

Company Registration No. 06759754 (England and Wales)

**AIRBRIDGE INTERNATIONAL AGENCIES LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

**Silver Levene (UK) Limited**  
**Chartered Certified Accountants**  
**37 Warren Street**  
**London**  
**W1T 6AD**

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12/05/2017  
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## AIRBRIDGE INTERNATIONAL AGENCIES LIMITED

### COMPANY INFORMATION

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<b>Directors</b>	Mr M C Andrew Mr E Fortis
<b>Company number</b>	06759754
<b>Registered office</b>	37 Warren Street London W1T 6AD
<b>Auditor</b>	Silver Levene (UK) Limited Chartered Certified Accountants 37 Warren Street London W1T 6AD
<b>Business address</b>	Shed F10 World Cargo Terminal Gatwick Airport West Sussex RH6 0SQ

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# AIRBRIDGE INTERNATIONAL AGENCIES LIMITED

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The following pages are for management purposes only and do not form part of the statutory financial statements

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# AIRBRIDGE INTERNATIONAL AGENCIES LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2016

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The directors present their annual report and financial statements for the year ended 31 December 2016.

#### Principal activities

The principal activity of the company continued to be that of international service provider in cargo management.

#### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr M C Andrew

Mr E Fortis

Mr A Nachtigal

(Resigned 23 March 2016)

#### 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 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.

#### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually 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.

#### Auditor

The auditor, Silver Levene (UK) Limited, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

  
.....  
Mr M C Andrew

Director

9/5/17

# **AIRBRIDGE INTERNATIONAL AGENCIES LIMITED**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF AIRBRIDGE INTERNATIONAL AGENCIES LIMITED**

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We have audited the financial statements of Airbridge International Agencies Limited for the year ended 31 December 2016 set out on pages 4 to 18. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Opinion on other matter prescribed by the Companies Act 2006**

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

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

**AIRBRIDGE INTERNATIONAL AGENCIES LIMITED**

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

**TO THE MEMBERS OF AIRBRIDGE INTERNATIONAL AGENCIES LIMITED**

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**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 and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

**Mark Adrian Gold (Senior Statutory Auditor)**  
**for and on behalf of Silver Levene (UK) Limited**

**Chartered Certified Accountants**

**Statutory Auditor**

37 Warren Street

London

W1T 6AD

10/5/17

**AIRBRIDGE INTERNATIONAL AGENCIES LIMITED****PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 DECEMBER 2016**

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		2016 £	2015 £
	Notes		
Turnover	2	12,565,599	11,372,044
Cost of sales		(11,163,447)	(9,954,646)
<b>Gross profit</b>		<b>1,402,152</b>	<b>1,417,398</b>
Administrative expenses		(1,340,540)	(1,211,200)
<b>Operating profit</b>	3	<b>61,612</b>	<b>206,198</b>
Interest payable and similar expenses		(18,905)	(19,587)
<b>Profit before taxation</b>		<b>42,707</b>	<b>186,611</b>
Taxation	6	(10,993)	(39,989)
<b>Profit for the financial year</b>		<b>31,714</b>	<b>146,622</b>

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**AIRBRIDGE INTERNATIONAL AGENCIES LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

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	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<b>Profit for the year</b>	<b>31,714</b>	<b>146,622</b>
<b>Other comprehensive income</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>	<b><u>31,714</u></b>	<b><u>146,622</u></b>



# AIRBRIDGE INTERNATIONAL AGENCIES LIMITED

## BALANCE SHEET

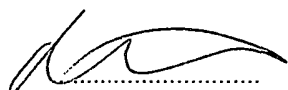
AS AT 31 DECEMBER 2016

Company Registration No. 06759754

	Notes	2016 £	£	2015 £	£
<b>Fixed assets</b>					
Tangible assets	8		8,074		10,766
<b>Current assets</b>					
Debtors	9	1,968,500		1,335,389	
Cash at bank and in hand		613,955		369,367	
		<u>2,582,455</u>		<u>1,704,756</u>	
<b>Creditors: amounts falling due within one year</b>	11	<u>(2,094,009)</u>		<u>(1,250,179)</u>	
Net current assets			488,446		454,577
<b>Total assets less current liabilities</b>			496,520		465,343
<b>Provisions for liabilities</b>	13		(1,615)		(2,152)
<b>Net assets</b>			<u>494,905</u>		<u>463,191</u>
<b>Capital and reserves</b>					
Called up share capital	14		100		100
Profit and loss reserves			494,805		463,091
<b>Total equity</b>			<u>494,905</u>		<u>463,191</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 9/5/17 and are signed on its behalf by:



Mr M C Andrew  
Director

**AIRBRIDGE INTERNATIONAL AGENCIES LIMITED**

**STATEMENT OF CHANGES IN EQUITY**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

	Notes	Share capital £	Profit and loss reserves £	Total £
<b>Balance at 1 January 2015</b>		100	428,969	429,069
<b>Year ended 31 December 2015:</b>				
Profit and total comprehensive income for the year		-	146,622	146,622
Dividends	7	-	(112,500)	(112,500)
<b>Balance at 31 December 2015</b>		100	463,091	463,191
<b>Year ended 31 December 2016:</b>				
Profit and total comprehensive income for the year		-	31,714	31,714
<b>Balance at 31 December 2016</b>		100	494,805	494,905

