

Air Extreme Ltd

Annual Report and Unaudited Financial Statements
for the Year Ended 28 February 2019

PGD Accountants
Certified Accountants
Three Gables
Tews Lane
Bickington
Barnstaple
Devon
EX31 2JU

Air Extreme Ltd

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Air Extreme Ltd

Company Information

Directors	Mrs A Isaac Mr B Isaac
Registered office	Three Gables Tews Lane Bickington Barnstaple Devon EX31 2JU
Accountants	PGD Accountants Certified Accountants Three Gables Tews Lane Bickington Barnstaple Devon EX31 2JU

Air Extreme Ltd

(Registration number: 10017829) Balance Sheet as at 28 February 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	<u>4</u>	88,977	230,315
Current assets			
Stocks	<u>5</u>	12,700	16,675
Debtors	<u>6</u>	19,492	19,000
Cash at bank and in hand		<u>13,642</u>	<u>17,334</u>
		45,834	53,009
Creditors: Amounts falling due within one year	<u>7</u>	<u>(361,820)</u>	<u>(367,610)</u>
Net current liabilities		<u>(315,986)</u>	<u>(314,601)</u>
Total assets less current liabilities		(227,009)	(84,286)
Creditors: Amounts falling due after more than one year	<u>7</u>	<u>-</u>	<u>(20,159)</u>
Net liabilities		<u>(227,009)</u>	<u>(104,445)</u>
Capital and reserves			
Called up share capital	<u>8</u>	10	10
Profit and loss account		<u>(227,019)</u>	<u>(104,455)</u>
Total equity		<u>(227,009)</u>	<u>(104,445)</u>

For the financial year ending 28 February 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 29 November 2019 and signed on its behalf by:

The notes on pages 4 to 9 form an integral part of these financial statements.
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Air Extreme Ltd

(Registration number: 10017829)
Balance Sheet as at 28 February 2019

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Mr B Isaac
Director

The notes on pages 4 to 9 form an integral part of these financial statements.
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Notes to the Unaudited Financial Statements for the Year Ended 28 February 2019

1 General information

The company is a private company limited by share capital, incorporated in England.

The address of its registered office is:

Three Gables
Tews Lane
Bickington
Barnstaple
Devon
EX31 2JU

The principal place of business is:

Unit 1
Centurion Court
Lauder Lane
Barnstaple
Devon
EX31 3TA

These financial statements were authorised for issue by the Board on 29 November 2019.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Going concern

The financial statements have been prepared on a going concern basis. The financial position of the company will improve considerably when the companies borrowings have been repaid.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Air Extreme Ltd

Notes to the Unaudited Financial Statements for the Year Ended 28 February 2019

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Short leasehold property	10 years straight line
Plant and machinery	25% reducing balance or life of lease

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are 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.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Air Extreme Ltd

Notes to the Unaudited Financial Statements for the Year Ended 28 February 2019

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing. Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges. Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 32 (2018 - 35).

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Notes to the Unaudited Financial Statements for the Year Ended 28 February 2019

4 Tangible assets

	Land and buildings £	Other tangible assets £	Total £
Cost or valuation			
At 1 March 2018	90,546	322,417	412,963
At 28 February 2019	90,546	322,417	412,963
Depreciation			
At 1 March 2018	16,819	165,829	182,648
Charge for the year	9,055	132,283	141,338
At 28 February 2019	25,874	298,112	323,986
Carrying amount			
At 28 February 2019	64,672	24,305	88,977
At 28 February 2018	73,727	156,588	230,315

Included within the net book value of land and buildings above is £64,672 (2018 - £73,727) in respect of short leasehold land and buildings.

The obligations under finance leases are secured against the items of plant and machinery to which they relate that have a carrying amount of £15,746 (2018 - £145,177).

5 Stocks

	2019 £	2018 £
Other inventories	12,700	16,675

6 Debtors

	2019 £	2018 £
Prepayments	19,492	19,000
	19,492	19,000

Air Extreme Ltd

Notes to the Unaudited Financial Statements for the Year Ended 28 February 2019

7 Creditors

Creditors: amounts falling due within one year

	Note	2019 £	2018 £
Due within one year			
Loans and borrowings	9	240,586	249,077
Trade creditors		32,873	26,859
Taxation and social security		17,126	20,474
Accruals and deferred income		1,285	1,250
Other creditors		69,950	69,950
		<u>361,820</u>	<u>367,610</u>

Creditors: amounts falling due after more than one year

	Note	2019 £	2018 £
Due after one year			
Loans and borrowings	9	<u>-</u>	<u>20,159</u>

8 Share capital

Allotted, called up and fully paid shares

	No.	2019 £	No.	2018 £
Ordinary shares of £1 each	10	10	10	10
		<u>10</u>		<u>10</u>

9 Loans and borrowings

	2019 £	2018 £
Non-current loans and borrowings		
Finance lease liabilities	<u>-</u>	<u>20,159</u>

Air Extreme Ltd

Notes to the Unaudited Financial Statements for the Year Ended 28 February 2019

	2019 £	2018 £
Current loans and borrowings		
Finance lease liabilities	20,157	119,324
Other borrowings	220,429	129,753
	<u>240,586</u>	<u>249,077</u>

10 Related party transactions

Transactions with directors

	At 1 March 2018 £	Repayments by director £	At 28 February 2019 £
2019			
Mrs A Isaac			
Various advances made to company interest free repayable on demand	64,877	45,338	110,215
	<u>64,877</u>	<u>45,338</u>	<u>110,215</u>
Mr B Isaac			
Various advances made to company interest free repayable on demand	64,876	45,338	110,214
	<u>64,876</u>	<u>45,338</u>	<u>110,214</u>

	At 1 March 2017 £	Other payments made to company by director £	At 28 February 2018 £
2018			
Mrs A Isaac			
Various advances made to company interest free repayable on demand	47,877	17,000	64,877
	<u>47,877</u>	<u>17,000</u>	<u>64,877</u>
Mr B Isaac			
Various advances made to company interest free repayable on demand	47,877	16,999	64,876
	<u>47,877</u>	<u>16,999</u>	<u>64,876</u>