

Company Registration No. 05845142

Amsair Aircraft Limited

Report and Financial Statements

Year ended 30 June 2010

THURSDAY



LGBZHOT9

LD5

04/11/2010

125

COMPANIES HOUSE

Amsair Aircraft Limited

Report and financial statements 2010

Contents	Page
Officers and professional advisers	1
Directors' report	2
Statement of director's responsibilities	4
Independent auditors' report	5
Profit and loss account	7
Balance sheet	8
Notes to the accounts	9

Amsair Aircraft Limited

Report and financial statements 2010

Officers and professional advisers

Directors

C T Sandy
A N Cohen
D P Sugar
S Sugar
C M Littner

Secretary

C T Sandy

Registered Office

West Wing
Sterling House
Langston Road
Loughton
Essex
IG10 3TS

Bankers

Lloyds TSB Bank plc
City Office
11-15 Monument Street
London
ECV 9JA

Solicitors

Herbert Smith
Exchange House
Primrose Street
London
EC2A 2HS

Auditors

Deloitte LLP
Chartered Accountants
London

Amsair Aircraft Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 June 2010

This Directors' report has been prepared in accordance with the special provisions relating to small companies under S417 of the Companies Act 2006

Review of business and future prospects

The company is principally engaged in the business of chartering aircraft

The directors do not recommend the payment of a dividend. The loss on ordinary activities after taxation for the year was £316,810 (2009 Profit £337,849). The company is in the process of trading its current aeroplane for a new Embraer 650 model which it is scheduled to be delivered in November 2010. To coincide with this event, the directors have decided to appoint Titan Airways as the new aircraft operator and in doing so have agreed a new operating contract.

Financial instruments

The directors considered the risks attached to the company's financial instruments which principally comprise operating debtors and operating creditors and loans to and from other group companies. The directors have taken a prudent approach in their consideration of the various risks attached to the financial instruments of the company. The company's exposure to price risk, credit risk, liquidity risk and cash flow risk is not material for the assessment of assets, liabilities and the financial statements.

The director's policy on hedging is to hedge all financial risks where it is feasible and cost effective to do so. The Company had no hedged transactions during the year.

Going concern

The directors have reviewed the current and projected financial position of the company, making reasonable assumptions about future trading. The company has received a letter from Amshold Group Limited stating that it will continue to provide financial support.

On the basis of this review, and after making due enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the report and financial statements.

Indemnities

The directors and officers of the company, use the policy taken out by Amshold Group Limited, the ultimate parent company for indemnity insurance.

Directors

The directors who held office throughout the year and subsequently, except as noted are listed below.

C T Sandy
A N Cohen
D P Sugar
S Sugar
C M Littner

Amsair Aircraft Limited

Directors' report (continued)

Information to auditors

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

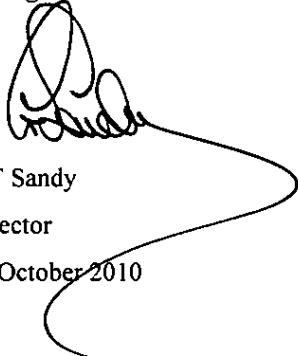
- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that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

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

Auditors

A resolution to re-appoint Deloitte LLP will be proposed at the forthcoming Annual General Meeting

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

A handwritten signature in black ink, appearing to read 'C T Sandy', with a long, sweeping underline that extends to the right.

C T Sandy

Director

29 October 2010

Amsair Aircraft 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 judgments 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 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.

Independent auditors' report to the sole member of Amsair Aircraft Limited

We have audited the financial statements of Amsair Aircraft Limited for the year ended 30 June 2010 which comprise the profit and loss account, the balance sheet and the related notes 1 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 member 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 member, 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 Statement of Directors Responsibilities, 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 (APB'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 30 June 2010 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.

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.

