

**Dragonfly Aviation Services Limited**

**Financial Statements for the Year Ended 31 October 2017**

**Dragonfly Aviation Services Limited**

**Company Information  
for the Year Ended 31 October 2017**

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**DIRECTORS:**

N Palser  
H R Palser

**REGISTERED OFFICE:**

The White Building Southside  
Cardiff International Airport  
Rhoose  
Barry  
CF62 3BD

**REGISTERED NUMBER:**

07948303 (England and Wales)

**ACCOUNTANTS:**

BPU Limited  
Chartered Accountants  
Radnor House  
Greenwood Close  
Cardiff Gate Business Park  
Cardiff  
CF23 8AA

**Chartered Accountants' Report to the Board of Directors  
on the Unaudited Financial Statements of  
Dragonfly Aviation Services Limited**

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**The following reproduces the text of the report prepared for the directors in respect of the company's annual unaudited financial statements. In accordance with the Companies Act 2006, the company is only required to file a Balance Sheet. Readers are cautioned that the Income Statement and certain other primary statements and the Report of the Directors are not required to be filed with the Registrar of Companies.**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Dragonfly Aviation Services Limited for the year ended 31 October 2017 which comprise the Profit & Loss Account, Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed within the ICAEW's regulations and guidance at <http://www.icaew.com/en/membership/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of Dragonfly Aviation Services Limited, as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of Dragonfly Aviation Services Limited and state those matters that we have agreed to state to the Board of Directors of Dragonfly Aviation Services Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Dragonfly Aviation Services Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Dragonfly Aviation Services Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Dragonfly Aviation Services Limited. You consider that Dragonfly Aviation Services Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Dragonfly Aviation Services Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

BPU Limited  
Chartered Accountants

25 July 2018

**Balance Sheet**  
**31 October 2017**

		2017		2016	
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Intangible assets	4		<b>525,890</b>		564,684
Tangible assets	5		<b>1,353,564</b>		1,555,917
			<b>1,879,454</b>		2,120,601
<b>CURRENT ASSETS</b>					
Stocks		<b>2,108</b>		1,707	
Debtors	6	<b>819,489</b>		512,020	
Cash at bank and in hand		<b>96,554</b>		97,737	
		<b>918,151</b>		611,464	
<b>CREDITORS</b>					
Amounts falling due within one year	7	<b>2,266,275</b>		1,672,511	
<b>NET CURRENT LIABILITIES</b>			<b>(1,348,124)</b>		<b>(1,061,047)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>531,330</b>		1,059,554
<b>CREDITORS</b>					
Amounts falling due after more than one year	8		<b>958,207</b>		1,676,643
<b>NET LIABILITIES</b>			<b>(426,877)</b>		<b>(617,089)</b>
<b>CAPITAL AND RESERVES</b>					
Called up share capital			<b>100</b>		100
Retained earnings			<b>(426,977)</b>		(617,189)
<b>SHAREHOLDERS' FUNDS</b>			<b>(426,877)</b>		<b>(617,089)</b>

The notes form part of these financial statements

**Balance Sheet - continued**  
**31 October 2017**

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The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 October 2017.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 October 2017 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in
- (b) accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Profit & Loss Account has not been delivered.

The financial statements were approved by the Board of Directors on 25 July 2018 and were signed on its behalf by:

H R Palser - Director

**Notes to the Financial Statements  
for the Year Ended 31 October 2017**

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**1. STATUTORY INFORMATION**

Dragonfly Aviation Services Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

During the year the company's trading position has strengthened considerably. Since the year-end the company has gained a 3+ year contract with easyJet to recover its grounded aircraft and which will provide a platform for the company's further growth. The trading performance in the current year to October 2018 has again strengthened considerably, turnover having increased by over £1m.

The Directors consider that future prospects continue to be positive and that the company will continue to substantially improve its financial performance. The Directors fully support the company and accordingly consider it appropriate to adopt the going concern basis in preparing the financial statements.

**Turnover**

Turnover is the amount derived from the provision of aircraft chartering services, net of value added tax, and falls within the company's ordinary activities. Revenue is recognised in the period in which the services are provided. All turnover arises in the United Kingdom.

**Goodwill**

Goodwill, being the amount paid in connection with the acquisition of a business in 2012, is being amortised evenly over its estimated useful life of twenty years.

