

Registered No. 09689895

AERO-SATCOM LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2019



Aero-Satcom Limited

ANNUAL REPORT For the year ended 31 December 2019

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Aero-Satcom Limited

COMPANY INFORMATION

DIRECTORS

Peter Crafter
Nikolaj Hveggholm
Pascale Lefroit
Marc Pinault

SECRETARY

Sara Gordon

AUDITOR

RSM UK Audit LLP
Chartered Accountants
Davidson House
Forbury Square
Reading
Berkshire
RG1 3EU

REGISTERED OFFICE

6 Wells Place
Gatton Park Business Centre
Redhill
Surrey
RH1 3DR

BANKERS

Danske Bank A/S
75 King William Street
London
EC4N 7DT

SOLICITORS

Irwin Mitchell
Chatham Court
Lesbourne Road
Reigate
Surrey
RH2 7FN

WEB SITE

<http://aero-satcom.com>

Aero-Satcom Limited

DIRECTORS' REPORT **For the year ended 31 December 2019**

The directors present their report and the financial statements for the year ended 31 December 2019.

RESULTS AND DIVIDENDS

Aero-Satcom made a profit after tax of £254,361 (2018: £43,966) in the year. No dividends have been paid.

PRINCIPAL ACTIVITIES

The principal activity of the company in the year was the provision of aeronautical satellite communications services.

DIRECTORS

The directors who served during the year were as follows:

Peter Crafter
Nikolaj Hveggholm
Pascale Lefroit
Marc Pinault

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

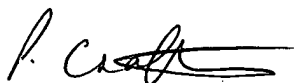
So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

AUDITOR

The auditor, RSM UK Audit LLP, Chartered Accountants, has indicated its willingness to continue in office.

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

By order of the board



Peter Crafter
Director
26 September 2020

Aero-Satcom Limited

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. 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 those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and accounting estimates that are reasonable and prudent;
- c. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and 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.

Aero-Satcom Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AERO-SATCOM LIMITED

Opinion on financial statements

We have audited the financial statements of Aero-Satcom Limited (the 'company') for the year ended 31 December 2019 which comprise the income statement, statement of financial position, statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion 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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the 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.

Aero-Satcom Limited

Matters on which we are required to report by exception

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 material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which 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 from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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.

Auditor's 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 auditor's 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 Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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.

RSM UK AUDIT LLP

NEIL MELLOR FCA (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP Statutory Auditor
Chartered Accountants
Davidson House
Forbury Square
Reading
Berkshire
RG1 3EU

30 September 2020

Aero-Satcom Limited

INCOME STATEMENT For the year ended 31 December 2019

	Notes	2019 £	2018 £
TURNOVER	4	3,381,570	655,849
Cost of sales		(3,029,871)	(581,147)
GROSS PROFIT		<u>351,699</u>	<u>74,702</u>
Administrative expenses		(41,733)	(21,506)
OPERATING PROFIT		<u>309,966</u>	<u>53,196</u>
Interest receivable	5	2,564	994
PROFIT BEFORE TAXATION		<u>312,530</u>	<u>54,190</u>
Tax on profit	8	(58,169)	(10,224)
PROFIT AFTER TAXATION AND PROFIT FOR THE FINANCIAL YEAR		<u>254,361</u>	<u>43,966</u>

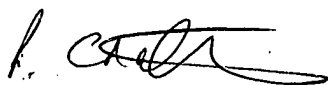
Aero-Satcom Limited

STATEMENT OF FINANCIAL POSITION (Company Registration Number: 09689895) At 31 December 2019

	Notes	2019 £	2018 £
CURRENT ASSETS			
Debtors	9	819,628	167,221
Cash at bank and in hand		313,472	122,688
		<u>1,133,100</u>	<u>289,909</u>
CREDITORS: amounts falling due within one year	10	(817,176)	(228,346)
NET ASSETS		<u>315,924</u>	<u>61,563</u>
CAPITAL AND RESERVES			
Called up share capital	11	100	100
Profit and loss account		315,824	61,463
TOTAL EQUITY		<u>315,924</u>	<u>61,563</u>

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

The financial statements on pages 6 to 13 were approved by the board of directors and authorised for issue on 25 September 2020 and signed on their behalf by:


Peter Crafter
Director


25 September 2020

Aero-Satcom Limited

STATEMENT OF CHANGES IN EQUITY For the year ended 31 December 2019

	Share capital £	Profit and loss account £	Total £
Balance at 1 January 2018	100	17,497	17,597
Profit and total comprehensive income for the year	-	43,966	43,966
Balance at 31 December 2018	100	61,463	61,563
Profit and total comprehensive income for the year	-	254,361	254,361
Balance at 31 December 2019	100	315,824	315,924

Aero-Satcom Limited

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2019

1. GENERAL INFORMATION

Aero-Satcom Limited ("the Company") is a private company limited by shares incorporated and domiciled in England.

The registered office of the Company is 6 Wells Place, Gatton Park Business Centre, Redhill, Surrey, RH1 3DR.

The company's principal activity is the provision of aeronautical satellite communications services.

2. BASIS OF ACCOUNTING

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"), the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime, and under the historical cost convention. 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.

