments under an operating lease as follows

|                            | 2010<br>£ | 2009<br>£ |
|----------------------------|-----------|-----------|
| Expiry date                |           |           |
| Within one year            | 10,200    | -         |
| Between two and five years | -         | 12,860    |
| After five years           | 58,000    | -         |

### 12. Related party transactions

During the year the company traded with the following related companies on normal commercial terms

|                                                 |                   |
|-------------------------------------------------|-------------------|
| <i>Total amount billed during the year:</i>     | £                 |
| Ocean Sky Aviation Ltd                          | 3,907             |
| Ocean Sky Jet Centre Ltd                        | 305               |
|                                                 | <u>          </u> |
| <i>Total amount billed from during the year</i> | £                 |
| Ocean Sky Jet Centre Ltd                        | 308               |
|                                                 | <u>          </u> |

Included in debtors and creditors were the following balances as at 31 December 2010

|                                       | Trade<br>debtors  | Trade<br>creditors |
|---------------------------------------|-------------------|--------------------|
| Ocean Sky Aviation Limited            | 3,907             | -                  |
| Ocean Sky Aircraft Management Limited | 9,366             | -                  |
| Ocean Sky Jet Centre Ltd              | 11,584            | 1,007              |
| Ocean Sky (UK) Ltd                    | 5,551             | -                  |
|                                       | <u>          </u> | <u>          </u>  |

As at 31 December 2010 the following loans receivable and payable existed with related parties

#### Loans payable

|                        |         |
|------------------------|---------|
| Ocean Sky Aviation Ltd | 106,464 |
|------------------------|---------|

## **Ocean Sky Jet Centre (Prestwick) Limited**

### **Notes to the financial statements**

**Year ended 31 December 2010**

#### **13. Ultimate parent company and controlling party**

The company's immediate parent company is Ocean Sky Jet Centre Limited. The largest and smallest company in which these accounts are consolidated are in Ocean Sky Group Holdings Ltd and accounts are publicly available from (33-37 Athol Street, IM11 1LB, Douglas, Isle of Man). J F Cordemans, a director of Ocean Sky Group Holdings Ltd, controls the company as a result of controlling 100% of Ocean Sky Group Holdings the ultimate parent of the company.