

Registered number: 06702675

CEGA AIR AMBULANCE UK LIMITED

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

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CEGA AIR AMBULANCE UK LIMITED

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CEGA AIR AMBULANCE UK LIMITED

COMPANY INFORMATION

Directors

Mr A J D Hardie
Mr M A Robertson
Mr N P Heasman
MR I J Keane
MR D A Conway

Corporate Secretary

Charles Taylor Administration Services Limited

Registered number

06702675

Registered office

The Minster Building
21 Mincing Lane
London
EC3R 7AG

Independent auditors

PricewaterhouseCoopers LLP
1 Embankment Place
London
WC2N 6RH

CEGA AIR AMBULANCE UK LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present their annual report and the audited financial statements for Cega Air Ambulance UK Limited (the "company") for the year ended 31 December 2018

Principal activities

The principal activity of the company in the year was the rent of property to third parties and to a fellow group company. This includes the rent of hangar space to third parties and office space to a fellow group company.

Business review

During the year, the company continued to earn rental income and to meet its various ongoing commitments and operating leases. The directors consider the financial position of the Company to be satisfactory at the balance sheet date, given the support available from fellow Cega group companies.

The Directors expect the company to be wound-up within 12 months of the signing date of these financial statements. It has not traded after 31 December 2018 and at 31 December 2018 it transferred its business and certain assets and liabilities at book value to a fellow group company, Cega Group Services Limited. As a result, these financial statements have been prepared on a basis other than going concern. The Company's assets have been recorded at their net realisable value as at 31 December 2018. No adjustments have been required to the company's balance sheet due to this basis of preparation.

Directors

The directors who served during the year and up to the date of signing the financial statements are shown on page 1 of the annual report.

Dividends

No interim dividend has been paid (2017: £nil) and the directors do not recommend the payment of a final dividend (2018: £nil)

Financial risk management

The company's operations expose it to a variety of financial risks associated with its business activities. The company monitors such risks in order to limit their adverse effects. The company's exposure to price risk, liquidity risk and interest rate risk are not significant. The company does not use derivative financial instruments.

a) Credit risk

Credit risk arises from cash and cash equivalents held with banks as well as credit exposures to customers. The company undertakes credit checks for new customers and regularly monitors the level of exposure with individual counterparties.

b) Interest rate risk

The Directors regularly monitor the level of any borrowings and interest payments by the company.

Future Developments

The Directors expect the company to be wound-up within 12 months of the signing date of these financial statements. Following the transfer of its business and certain assets and liabilities to Cega Group Services Limited, there are no plans for further trading after 31 December 2018.

CEGA AIR AMBULANCE UK LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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 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 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.

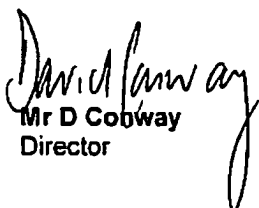
Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any 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.

This report was approved by the board on 23 October 2019 and signed on its behalf by:


Mr D Conway
Director

Independent auditors' report to the members of Cega Air Ambulance UK Limited

Report on the audit of the financial statements

Opinion

In our opinion, Cega Air Ambulance UK Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the Balance Sheet as at 31 December 2018; the Statement of Comprehensive Income, the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Emphasis of matter - financial statements prepared on a basis other than going concern

In forming our opinion on the financial statements, which is not modified, we draw attention to note 3 to the financial statements which describes the directors' reasons why the financial statements have been prepared on a basis other than going concern.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2018 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Independent auditors' report to the members of Cega Air Ambulance UK Limited (continued)

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities in Respect of the Financial Statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Darryl Phillips (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

23 October 2019

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018**

| | Note | 2018 £ | 2017 £ |
|---------------------------------------|------|-----------------|-----------------|
| Discontinued operations | | | |
| Turnover | 5 | 246,206 | 201,477 |
| Cost of sales | | (147,835) | (127,563) |
| Gross profit | | 98,371 | 73,914 |
| Administrative expenses | | (192,940) | (132,794) |
| Other operating income | 6 | 10,171 | 7,873 |
| Operating loss | 8 | (84,398) | (51,007) |
| Interest payable and similar expenses | | - | - |
| Loss before taxation | | (84,398) | (51,007) |
| Tax on loss | 12 | 15,234 | 28,781 |
| Loss for the financial year | | (69,164) | (22,226) |

The Company discontinued its operations from 1 January 2019, when its business, assets and liabilities were transferred at book value to a fellow group company (see note 7).

The notes on pages 9 to 21 form part of these financial statements.

