

Company Registration No. 06082842 (England and Wales)

AIR WINTON LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

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AIR WINTON LIMITED

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AIR WINTON LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2014 CONTENTS

The directors of Air Winton Limited ("the Company") present their report and audited financial statements for the year ended 31 December 2014.

Principal activities

The principal activity of the Company is that of operating an aircraft.

Directors

The following directors have held office since 1 January 2014:

Winton Directors Limited
R K Mannix
J A C Dawson (appointed 16 January 2015)

Review of business

The profit and the loss account for the year is set out on page 4.

The Company's sole client during the year was Winton Capital Management Limited ("WCM").

On 27 January 2014, the Company's ownership was transferred from WCM to Winton Capital Group Limited ("WCG"). All the shares of WCM, the original parent company of the Company, were transferred to a new, non-trading holding company, WCG, by means of a share-for-share exchange whereby shareholders of WCM received shares in WCG pro rata to their existing shareholdings in WCM. On the same date, 100% of the shares of the Company were transferred from WCM to WCG, and WCG became the immediate and ultimate parent company of the Company.

The directors do not recommend the payment of a dividend.

Post Balance Sheet event

In March 2015, WCG agreed to sell the entire issued share capital of the Company to a third party and a Letter of Intent was signed. It is anticipated that in April 2015 the disposal will be completed and the outstanding loan with WCM will be repaid in full as per the terms set out in the loan agreement dated 11 June 2012.

Strategic Report

The Company has taken advantage of the exemption in section 414B of the Companies Act 2006 and not prepared a Strategic Report.

AIR WINTON LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2014

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;
- 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.


Auditor

KPMG LLP have indicated their willingness to remain as auditors of the Company.

Statement of disclosure to auditor

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

On behalf of the board



J A C Dawson

Director

Date 19 March 2015

Registered address:
16 Old Bailey
London
EC4M 7EG

INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF AIR WINTON LIMITED

FOR THE YEAR ENDED 31 DECEMBER 2014

We have audited the financial statements of Air Winton Limited for the year ended 31 December 2014 set out on pages 4 to 13. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate

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 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

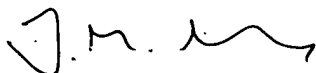
Opinion on other matter prescribed by the Companies Act 2006

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.

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 prepare the financial statements in accordance with the small companies regime in not preparing a strategic report.



Jonathan Mills (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

15 Canada Square

London

E14 5GL

19 March 2015

AIR WINTON LIMITED

PROFIT & LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014 £	2013 £
Turnover		1,065,680	1,289,640
Administrative expenses		<u>(1,044,179)</u>	<u>(1,139,088)</u>
Operating profit	2	21,501	150,552
Other interest receivable and similar income	3	1,334	784
Interest payable and similar charges	3	(21,628)	(26,417)
Profit on ordinary activities before Taxation		<u>1,207</u>	<u>124,919</u>
Tax charge on profit on ordinary activities	4	1,467	(29,406)
Profit for the year	12	<u><u>2,674</u></u>	<u><u>95,513</u></u>

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

There are no recognised gains and losses other than those included in the profit and loss account.

The notes on pages 6-13 are an integral part of the financial statements.

AIR WINTON LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2014

		2014		2013	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	5		1,930,049		2,269,784
Current assets					
Debtors	6	32,135		56,178	
Cash at bank and in hand		272,193		518,785	
		<u>304,328</u>		<u>574,963</u>	
Creditors : amounts falling due within one year	7	<u>(55,580)</u>		<u>(158,760)</u>	
Net current assets			<u>248,748</u>		<u>416,203</u>
Total assets less current liabilities			2,178,797		2,685,987
Creditors : amounts falling due in greater than one year	8		(1,161,866)		(1,671,730)
Net assets			<u>1,016,931</u>		<u>1,014,257</u>
Capital and reserves					
Called up share capital	11		1		1
Profit and loss account	12		1,016,930		1,014,256
Shareholders' funds	13		<u>1,016,931</u>		<u>1,014,257</u>

Approved by the Board and authorised for issue on 19 March 2015.