**Licences**

The licence held will be amortised on a straight line basis for 10 years, starting in 2016.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Aircraft	- 5 - 33% straight line
Fixtures and fittings	- 33% reducing balance
Motor vehicles	- 33% reducing balance
Office equipment	- 33% reducing balance

A substantial element of the value of an aircraft is related to the life remaining of its engines, before overhaul or replacement is required. The time remaining before overhaul is known, and the proportion of the value of the aircraft attributable to the remaining life of its engines is amortised over this known period of time. Other costs incurred which provide enhancement of the aircrafts' value are capitalised and amortised over the length of time for which the benefit of the enhancement subsists.

**Notes to the Financial Statements - continued  
for the Year Ended 31 October 2017**

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**2. ACCOUNTING POLICIES - continued**

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Profit & Loss Account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Hire purchase and leasing commitments**

Assets held under finance leases and hire purchase contracts, which are those where substantially all the risks and rewards of ownership of the asset have passed to the company, are capitalised in the balance sheet and depreciated over their useful lives.

The interest element of the rental obligations is charged to the profit and loss account over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

**Pension costs**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Notes to the Financial Statements - continued  
for the Year Ended 31 October 2017

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 11 (2016 - 10).

4. INTANGIBLE FIXED ASSETS

	Goodwill £	Licences £	Totals £
<b>COST</b>			
At 1 November 2016 and 31 October 2017	<u>635,818</u>	<u>70,038</u>	<u>705,856</u>
<b>AMORTISATION</b>			
At 1 November 2016	127,164	14,008	141,172
Amortisation for year	31,790	7,004	38,794
At 31 October 2017	<u>158,954</u>	<u>21,012</u>	<u>179,966</u>
<b>NET BOOK VALUE</b>			
At 31 October 2017	<u>476,864</u>	<u>49,026</u>	<u>525,890</u>
At 31 October 2016	<u>508,654</u>	<u>56,030</u>	<u>564,684</u>

5. TANGIBLE FIXED ASSETS

	Aircraft £	Fixtures and fittings £	Motor vehicles £	Office equipment £	Totals £
<b>COST</b>					
At 1 November 2016	2,285,914	1,079	10,271	17,691	2,314,955
Additions	-	-	-	1,953	1,953
Disposals	-	-	(7,250)	(428)	(7,678)
At 31 October 2017	<u>2,285,914</u>	<u>1,079</u>	<u>3,021</u>	<u>19,216</u>	<u>2,309,230</u>
<b>DEPRECIATION</b>					
At 1 November 2016	739,441	866	8,242	10,489	759,038
Charge for year	199,181	71	874	2,787	202,913
Eliminated on disposal	-	-	(6,096)	(189)	(6,285)
At 31 October 2017	<u>938,622</u>	<u>937</u>	<u>3,020</u>	<u>13,087</u>	<u>955,666</u>
<b>NET BOOK VALUE</b>					
At 31 October 2017	<u>1,347,292</u>	<u>142</u>	<u>1</u>	<u>6,129</u>	<u>1,353,564</u>
At 31 October 2016	<u>1,546,473</u>	<u>213</u>	<u>2,029</u>	<u>7,202</u>	<u>1,555,917</u>



Notes to the Financial Statements - continued  
for the Year Ended 31 October 2017

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Trade debtors	489,853	166,661
Other debtors	112,309	-
Prepayments and accrued income	217,327	345,359
	<u>819,489</u>	<u>512,020</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Bank loans and overdrafts	39,036	63,557
Trade creditors	305,451	267,510
Corporation tax	23,319	-
Social security and other taxes	15,359	8,255
VAT	117,323	67,274
Other creditors	858,459	307,196
Directors' loan accounts	460,275	541,822
Accruals and deferred income	447,053	416,897
	<u>2,266,275</u>	<u>1,672,511</u>

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2017	2016
	£	£
Other loans	<u>958,207</u>	<u>1,676,643</u>

9. SECURED DEBTS

The following secured debts are included within creditors:

	2017	2016
	£	£
Bank overdrafts	39,036	63,557
Other loans	1,702,450	1,857,283
	<u>1,741,486</u>	<u>1,920,840</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.