CEGA AIR AMBULANCE UK LIMITED**REGISTERED NUMBER:06702675****BALANCE SHEET
AS AT 31 DECEMBER 2018**

| | Note | 2018 £ | 2017 £ |
|---|------|-------------|-------------|
| Fixed assets | | | |
| Tangible assets | 13 | - | 305 |
| | | <hr/> | <hr/> |
| | | - | 305 |
| Current assets | | | |
| Debtors | 14 | 44,015 | 73,468 |
| Cash at bank and in hand | 15 | - | 1,340 |
| | | <hr/> | <hr/> |
| | | 44,015 | 74,808 |
| Creditors: amounts falling due within one year | 16 | (2,099,522) | (2,061,456) |
| | | <hr/> | <hr/> |
| Net current liabilities | | (2,055,507) | (1,986,648) |
| | | <hr/> | <hr/> |
| Total assets less current liabilities | | (2,055,507) | (1,986,343) |
| Creditors: amounts falling due after more than one year | | - | - |
| Provisions for liabilities | | | |
| Deferred taxation | 17 | - | - |
| | | <hr/> | <hr/> |
| | | - | - |
| | | <hr/> | <hr/> |
| Net liabilities | | (2,055,507) | (1,986,343) |
| | | <hr/> | <hr/> |
| Capital and reserves | | | |
| Called up share capital | 18 | 100 | 100 |
| Profit and loss account | | (2,055,607) | (1,986,443) |
| | | <hr/> | <hr/> |
| Total shareholders' deficit | | (2,055,507) | (1,986,343) |
| | | <hr/> | <hr/> |

The Company's financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 6 to 21 were approved and authorised for issue by the board and were signed on its behalf on 23 October 2019 by:


Mr D Conway
Director

The notes on pages 9 to 21 form part of these financial statements.

CEGA AIR AMBULANCE UK LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018**

| | Called up share capital £ | Profit and loss account £ | Total shareholders' deficit £ |
|---|--|--|--|
| At 1 January 2018 | 100 | (1,986,443) | (1,986,343) |
| Comprehensive expense for the year | | | |
| Loss for the financial year | - | (69,164) | (69,164) |
| Total expense for the year | - | (69,164) | (69,164) |
| At 31 December 2018 | 100 | (2,055,607) | (2,055,507) |

FOR THE YEAR ENDED 31 DECEMBER 2017

| | Called up share capital £ | Profit and loss account £ | Total shareholders' deficit £ |
|---|--|--|--|
| At 1 January 2017 | 100 | (1,964,217) | (1,964,117) |
| Comprehensive expense for the year | | | |
| Loss for the financial year | - | (22,226) | (22,226) |
| Total expense for the year | - | (22,226) | (22,226) |
| At 31 December 2017 | 100 | (1,986,443) | (1,986,343) |

The notes on pages 9 to 21 form part of these financial statements.

CEGA AIR AMBULANCE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. General information

Cega Air Ambulance UK Limited ("The Company") is a private company limited by shares and is incorporated in United Kingdom. The address of the Company's registered office is The Minster Building, 21 Mincing Lane, London, EC3R 7AG.

The Company's principal activity is property rental to third parties and fellow Cega group companies.

2. Statement of compliance

The financial statements of Cega Air Ambulance UK Limited have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101) and the Companies Act 2006.

3. Accounting policies

3.1 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.2 Basis of preparation

The financial statements have been prepared in accordance with FRS101, on a realised basis, under historical cost and in accordance with the Companies Act 2006 as applicable to companies using FRS 101.

The company's functional and presentational currency is Pounds Sterling.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. Areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

The Directors expect the company to be wound-up within 12 months of the signing date of these financial statements. It has not traded after 31 December 2018 and at 31 December 2018 it transferred its business and certain assets and liabilities at book value to a fellow group company, Cega Group Services Limited. As a result, these financial statements have been prepared on a basis other than going concern. The Company's assets have been recorded at their net realisable value as at 31 December 2018. No adjustments have been required to the company's balance sheet due to this basis of preparation.

CEGA AIR AMBULANCE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

3. Accounting policies (continued)

3.3 Financial reporting standard 101 – reduced disclosure exemptions

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- IFRS 7, 'Financial Instruments: Disclosures'.
- Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities).
- Paragraph 38 of IAS 1, 'Presentation of financial statements' comparative information requirements in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16 Property, plant and equipment;
- The following paragraphs of IAS 1, 'Presentation of financial statements':
 - 10(d), (statement of cash flows)
 - 16 (statement of compliance with all IFRS),
 - 38A (requirement for minimum of two primary statements, including cash flow statements),
 - 38B-D (additional comparative information),
 - 111 (cash flow statement information), and
 - 134-136 (capital management disclosures)
- IAS 7, 'Statement of cash flows'
- Paragraph 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective)
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation)
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.