**AIRBRIDGE INTERNATIONAL AGENCIES LIMITED**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

	Notes	2016 £	£	2015 £	£
<b>Cash flows from operating activities</b>					
Cash (absorbed by)/generated from operations	19	(119,903)		27,680	
Interest paid		(18,905)		(19,587)	
Income taxes paid		(39,703)		(24,449)	
<b>Net cash outflow from operating activities</b>		(178,511)		(16,356)	
<b>Net cash used in investing activities</b>		-		-	
<b>Financing activities</b>					
Dividends paid		-		(112,500)	
<b>Net cash used in financing activities</b>		-		(112,500)	
<b>Net decrease in cash and cash equivalents</b>		(178,511)		(128,856)	
Cash and cash equivalents at beginning of year		218,760		347,616	
<b>Cash and cash equivalents at end of year</b>		40,249		218,760	
<b>Relating to:</b>					
Cash at bank and in hand		613,955		369,367	
Bank overdrafts included in creditors payable within one year		(573,706)		(150,607)	

# AIRBRIDGE INTERNATIONAL AGENCIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2016

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### 1 Accounting policies

#### Company information

Airbridge International Agencies Limited is a private company limited by shares incorporated in England and Wales. The registered office is 37 Warren Street, London, W1T 6AD.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Turnover

Turnover represents amounts receivable for goods and services delivered on the shipping date net of VAT and trade discounts.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

#### 1.3 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	25% Reducing Balance
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### 1.4 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

# AIRBRIDGE INTERNATIONAL AGENCIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2016

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#### 1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.6 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

# AIRBRIDGE INTERNATIONAL AGENCIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

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### 1 Accounting policies

(Continued)

#### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

#### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

### 1.7 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

# AIRBRIDGE INTERNATIONAL AGENCIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2016

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#### 1 Accounting policies

(Continued)

##### 1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

###### Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

###### Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

##### 1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

##### 1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

##### 1.11 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

##### 1.12 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

Transactions for company's operation in Austria are recorded in euros. At each reporting end date, monetary assets and liabilities are retranslated at the rates prevailing on the reporting end date. Income and expenses are also retranslated at the annual average rates for the period. Gains and losses arising on translation are included in the profit and loss account for the period.

# AIRBRIDGE INTERNATIONAL AGENCIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2016

#### 2 Turnover

An analysis of the company's turnover is as follows:

	2016 £	2015 £
<b>Turnover</b>		
Cargo management	12,565,599	11,372,044

#### Turnover analysed by geographical market

	2016 £	2015 £
UK and Ireland	12,093,167	10,789,618
Austria	472,432	582,426
	12,565,599	11,372,044

#### 3 Operating profit

	2016 £	2015 £
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Operating profit for the year is stated after charging/(crediting):

Fees payable to the company's auditors for the audit of the company's financial statements	15,500	13,150
Depreciation of tangible fixed assets	2,692	3,589

#### 4 Employees

	2016 Number	2015 Number
Total	25	23

Their aggregate remuneration comprised:

	2016 £	2015 £
Wages and salaries	783,370	683,062
Social security costs	95,831	77,172
Pension costs	4,850	-
	884,051	760,234



# AIRBRIDGE INTERNATIONAL AGENCIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2016

#### 5 Directors' remuneration

	2016 £	2015 £
Remuneration paid to directors	90,887	111,559

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2015 - 0).

#### 6 Taxation

	2016 £	2015 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	11,530	39,709
<b>Deferred tax</b>		
Origination and reversal of timing differences	(537)	280
Total tax charge	10,993	39,989

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2016 £	2015 £
Profit before taxation	42,707	186,611
Expected tax charge based on a corporation tax rate of 20.00%	8,541	37,322
Tax effect of expenses that are not deductible in determining taxable profit	2,685	3,908
Capital allowances in excess of depreciation	304	(1,669)
Deferred tax adjustments	(537)	280
Tax at marginal rate	-	148
Tax expense for the year	10,993	39,989

#### 7 Dividends

	2016 £	2015 £
Interim paid	-	112,500
	-	112,500

# AIRBRIDGE INTERNATIONAL AGENCIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2016

#### 8 Tangible fixed assets

	Plant and machinery etc £
<b>Cost</b>	
At 1 January 2016 and 31 December 2016	29,536
<b>Depreciation and impairment</b>	
At 1 January 2016	18,770
Depreciation charged in the year	2,692
At 31 December 2016	21,462
<b>Carrying amount</b>	
At 31 December 2016	8,074
At 31 December 2015	10,766

#### 9 Debtors

	2016 £	2015 £
<b>Amounts falling due within one year:</b>		
Trade debtors	1,946,061	1,319,354
Other debtors	2,479	10,902
Prepayments and accrued income	19,960	5,133
	<u>1,968,500</u>	<u>1,335,389</u>

At the year end, trade debtors includes £1,524,999 (2015: £1,080,976) subject to normal invoice discounting.