J A C Dawson
Director

Company Registration No. 06082842

The notes on pages 6-13 are an integral part of the financial statements.

AIR WINTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2014

1 Accounting policies

A summary of principal accounting policies, all of which have been applied consistently throughout the year and the preceding year, is set out below.

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and on the going concern basis.

1.2 Cash flow statement

The Company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirements to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group.

1.3 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).

1.4 Turnover

Revenue is recognised by the Company when the transportation service is provided and is receivable from a group company, Winton Capital Management Limited ("WCM").

1.5 Tangible fixed assets and depreciation

The Aircraft is included at the fair value of the consideration given after taking account of manufacturers' credits. The aircraft is depreciated at rates calculated to write down the cost to the estimated residual value at the end of their planned operational life on a straight line basis based on hours flown.

Aircraft and engine spares purchased separately are carried as tangible fixed assets and generally depreciated in line with the aircraft.

Major overhaul expenditure, including replacement spares and labour costs, is capitalised and amortised over the average expected life between major overhauls. All other replacement spares and other costs relating to maintenance of aircraft are charged to the profit and loss account on consumption or as incurred respectively.

1.6 Pensions

The pension costs charged in the financial statements represent the contributions payable by the Company during the year.

1.7 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.

1.8 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.

AIR WINTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2014

2 Operating profit	2014	2013
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	339,735	390,785
Auditor's remuneration	4,350	4,200
Loss on foreign exchange transactions	3,879	1,760
	<u> </u>	<u> </u>
Staff Costs	2014	2013
	£	£
Wages and salaries	171,470	217,964
Social security costs	20,430	25,945
Pension	45,971	47,772
	<u> </u>	<u> </u>
	<u>237,871</u>	<u>291,681</u>

During the year ended 31 December 2014, the Company had two directors (2013 – two) and three employees (2013 – three) including directors.

Directors' Remuneration

Total remuneration (including pension contributions of £32,339 (2013 - £31,483)) paid to the directors in respect of services provided to the Company during the year was £44,475 (2013 - £44,270).

3 Other interest receivable and similar income	2014	2013
	£	£
Bank interest	1,334	784
	<u> </u>	<u> </u>
Interest payable and similar charges	2014	2013
	£	£
Loan interest payable to group company	20,665	26,417
Interest payable-other	963	-
	<u> </u>	<u> </u>
	<u>21,628</u>	<u>26,417</u>

AIR WINTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2014

4 Taxation	2014 £	2013 £
Domestic current year tax		
U.K. corporation tax	36,810	76,893
Adjustment in respect of prior year	-	(227)
Total current tax	36,810	76,666
Deferred tax		
Deferred tax (credit)/charge current year	(38,277)	(47,260)
	(1,467)	29,406

The effective rate for the year is higher than the standard rate of corporation tax in the UK of 21.5% (2013 – 23.25%). The reasons for the difference are explained below:

Factors affecting the tax charge for the year

Profit on ordinary activities before taxation	1,207	124,919
Profit on ordinary activities before taxation multiplied by the weighted average Standard Rate of UK corporation tax of 21.5% (2013 - 23.25%)	259	29,039
Effects of:		
Non-deductible expenses	473	167
Depreciation add back	73,019	90,844
Capital allowances	(36,745)	(43,199)
Other timing differences	(196)	42
Adjustment in respect of prior year	-	(227)
	36,551	47,627
Current tax charge for the year	36,810	76,666

AIR WINTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2014

5 Tangible fixed assets	Plant and Machinery	
	£	
Cost		
At 1 January 2014 & 31 December 2014	<u>2,881,899</u>	
Depreciation		
At 1 January 2014	612,115	
Charge for the year	<u>339,735</u>	
At 31 December 2014	<u><u>951,850</u></u>	
Net book value		
At 31 December 2014	<u><u>1,930,049</u></u>	
At 31 December 2013	<u><u>2,269,784</u></u>	
6 Debtors	2014	2013
	£	£
Other debtors	14,915	12,803
Prepayments	9,473	11,938
Deferred tax asset (note 9)	7,747	-
Amounts due from group company	-	31,437
	<u>32,135</u>	<u>56,178</u>