3.3 (a) Adoption of new and revised accounting standards

The Company applied for the first time certain standards and amendments which are effective for annual periods beginning on or after 1 January 2018. The Company has not early adopted any other standard, interpretation or amendment that has been issued if it is not yet effective.

IFRS 9, '*Financial Instruments*' has been adopted in the year (effective 1 January 2018) and replaces IAS 39. The standard introduces new requirements for classifying and measuring financial instruments. The adoption of IFRS 9 has not had any impact on the financial position of the company. Accordingly, prior year comparatives have not been restated.

IFRS 15, '*Revenues from Contracts with Customers*' (effective 1 January 2018), replaces existing revenue recognition standards. The Company's previous revenue recognition policy was materially compliant with IFRS 15. As such, prior year comparative balances have not been adjusted as permitted by the Standard.

3.3 (b) Impact of future adoption of accounting standards

IFRS 16 Leases, effective from 1 January 2019, will affect primarily the accounting by lessees and will result in the recognition of almost all leases on the balance sheet. The standard removes the current distinction between operating and financing leases and requires recognition of an asset (the right to use the leased item) and a financial liability to pay rentals for virtually all lease contracts. An optional exemption exists for short-term and low-value leases. This change in accounting policy is not expected to affect the company's as it is expected that company will be liquidated before 31 December 2019, so it will not need to restate its comparative information.

CEGA AIR AMBULANCE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

3. Accounting policies (continued)

This information is included in the consolidated financial statements of Charles Taylor plc as at 31 December 2018 and these financial statements may be obtained from The Minster Building, 21 Mincing Lane, London, EC3R 7AG.

3.4 Turnover

Turnover is recognised at fair value when the related services have been provided to customers in accordance with contractual terms. Turnover represents rental income. As turnover is recognised a corresponding amount is included within debtors. Advance payments received from customers are included in creditors as deferred income.

3.5 Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or deemed cost of each asset to its estimated residual value on a straight line basis over its estimated useful economic life. The principal annual rates used for this purpose are as follows:

Fixtures and fittings - 33% straight line for computers and 20%
straight line for office fixtures and fittings

3.6 Impairment of fixed assets

An assessment is made at each reporting date of whether there are indications that a fixed asset may be impaired or that an impairment loss previously recognised has fully or partially reversed. If such indications exist, the recoverable amount of the asset is estimated.

Shortfalls between the carrying value of fixed assets and their recoverable amounts, being the higher of fair value less costs to sell and value-in-use, are recognised as impairment losses. Impairment losses are recognised in the statement of comprehensive income in the period in which they are identified.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Reversals of impairment losses are recognised in the statement of comprehensive income. On reversal of an impairment loss, the depreciation or amortisation is adjusted to allocate the asset's revised carrying amount (less any residual value) over its remaining useful economic life.

3.7 Cash

Cash and cash equivalents includes cash in hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, if any, are shown within borrowings in current liabilities.

CEGA AIR AMBULANCE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

3. Accounting policies (continued)

3.8 Leases

An asset and corresponding liability are recognised for leasing agreements that transfer substantially all of the risks and rewards incidental to ownership ("finance leases"). Lease payments are treated as consisting of capital and interest elements. The interest element of the rental obligation is charged to the statement of comprehensive income over the period of the lease on a straight-line basis.

Leased assets are depreciated over the shorter of the lease term and the estimated useful economic life of the asset. Assets are assessed for impairment at each reporting date.

Leases that do not transfer substantially all of the risks and rewards of ownership are classified as operating leases and the annual rentals are charged to the statement of comprehensive income on a straight line basis over the lease term.

3.9 Taxation

The charge for taxation represents the sum of the current tax charge and deferred tax charge. Current tax is based on the taxable profit for the year or prior years. Taxable profit differs from total comprehensive income because it equals taxable income adjusted for amounts determined in accordance with the rules established by the taxation authorities.

Deferred tax is calculated at the average tax rates that are expected to apply to the periods in which the asset is realised or the liability is settled based on tax rates that have been enacted or substantially enacted by the reporting date. Deferred tax is not discounted.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Current and deferred tax is charged or credited in the statement of comprehensive income, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets are recognised when tax paid exceeds the tax payable. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset if, and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

CEGA AIR AMBULANCE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

3. Accounting policies (continued)

3.10 Financial instruments

(a) Financial assets classification

The company classifies its financial assets in the following categories: at fair value through profit or loss, and loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if expected to be settled within 12 months, otherwise they are classified as non-current investments.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The company's loans and receivables comprise receivables, cash and commercial paper in the balance sheet.