Independent auditors' report to the sole member of Amsair Aircraft Limited (continued)

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 directors' report

Andrew Clark FCA

Andrew Clark (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditors
London, United Kingdom

29 October 2010

Amsair Aircraft Limited

Profit and loss account Year ended 30 June 2010

	Notes	2010 £	2009 £
Turnover	2	987,429	1,024,769
Cost of sales		(1,289,234)	(1,499,711)
Gross loss		(301,805)	(474,942)
Administrative expenses		(120,094)	(56,310)
Operating loss		(421,899)	(531,252)
Interest receivable and similar income	4	1	149
Interest payable and similar charges	5	(18,116)	(179,792)
Loss on ordinary activities before taxation	6	(440,014)	(710,895)
Tax credit on loss on ordinary activities	7	123,204	1,048,744
(Loss)/profit on ordinary activities after taxation	12	(316,810)	337,849

There are no recognised gains or losses other than the (loss)/profit on ordinary activities after taxation shown above, consequently no statement of total recognised gains and losses has been presented

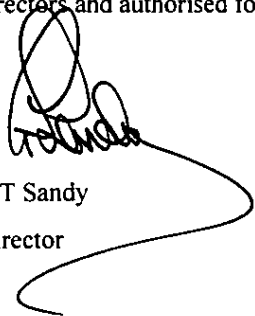
The results derive from the company's continuing activities

Amsair Aircraft Limited

Balance sheet 30 June 2010

	Notes	2010 £	2009 £
Fixed assets			
Tangible fixed assets	8	<u>7,893,160</u>	<u>8,487,016</u>
Current assets			
Debtors	9	7,437,568	403,169
Cash at bank and in hand		<u>34,397</u>	<u>49,133</u>
		<u>7,471,965</u>	<u>452,302</u>
Creditors: amounts falling due within one year			
Trade creditors		30,849	43,819
Amounts owed to group undertakings		13,513,144	6,745,790
Accruals and deferred income		<u>44,813</u>	<u>139,236</u>
		13,588,806	6,928,845
Net current liabilities		<u>(6,116,841)</u>	<u>(6,476,543)</u>
Total assets less current liabilities		<u>1,776,319</u>	<u>2,010,473</u>
Provisions for liabilities	10	<u>(645,588)</u>	<u>(562,932)</u>
		<u>1,130,731</u>	<u>1,447,541</u>
Capital and reserves			
Called up share capital	11	1	1
Profit and loss account		<u>1,130,730</u>	<u>1,447,540</u>
Shareholders' funds	12	<u>1,130,731</u>	<u>1,447,541</u>

The financial statements of Amsair Aircraft Limited, registered number 05845142, were approved by the board of directors and authorised for issue on 29 October 2010 Signed on behalf of the Board of Directors


C T Sandy
Director

Amsair Aircraft Limited

Notes to the accounts Year ended 30 June 2010

1. Accounting policies

The financial statements are prepared in accordance with United Kingdom law and accounting standards. The particular accounting policies adopted by the directors are described below, and have been consistently applied in the current and prior years.

Accounting convention

The financial statements are prepared under the historical cost convention.

Going Concern

The financial statements are prepared on a historical cost convention basis and prepared on a going concern basis as discussed in the directors report on page 2.

Tangible fixed assets

Tangible fixed assets are stated at cost, less provision for impairment.

Depreciation is calculated to write off the cost, less estimated residual values, of tangible fixed assets over their estimated useful lives. Depreciation is not charged on assets in the course of construction. A full month's charge is made in the month of acquisition and none in the month of disposal. The annual depreciation rates and methods are as follows:

Aircraft engines	-	straight-line basis over 10,000 flying hours
Aircraft frames	-	straight-line basis over 17.5 years

Foreign exchange

Transactions denominated in foreign currencies are translated into sterling at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date. These translation differences are dealt with in the profit and loss account.

Taxation

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 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 group'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.

A net deferred tax asset is regarded as recoverable and therefore 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 is not recognised when fixed assets are revalued unless by the balance sheet date there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on sale has been recognised in the financial statements. Neither is deferred tax recognised when fixed assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged to tax only if and when the replacement assets are sold.

Deferred tax is measured on an undiscounted basis at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Amsair Aircraft Limited

Notes to the accounts Year ended 30 June 2010

Cashflows

As the company is a wholly-owned subsidiary, the cash flows of the company are included in the consolidated cashflow statement of its parent undertaking. Consequently the company is exempt under the provisions of Financial Reporting Standard 1 (Revised) - "Cash Flow Statements", from publishing a separate cash flow statement

2. Turnover

Turnover comprises chartering income receivable by the company, wholly arising in the United Kingdom and is recognised on the raising of the sales invoice

3. Staff costs

The directors received no emoluments during the year (2009 nil)

The average number of employees in the year was nil (2009 nil)

4 Interest receivable and similar income

	2010 £	2009 £
Bank interest	<u>1</u>	<u>149</u>

5. Interest payable and similar charges

	2010 £	2009 £
Gain on exchange	(30,877)	(555)
Bank charges and interest	57	136
Interest payable to group undertaking	<u>48,936</u>	<u>180,211</u>
	<u>18,116</u>	<u>179,792</u>