Monetary amounts in these financial statements are rounded to the nearest whole £1, except where otherwise indicated.

3. PRINCIPAL ACCOUNTING POLICIES

A summary of the main accounting policies is set out below.

GOING CONCERN

The directors have considered the forecasts for the forthcoming 12 months from the signing of these accounts and based on the existing cash and projected income and expenditure they are satisfied the Company has adequate resources to continue in operations for the foreseeable future. NSSLGlobal Limited and Eclipse sarl, the significant shareholders, have both agreed to provide additional support if it were to be required. Accordingly the going concern basis has been used in preparing these accounts.

FUNCTIONAL AND PRESENTATIONAL CURRENCIES

The financial statements are presented in sterling. The functional currency of the company is US dollars. The financial statements are presented in sterling as this is the currency of the country the Company is incorporated in.

FOREIGN CURRENCIES

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date.

All translation differences are taken to the profit and loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translated gain or loss is also recognised in other comprehensive income.

Aero-Satcom Limited

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2019

3. PRINCIPAL ACCOUNTING POLICIES (Continued)

TURNOVER

Turnover is recognised at the fair value of the consideration received or receivable for the sale of goods and services to external customers in the ordinary nature of the business. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates. Turnover is shown net of Value Added Tax.

Turnover is recognised at the point of dispatch of goods or provisions of services or when risk has been passed to the customer.

TAXATION

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Current tax is charged or credited in profit or loss, 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 and current 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.

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, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument, and are offset only when the Company currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial Assets

Trade and Other Debtors

Trade debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Trade debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

Aero-Satcom Limited

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2019

3. PRINCIPAL ACCOUNTING POLICIES (Continued)

Financial Liabilities and equity

Financial instruments are classified as liabilities and equity instruments 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.

Equity Instruments

Financial instruments classified as equity instruments are recorded at the fair value of the cash or other resources received or receivable, net of direct costs of issuing the equity instruments.

Trade and Other Creditors

Trade and other creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Where the arrangement with a trade creditor constitutes a financing transaction, the creditor is initially and subsequently measured at the present value of future payments discounted at a market rate of interest for a similar instrument.

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, 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. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements 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.

It is the view of the Directors that there are no critical accounting estimates or critical areas of judgement.

4. TURNOVER

An analysis of the geographical location of the Company's turnover, based on the customer's billing address, is as follows:

Geographic analysis	2019 £	2018 £
Europe	3,380,215	665,264
United Kingdom	1,355	(9,415)
	<hr/>	<hr/>
	3,381,570	655,849
	<hr/>	<hr/>

A credit note was raised in 2018 relating to 2017 sales resulting in the negative balance above.

Aero-Satcom Limited

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2019

5. INTEREST RECEIVABLE

	2019 £	2018 £
Bank interest receivable	2,564	994
	<hr/>	<hr/>

6. PROFIT BEFORE TAXATION

	2019 £	2018 £
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The profit before taxation is stated after charging:

Fees payable to RSM UK Audit LLP and its associates in respect of both audit and non-audit services are as follows;

Audit services – statutory audit of the accounts	5,600	5,400
Taxation compliance services	1,850	1,420
	<hr/>	<hr/>

7. EMPLOYEES

There were no employees during the year other than the directors, who received no remuneration for their services.

8. TAXATION

	2019 £	2018 £
Current tax:		
UK corporation tax on profits of current year	58,169	10,224
Tax on profit on ordinary activities	<hr/> 58,169	<hr/> 10,224

9. DEBTORS: Amounts falling due within one year

	2019 £	2018 £
Amounts owed by related undertakings	500,733	167,221
Other debtors	318,895	-
	<hr/> 819,628	<hr/> 167,221

Aero-Satcom Limited

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2019

10. CREDITORS: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	473,155	144,540
Corporation tax	58,169	10,224
Amounts owed to related undertakings	22,647	23,555
Other creditors	263,205	50,027
	<u>817,176</u>	<u>228,346</u>

11. SHARE CAPITAL

	2019 £	2018 £
Equity shares:		
Allotted, issued and fully paid:		
100 Ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

Ordinary share rights

The Company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the Company.

12. RESERVES

Reserves of the Group and Company represent the following:

Profit and loss account: Cumulative profit and loss net of distributions to owners.

13. RELATED PARTY TRANSACTIONS

During the year sales of £3,380,667 (2018: £655,711) were made to companies, or their subsidiaries, with joint control over Aero-Satcom Limited. £500,733 (2018: £167,221) is owed to Aero-Satcom Limited at the balance sheet date from these companies.

During the year management fees of £21,799 (2018: £18,725) we incurred from companies, or their subsidiaries, with joint control over Aero-Satcom Limited. An amount of £5,435 (2018: £Nil) is owed by Aero-Satcom Limited at the balance sheet date to these companies.

Loans were received totalling £22,647 (2018: £23,555) from companies with joint control over Aero-Satcom Limited. These loans have no fixed repayment date and are therefore included within short term creditors, no interest is currently charged. No repayments have been made on these loans.

14. CONTROL

The company is jointly controlled by NSSLGlobal Limited and Eclipse sarl.