(b) Financial assets recognition and measurement

Regular way purchases and sales of financial assets are recognised on the trade date – the date on which the company commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the company has transferred substantially all risks and rewards of ownership. Financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the financial assets at fair value through profit or loss' category are presented in the income statement within interest income or expenses in the period in which they arise.

(c) Financial liabilities

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Borrowings are recognised initially at fair value, net of transaction costs incurred.

Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

CEGA AIR AMBULANCE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

3. Accounting policies (continued)

3.10 Financial Instruments (continued)

Dividend distributions to the company's shareholders are recognised as a liability in the company's financial statements in the period in which the dividends are approved by the company's shareholders.

3.11 Contingent assets and liabilities

Contingent assets are not recognised, but are disclosed in the financial statements when an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in the financial statements unless the probability of an outflow of resources is remote. Contingent liabilities arise as a result of past events when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the Company's control.

3.12 Trade and other debtors

Trade and other debtors are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets. Trade and other debtors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

3.13 Related party policy

The company discloses transactions with related parties which are not wholly owned within the same Group. Where appropriate, transactions of a similar nature are aggregated unless, in the opinion of the Directors, separate disclosure is necessary to understand the effect of the transactions on the company's financial statements.

4 Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the balance sheet date and the amounts reported for revenue and expenses during the year. Judgements and estimates are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. The Directors have concluded there are no significant judgements or estimates in preparing the financial statements at 31 December 2018.

CEGA AIR AMBULANCE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

5. Turnover

The whole of the turnover is attributable to the principal activity of the company. All turnover arose within the United Kingdom.

| | 2018 | 2017 |
|---|-----------------------|-----------------------|
| | £ | £ |
| Income from fellow group undertakings: | | |
| Hangarage Income | 92,205 | 85,708 |
| Intercompany Revenue | <u>154,001</u> | <u>115,769</u> |
| | <u>246,206</u> | <u>201,477</u> |

6. Other operating income

| | 2018 | 2017 |
|------------------------|----------------------|---------------------|
| | £ | £ |
| Other operating income | <u>10,171</u> | <u>7,873</u> |

CEGA AIR AMBULANCE UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

7. Discontinued operations

The Company ceased operations on 1 January 2019 following the transfer of its trade and certain asset and liabilities to a fellow group company, Cega Group Services Limited. The transfer of these assets and liabilities was made on 31 December 2018 at book value. No gain or loss on disposal was realized. The company has classified its results from financial year ending 31 December 2018 as discontinued operations.

8. Operating loss

The operating loss is stated after charging:

| | 2018 | 2017 |
|---------------------------------------|---------------|---------------|
| | £ | £ |
| Depreciation of tangible fixed assets | 305 | 359 |
| Operating lease rentals | 39,263 | 69,263 |

9. Auditors' remuneration

| | 2018 | 2017 |
|---|--------------|--------------|
| | £ | £ |
| Fees payable to the company's auditors and its associates for the audit of the company's financial statements | 5,000 | 5,000 |
| Fees payable to the company's auditors in respect of: | | |
| Tax compliance services | - | - |
| All other services | - | - |

10. Employees

The Company had no employees during the year (2017:nil).

CEGA AIR AMBULANCE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

11. Directors' remuneration

The directors' emoluments and company contributions to pension schemes are paid by Cega Group Services Limited and no amounts are recharged to the company. Their remuneration, including pension benefits, is deemed to be wholly attributable to their services to other group companies. Accordingly, none of the directors received any remuneration for their services as a director of the company during the year.

12. Tax on loss

| | 2018 £ | 2017 £ |
|---------------------------------------|-----------------|-----------------|
| Corporation tax | | |
| Current tax on loss for the year | (24,592) | (27,227) |
| Adjustments in respect of prior years | (11) | - |
| Total current tax | (24,603) | (27,227) |
| Deferred Tax | | |
| Adjustments in respect of prior year | 9,369 | (9,369) |
| Tax on loss | (15,234) | (36,596) |

Factors affecting tax credit for the year

The tax assessed for the year is lower than (2017: lower than) the standard rate of corporation tax in the UK of 19% (2017: 19.25%). The differences are explained below:

| | 2018 £ | 2017 £ |
|--|-----------------|-----------------|
| Loss before taxation | (84,398) | (51,007) |
| Loss before taxation multiplied by standard rate of corporation tax in the UK of 19% (2017 - 19.25%) | (16,035) | (9,819) |
| Effects of: | | |
| Expenses not deductible for tax purposes | 2,350 | 867 |
| Adjustment for imputed interest on group balances | (10,907) | (10,460) |
| Adjustments in respect of prior years | 9,358 | (9,369) |
| Total tax credit for the year | (15,234) | (28,781) |

Factors that may affect future tax charges

The main rate of corporation tax will change to 17% from 1 April 2020.