Interest is payable on the amount owed to other group companies at variable rates based on Bank of England base rates

Amsair Aircraft Limited

Notes to the accounts Year ended 30 June 2010

6. Loss on ordinary activities before taxation

Loss on ordinary activities before taxation is stated after charging

	2010 £	2009 £
Depreciation on owned assets	593,856	585,664
Auditors' remuneration – fee for the statutory audit of the company's annual accounts	3,000	3,000
- other non-audit services	620	450
	<u>597,476</u>	<u>589,114</u>

7. Tax credit on loss on ordinary activities

(i) Analysis of tax credit on ordinary activities

	2010 £	2009 £
Total current tax credit	205,860	1,180,129
Total current tax credit	205,860	1,180,129
Deferred taxation	(82,656)	(131,385)
Tax credit on ordinary activities	<u>123,204</u>	<u>1,048,744</u>

(ii) Factors affecting tax credit for the current year

The tax assessed for the year is lower than that resulting from applying the standard rate of corporation tax in the UK 28% (2009 28%) The differences are explained below

	2010 £	2009 £
Loss on ordinary activities before tax	(440,014)	(710,895)
Tax at 28% (2009 28%) thereon	123,204	199,051
Effects of		
Capital allowances in excess of depreciation	82,656	131,385
Group relief received at 28% (2009 100% of loss)	-	849,693
Current tax credit for year	<u>205,860</u>	<u>1,180,129</u>

Amsair Aircraft Limited

Notes to the accounts Year ended 30 June 2010

8. Tangible fixed assets

	Aircraft £
Cost	
At 1 July 2009 and 30 June 2010	10,273,054
Depreciation	
At 1 July 2009	1,786,038
Charge for the year	593,856
At 30 June 2010	2,379,894
Net book value	
At 30 June 2010	7,893,160
At 30 June 2009	8,487,016

9. Debtors

Amounts falling due within one year

	2010 £	2009 £
Trade debtors	-	8,576
Other debtors	7,357,671	2,048
Prepayments and accrued income	79,897	392,545
	<u>7,437,568</u>	<u>403,169</u>

10 Provisions for liabilities and charges

(i) Movement in deferred tax

	2010 £	2009 £
Deferred taxation movement for the year		
Current year charge	82,656	131,385
	<u>82,656</u>	<u>131,385</u>

(ii) Analysis of deferred tax

	2010 £	2009 £
At 1 July	562,932	431,547
Depreciation in excess of capital allowances	82,656	131,385
At 30 June	<u>645,588</u>	<u>562,932</u>

Amsair Aircraft Limited

Notes to the accounts Year ended 30 June 2010

11 Called up share capital

	2010 £	2009 £
Authorised, called up, allotted and fully paid:		
Ordinary shares of £1 each	1	1

12 Reconciliation of movement in shareholders' funds

	2010 £	2009 £
At 30 June 2009	1,447,541	1,109,692
(Loss)/Profit for the year	(316,810)	337,849
At 30 June 2010	1,130,731	1,447,541

13. Ultimate parent company and controlling party

At 30 June 2010, the ultimate controlling party was Lord Sugar

The immediate parent company is Amsair Limited, a company incorporated in Great Britain and registered in England and Wales. The ultimate parent company is Amshold Group Limited, a company incorporated in Great Britain which is the parent undertaking of the largest and smallest group which includes the company and for which group financial statements are prepared. Copies of the group financial statements of Amshold Group Limited are available from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ.

14. Post balance sheet events

The company entered into a trade in agreement to exchange its current aircraft with a new one. The transfer is scheduled to take place in November 2010. The sales price of the existing aircraft is \$14,100,000 and the new aircraft is \$26,667,000. The company entered into an operating agreement with Titan Airways for the new plane.

15. Related party transactions

The company has taken advantage of the exemption from related party disclosure in accordance with Paragraph 3(c) of Financial Reporting Standard No. 8.

At year end, company's parent company, Amshold Limited, owed 100% of Amsprop Limited, which in turn owned 100% of Amsprop Estates Limited.

Transactions with these entities were as follows:

(a) Hire of aircraft by Amsprop Estates Limited	£168,644 (2009: £156,966)
(b) Hire of aircraft by Amshold Limited	£168,644 (2009: £156,966)

The above transactions were carried out on an arms length basis under normal terms.