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AIR STUDIOS (LYNDHURST) LIMITED

**AUDITED FILLETED
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 DECEMBER 2018**



Chartered Accountants and
Chartered Tax Advisers
Statutory Auditors

AIR STUDIOS (LYNDHURST) LIMITED
REGISTERED NUMBER: 02534012

BALANCE SHEET
AS AT 31 DECEMBER 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	5	1,376,850	1,455,634
Investments	6	-	1
		<u>1,376,850</u>	<u>1,455,635</u>
Current assets			
Stocks		6,641	7,694
Debtors: amounts falling due within one year	7	446,129	650,303
Cash at bank and in hand	8	1,124,379	654,884
		<u>1,577,149</u>	<u>1,312,881</u>
Creditors: amounts falling due within one year	9	(1,672,651)	(636,598)
Net current (liabilities)/assets		<u>(95,502)</u>	<u>676,283</u>
Total assets less current liabilities		<u>1,281,348</u>	<u>2,131,918</u>
Creditors: amounts falling due after more than one year	10	(73,631)	(66,293)
Net assets		<u><u>1,207,717</u></u>	<u><u>2,065,625</u></u>
Capital and reserves			
Called up share capital	13	100,000	100,000
Profit and loss account	14	1,107,717	1,965,625
Shareholders' funds		<u><u>1,207,717</u></u>	<u><u>2,065,625</u></u>

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 income and retained earnings 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:



Mr S D Burgess
Director

Date: 27/8/19

AIR STUDIOS (LYNDHURST) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. General information

Air Studios (Lyndhurst) Limited is a private company, limited by shares, and incorporated in England and Wales, registered number 02534012. The registered office is Munro House, Portsmouth Road, Cobham, Surrey, KT11 1PP. The principal place of business is Lyndhurst Hall, Lyndhurst Road, London, NW3 5NG.

These financial statements are presented in sterling, which is the functional currency of the company and rounded to the nearest £.

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 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:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.3 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the statement of income and retained earnings on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.4 Leased assets: the Company as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the statement of income and retained earnings so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

AIR STUDIOS (LYNDHURST) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.5 Interest income

Interest income is recognised in the statement of income and retained earnings using the effective interest method.

2.6 Finance costs

Finance costs are charged to the statement of income and retained earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.7 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the statement of income and retained earnings when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.8 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, .

Depreciation is provided on the following basis:

Short-term leasehold property	-	10% straight line
Plant and machinery	-	10% reducing balance
Fixtures and fittings	-	25% straight line

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 the statement of income and retained earnings.

2.9 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 income and retained earnings for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

AIR STUDIOS (LYNDHURST) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.10 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 balance sheet 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.

2.11 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.

2.12 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.

2.13 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.

2.14 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 non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of income and retained earnings.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

AIR STUDIOS (LYNDHURST) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.15 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average monthly number of employees, including directors, during the year was 35 (2017 - 35).

4. Taxation

	2018 £	2017 £
	<hr/>	<hr/>
Total current tax	<hr/> - <hr/>	<hr/> - <hr/>

Factors affecting tax charge for the year

There were no factors that affected the tax charge for the year which has been calculated on the profits on ordinary activities before tax at the standard rate of corporation tax in the UK of 19% (2017 - 19%).

Factors that may affect future tax charges

The company has trading losses available for carry forward against future trading profits.

AIR STUDIOS (LYNDHURST) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

5. Tangible fixed assets

	Short-term leasehold property £	Plant and machinery £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 January 2018	154,352	6,005,993	184,659	6,345,004
Additions	523	61,595	30,446	92,564
Disposals	-	-	(1,139)	(1,139)
At 31 December 2018	154,875	6,067,588	213,966	6,436,429
Depreciation				
At 1 January 2018	54,725	4,696,606	138,038	4,889,369
Charge for the year on owned assets	15,488	133,664	21,343	170,495
Disposals	-	-	(285)	(285)
At 31 December 2018	70,213	4,830,270	159,096	5,059,579
Net book value				
At 31 December 2018	84,662	1,237,318	54,870	1,376,850
At 31 December 2017	99,626	1,309,387	46,621	1,455,634

The net book value of land and buildings may be further analysed as follows:

	2018 £	2017 £
Short leasehold	84,662	99,626

6. Fixed asset investments

	Investments in subsidiary companies £
At 1 January 2018	1
Disposals	(1)
At 31 December 2018	-

AIR STUDIOS (LYNDHURST) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

7. Debtors

	2018 £	2017 £
Trade debtors	343,945	262,465
Amounts owed by joint ventures and associated undertakings	-	93,955
Other debtors	3,522	65,870
Prepayments and accrued income	98,662	228,013
	<u>446,129</u>	<u>650,303</u>

8. Cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	<u>1,124,379</u>	<u>654,884</u>

9. Creditors: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	112,949	277,933
Amounts owed to group undertakings	1,200,000	-
Other taxation and social security	126,473	110,695
Obligations under finance lease and hire purchase contracts	81,840	42,536
Other creditors	82,088	171,838
Accruals and deferred income	69,301	33,596
	<u>1,672,651</u>	<u>636,598</u>

10. Creditors: Amounts falling due after more than one year

	2018 £	2017 £
Net obligations under finance leases and hire purchase contracts	<u>73,631</u>	<u>66,293</u>

AIR STUDIOS (LYNDHURST) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

11. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2018 £	2017 £
Within one year	81,840	42,536
Between 1-5 years	73,631	66,293
	<u>155,471</u>	<u>108,829</u>

12. Financial instruments

	2018 £	2017 £
Financial assets		
Financial assets measured at fair value through profit or loss	<u>1,124,379</u>	<u>654,884</u>

13. Share capital

	2018 £	2017 £
Allotted, called up and fully paid		
100,000 (2017 -) Ordinary shares of £1.00 each	100,000	-
(2017 - 53,936) A Ordinary shares of £1.00 each	-	53,936
(2017 - 35,936) B Ordinary shares of £1.00 each	-	35,936
(2017 - 10,000) C Ordinary shares of £1.00 each	-	10,000
(2017 - 64) D Ordinary shares of £1.00 each	-	64
(2017 - 64) E Ordinary shares of £1.00 each	-	64
	<u>100,000</u>	<u>100,000</u>

All shares were redesignated as ordinary on 28 November 2018.

14. Reserves

Profit and loss account

The profit and loss account represents the cumulative profit and losses net of all adjustments.

15. Related party transactions

At the year end the company owed £nil (2017 - £100,000) to a past director of the company.

The Company has taken the disclosure exemptions under FRS 102 section 33.1A not to disclose transactions and balances with wholly owned group members.

AIR STUDIOS (LYNDHURST) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

16. Controlling party

The Company's immediate parent undertaking is Veyron Holdings Limited, a Company incorporated in the British Virgin Islands. The ultimate parent undertaking is Fortina Enterprises Limited, a Company incorporated in the British Virgin Islands, which is owned by the Opalus Trust.

The ultimate controlling party is Mr M Demin by virtue of his interest in The Opalus Trust.

17. Auditors' information

The auditors' report on the financial statements for the year ended 31 December 2018 was unqualified.

The audit report was signed on 27/8/19 by Mark Nelligan ACA (senior statutory auditor) on behalf of Wellden Turnbull Limited.