CEGA AIR AMBULANCE UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

13. Tangible Assets

| | Fixtures and Fittings |
|---------------------------------|----------------------------------|
| Cost or valuation | |
| At 1 January 2018 | 412,348 |
| Additions | - |
| Disposals | (412,348) |
| At 31 December 2018 | <u>-</u> |
| Accumulated depreciation | |
| At 1 January 2018 | 412,043 |
| Charge for the year | 305 |
| Disposals | (412,348) |
| At 31 December 2018 | <u>-</u> |
| Net Book Value | |
| At 31 December 2017 | <u><u>305</u></u> |
| At 31 December 2018 | <u><u>-</u></u> |

CEGA AIR AMBULANCE UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

14. Debtors

| | 2018 £ | 2017 £ |
|------------------------------------|---------------|---------------|
| Trade debtors | - | 9,439 |
| Amounts owed by group undertakings | 44,015 | 19,412 |
| Deferred Tax | - | 9,369 |
| repayments and accrued income | - | 35,248 |
| | <u>44,015</u> | <u>73,468</u> |

15. Cash at bank and in hand

| | 2018 £ | 2017 £ |
|--------------------------|-----------|--------------|
| Cash at bank and in hand | <u>-</u> | <u>1,340</u> |

16. Creditors: Amounts falling due within one year

| | 2018 £ | 2017 £ |
|------------------------------------|------------------|------------------|
| Trade creditors | | 19,662 |
| Amounts owed to group undertakings | 2,099,522 | 1,979,618 |
| Accruals and deferred income | - | 62,176 |
| | <u>2,099,522</u> | <u>2,061,456</u> |

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

CEGA AIR AMBULANCE UK LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

17. Deferred taxation

| | 2018 £ | 2017 £ |
|---------------------------|----------------|--------------|
| At 1 January 2017 | 9,369 | - |
| Charge to profit and loss | <u>(9,369)</u> | <u>9,369</u> |
| At 31 December 2018 | <u>-</u> | <u>9,369</u> |

| | 2018 £ | 2017 £ |
|--------------------------------|-----------|--------------|
| Accelerated capital allowances | - | 9,369 |
| Short term timing differences | - | - |
| | <u>-</u> | <u>9,369</u> |

18. Called up share capital

| | 2018 £ | 2017 £ |
|---|------------|------------|
| Authorised, allotted, called up and fully paid | | |
| 100 (2017: 100) Ordinary shares of £1 (2017: £1) each | <u>100</u> | <u>100</u> |

19. Pension commitments

There were no pension contributions in 2018 (2017: nil) nor any commitments (2017: nil).

CEGA AIR AMBULANCE UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

20. Commitments under operating leases

At 31 December 2018 the Company had future minimum lease payments under non-cancellable operating leases as follows:

| | 2018 £ | 2017 £ |
|--|------------------|------------------|
| Not later than 1 year | 29,263 | 29,263 |
| Later than 1 year and not later than 5 years | 117,052 | 117,052 |
| Later than 5 years | 2,633,670 | 2,662,933 |
| Total | 2,779,985 | 2,809,248 |

The lease commitment is in relation to rent payable by the company for the long leasehold property at Bournemouth Airport, owned by the company's parent, Cega Holdings Limited, which at 31 December 2018 runs until 2113.

Subsequent to the year-end, Cega Holdings Limited signed an agreement with a third party to purchase its long leasehold property after a maximum period of 3 years in which the third party will lease the property from Cega Holdings Limited at a market rent. This agreement will also transfer the company's rental commitments for the long leasehold property after a maximum of 3 years.

21. Ultimate parent undertaking and controlling party

At 31 December 2018 the ultimate parent company and controlling party was Charles Taylor Plc, a company incorporated in the United Kingdom. Cega Holdings Limited is the immediate parent company.

Charles Taylor plc is the parent undertaking of the smallest and largest group of undertakings to consolidate these financial statements. The consolidated financial statements of Charles Taylor plc can be obtained from The Minster Building, 21 Mincing Lane, London, EC3R 7AG.