

Registered number: 08335187

# MAC AERO INTERIORS LTD

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

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**MAC AERO INTERIORS LTD**  
**REGISTERED NUMBER: 08335187**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Intangible assets	4	-	9,747
Tangible assets	5	27,195	305,742
Investments	6	22,781	22,781
		<u>49,976</u>	<u>338,270</u>
<b>Current assets</b>			
Stocks		-	1,239,115
Debtors: amounts falling due after more than one year	7	120,000	120,000
Debtors: amounts falling due within one year	7	1,378,471	1,318,582
Cash at bank and in hand		23,396	41,034
		<u>1,521,867</u>	<u>2,718,731</u>
Creditors: amounts falling due within one year	8	(2,778,606)	(2,456,401)
<b>Net current (liabilities)/assets</b>		<u>(1,256,739)</u>	<u>262,330</u>
<b>Total assets less current liabilities</b>		<u>(1,206,763)</u>	<u>600,600</u>
Creditors: amounts falling due after more than one year	9	(827,362)	(269,617)
<b>Net (liabilities)/assets</b>		<u><u>(2,034,125)</u></u>	<u><u>330,983</u></u>
<b>Capital and reserves</b>			
Called up share capital		1,726,653	1,726,653
Profit and loss account		(3,760,778)	(1,395,670)
		<u><u>(2,034,125)</u></u>	<u><u>330,983</u></u>

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**MAC AERO INTERIORS LTD**  
**REGISTERED NUMBER: 08335187**

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**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 31 DECEMBER 2020**

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*The directors consider that the Company is entitled to exemption from audit under section 479A of the Companies Act 2006.*

The members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

**M Manniste**  
Director



Date: 27 September 2021

The notes on pages 3 to 10 form part of these financial statements.

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## MAC AERO INTERIORS LTD

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 1. General information

Mac Aero Interiors Ltd is a private company, limited by shares, company number 08335187, registered in England and Wales. Its registered address is 10 Queen Street Place, London, EC4R 1AG. Its principal place of business is Unit 9, Perrywood Business Park, Salfords, Surrey, RH1 5DZ.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

##### 2.2 Going concern

During the year the company incurred a loss of £2,365,108 (2019: £921,788) and had net liabilities of £2,034,125 as at 31 December 2020 (net assets: £330,983 in 2019). The financial statements have been prepared on a going concern basis, the applicability of which is dependent on the continuous support from the immediate parent undertaking, Magnetic MRO AS for the foreseeable future and at least twelve months from the approval of these financial statements.

##### 2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

###### Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

##### 2.4 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**2. Accounting policies (continued)**

**2.5 Intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

**2.6 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is *directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.*

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Long-term leasehold property	- over the life of the lease
Plant and machinery	- 10% straight - line basis
Motor vehicles	- 10% straight - line basis

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

**2.7 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of Comprehensive Income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Statement of Financial Position date. Gains and losses on remeasurement are recognised in profit or loss for the period.

**2.8 Associates and joint ventures**

Associates and Joint Ventures are held at cost less impairment.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

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**2. Accounting policies (continued)**

**2.9 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

**2.10 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.11 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**2.12 Financial instruments**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

**2.13 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**2. Accounting policies (continued)**

**2.14 Foreign currency translation**

**Functional and presentation currency**

The Company's functional and presentational currency is GBP.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

**2.15 Operating leases: the Company as lessee**

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

**3. Employees**

The average monthly number of employees, including directors, during the year was 3 (2019 - 24).

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**MAC AERO INTERIORS LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**4. Intangible assets**

	Patents £
<b>Cost</b>	
At 1 January 2020	63,141
At 31 December 2020	<u>63,141</u>
<b>Amortisation</b>	
At 1 January 2020	53,394
Charge for the year	9,747
At 31 December 2020	<u>63,141</u>
<b>Net book value</b>	
At 31 December 2020	<u>-</u>
At 31 December 2019	<u>9,747</u>



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**MAC AERO INTERIORS LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**5. Tangible fixed assets**

	Long-term leasehold property £	Plant and machinery £	Computer equipment £	Total £
<b>Cost or valuation</b>				
At 1 January 2020	269,786	111,207	27,523	408,516
Disposals	(269,786)	-	-	(269,786)
At 31 December 2020	-	111,207	27,523	138,730
<b>Depreciation</b>				
At 1 January 2020	19,270	66,895	16,609	102,774
Charge for the year	17,664	21,669	6,362	45,695
Disposals	(36,934)	-	-	(36,934)
At 31 December 2020	-	88,564	22,971	111,535
<b>Net book value</b>				
At 31 December 2020	-	22,643	4,552	27,195
At 31 December 2019	250,516	44,313	10,914	305,743

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**MAC AERO INTERIORS LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**6. Fixed asset investments**

	Investments in associates £
<b>Cost or valuation</b>	
At 1 January 2020	22,781
At 31 December 2020	<u>22,781</u>

**7. Debtors**

	2020 £	2019 £
<b>Due after more than one year</b>		
Other debtors	<u>120,000</u>	<u>120,000</u>
<b>Due within one year</b>		
Trade debtors	711,222	518,861
Other debtors	657,495	741,982
Prepayments and accrued income	9,754	57,739
	<u>1,378,471</u>	<u>1,318,582</u>

**8. Creditors: Amounts falling due within one year**

	2020 £	2019 £
Bank overdrafts	-	5,816
Trade creditors	2,418,389	1,987,172
Amounts owed to group undertakings	42,312	268,755
Other taxation and social security	242,676	185,044
Other creditors	1,852	9,614
Accruals and deferred income	73,377	-
	<u>2,778,606</u>	<u>2,456,401</u>

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**MAC AERO INTERIORS LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**9. Creditors: Amounts falling due after more than one year**

	2020 £	2019 £
Amounts owed to group undertakings	827,362	269,617

**10. Pension commitments**

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £3,219 (2019 - £14,620). Contributions totalling £710 (2019 - £7,253) were payable to the fund at the reporting date and are included in creditors.

**11. Controlling party**

The immediate parent undertaking is Magnetic MRO AS, a company incorporated in Estonia. The ultimate parent undertaking is Guangzhou Hangxin Aviation Technology Co. Limited, a company incorporated in China.