#### 10 Loans and overdrafts

	2016 £	2015 £
Bank overdrafts	<u>573,706</u>	<u>150,607</u>
Payable within one year	<u>573,706</u>	<u>150,607</u>

Bank loans and overdrafts are secured by way of a fixed and floating charge on all assets of the company.

**AIRBRIDGE INTERNATIONAL AGENCIES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

**11 Creditors: amounts falling due within one year**

	Notes	2016 £	2015 £
Bank loans and overdrafts	10	573,706	150,607
Trade creditors		1,456,820	1,029,228
Corporation tax		11,536	39,709
Other taxation and social security		8,582	1,455
Other creditors		79	-
Accruals and deferred income		43,286	29,180
		<u>2,094,009</u>	<u>1,250,179</u>

**12 Deferred taxation**

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2016 £	Liabilities 2015 £
<b>Balances:</b>		
Accelerated capital allowances	<u>1,615</u>	<u>2,152</u>
<b>Movements in the year:</b>		2016 £
Liability at 1 January 2016		2,152
Credit to profit and loss		(537)
Liability at 31 December 2016		<u>1,615</u>

**13 Provisions for liabilities**

	2016 £	2015 £
Deferred tax liabilities	<u>1,615</u>	<u>2,152</u>
	<u>1,615</u>	<u>2,152</u>

**14 Share capital**

	2016 £	2015 £
<b>Ordinary share capital Issued and fully paid</b>		
100 Ordinary share of £1 each	<u>100</u>	<u>100</u>

# AIRBRIDGE INTERNATIONAL AGENCIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2016

### 15 Financial commitments, guarantees and contingent liabilities

The company banker held a charge on bank deposit accounts.

The company's banker has provided a £200,000 guarantee to Royal Jordanian Airlines in respect of its General Sales Agent (GSA) agreement, of which company is liable for £40,000, the 20% of the guarantee amount.

The company's banker has provided a £300,000 guarantee for China Southern Airlines Co Ltd in respect of its General Sales Agent (GSA) agreement, of which company is liable to £60,000, the 20% of the guarantee amount.

The company's banker has provided a £57,000 guarantee to Aeroflot Russian Airlines in respect of its General Sales Agent (GSA) agreement.

The company's banker has provided a US\$1,270,000 guarantee to PIA in respect of its General Sales Agent (GSA) agreement, of which company is liable for US\$254,000, the 20% of the guarantee amount.

Gable Insurance AG has also provided the following payment guarantees in respect of its General Sales Agent (GSA) agreement-

- €50,000 to ABC Russian.
- €15,000 to Aerolineas Argentinas.
- €100,000 to Air India and
- £100,000 to Garuda Indonesia.

### 16 Operating lease commitments

#### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2016 £	2015 £
Within one year	24,787	24,782
Between two and five years	12,376	23,121
	<u>37,163</u>	<u>47,903</u>

Amounts recognised in profit or loss as an expense during the period in respect of operating lease arrangements is £22,595 (2014: £12,374).

### 17 Controlling party

The parent company is Open Sky Cargo (Agencies 2004) Limited, a company incorporated in Israel.

The ultimate parent company prepared the consolidated financial statements which include the results of this company. The registered office is at 25 ben yehuda st, Tel Aviv, Israel.

### 18 Related party transactions

# AIRBRIDGE INTERNATIONAL AGENCIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2016

#### 18 Related party transactions

(Continued)

##### Transactions with related parties

During the year the company entered into the following transactions with related parties:

During the year, the company sold services to the value of £12,002 (2015: £98) to Open Sky Cargo (Agencies 2004) Limited, its parent company. The company also purchased services to the value of £2,452 (2015: £nil ) and consultancy fees of £nil (2015: £56,250 ) from Open Sky Cargo (Agencies 2004) Limited.

The balance owed to Open Sky Cargo (Agencies 2004) Limited as at the balance sheet date was £2,412 (2015: owed for £98).

In addition to the above, the company paid for consultancy fees to Bravo Lima LLP £11,450 (2015: £11,500), a limited liability partnership in which Benjamin Leon, a shareholder of the company is a member.

During the year, the company paid dividends of £nil (2015: £97,500) and £nil (2015: £15,000) to Open Sky Cargo (Agencies 2004) Limited, ultimate parent company and Mark Andrew, a director of the company.

#### 19 Cash generated from operations

	2016 £	2015 £
Profit for the year after tax	31,714	146,622
<b>Adjustments for:</b>		
Taxation charged	10,993	39,989
Finance costs	18,905	19,587
Depreciation and impairment of tangible fixed assets	2,692	3,589
<b>Movements in working capital:</b>		
(Increase)/decrease in debtors	(633,111)	478,811
Increase/(decrease) in creditors	448,904	(660,918)
<b>Cash (absorbed by)/generated from operations</b>	<b>(119,903)</b>	<b>27,680</b>