AIR WINTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2014

7 Creditors : amounts falling due within one year	2014	2013
	£	£
Trade creditors	7,747	26,916
Taxation and social security	24,189	81,049
Other creditors	23,644	50,795
	<u>55,580</u>	<u>158,760</u>
 8 Non current liabilities: amounts falling due greater than one year		
	2014	2013
	£	£
Loan from group company	1,161,866	1,641,200
Deferred tax liability	-	30,530
	<u>1,161,866</u>	<u>1,671,730</u>

The aircraft was purchased in June 2012 for £2,881,899. The purchase of the aircraft was financed by a loan facility of £3,000,000 granted by WCM. The loan is secured by a first priority aircraft mortgage dated 23 August 2012.

The amount as per the loan account represents the drawn down amount of this facility less partial repayments made to date. To date, three partial repayments of £729,626, £450,000 and £500,000 have been made on 20 August 2012, 11 June 2013 and 6 June 2014 respectively. Interest is payable on the loan at a rate of 1% per annum above the Bank of England base lending rate and is charged monthly.

The repayment terms are set out in the loan agreement dated 11 June 2012. This states that the aggregate amount of the Loan outstanding shall become repayable in full on the earlier of the aircraft being disposed of, on demand by the lender by not less than 1 year's prior written notice, or following the event of default.

AIR WINTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2014

9 Deferred tax

The deferred tax asset (see note 6) is made up as follows:

	2014 £
Deferred tax liability at 1 January 2014	30,530
Profit and loss account credit	(38,277)
Deferred tax asset at 31 December 2014	<u>(7,747)</u>

	2014 £	2013 £
Accelerated capital allowances	<u>(7,747)</u>	<u>30,530</u>

10 Pension and other post-retirement benefit commitments Personal pension plan

	2014 £	2013 £
Contributions payable by the Company for the year	<u>45,971</u>	<u>47,772</u>

11 Share capital

	2014 £	2013 £
Allotted, called up and fully paid		
One (2013 – one) Ordinary share of £1	<u>1</u>	<u>1</u>

AIR WINTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2014

12 Statement of movements on profit and loss account

	Profit and Loss Account £
Balance at 1 January 2014	1,014,256
Profit for the year	2,674
Balance at 31 December 2014	<u>1,016,930</u>

13 Reconciliation of movements in shareholders' funds

	2014 £	2013 £
Profit for the financial year	2,674	95,513
Opening shareholders' funds	<u>1,014,257</u>	<u>918,744</u>
Closing shareholders' funds	<u>1,016,931</u>	<u>1,014,257</u>

14 Control

At 31 December 2014, the immediate and ultimate parent company was Winton Capital Group Limited ("WCG"), a company registered in England & Wales.

At 31 December 2013, the immediate and ultimate parent company was Winton Capital Management Limited (WCM). On 27 January 2014, all the shares of WCM were transferred to a new, non-trading holding company, WCG, by means of a share-for-share exchange whereby shareholders of WCM received shares in WCG pro rata to their existing shareholdings in WCM. On the same date, 100% of the shares of the Company were transferred from WCM to WCG, and WCG became the immediate and ultimate parent company of the Company.

WCG prepares group financial statements and copies are available from 16 Old Bailey, London, EC4M 7EG once audited.

The ultimate controlling party at 31 December 2013 and 31 December 2014 is D W Harding.

15 Related party transactions

The company has taken advantage of the exemption available in accordance with FRS 8 'Related party disclosures' not to disclose transactions entered into with entities that are part of the group.

AIR WINTON LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2014

16 Post Balance Sheet event

In March 2015, WCG agreed to sell the entire issued share capital of the Company to a third party and a Letter of Intent was signed. It is anticipated that in April 2015 the disposal will be completed and the outstanding loan with WCM will be repaid in full as per the terms set out in the loan agreement dated 11 June 2012.