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**AD Aerospace Limited**

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**Financial statements**

**Information for filing with the registrar**

**For the Year Ended 30 September 2023**

**AD Aerospace Limited**  
Registered number: 03034197

**Balance Sheet**  
As at 30 September 2023

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Intangible assets	4	-	92,095
Tangible assets	5	<u>51,576</u>	<u>136,936</u>
		<b>51,576</b>	<b>229,031</b>
<b>Current assets</b>			
Stocks	6	1,368,327	810,952
Debtors: amounts falling due within one year	7	571,192	1,204,632
Cash at bank and in hand	8	<u>1,185,684</u>	<u>987,065</u>
		<b>3,125,203</b>	<b>3,002,649</b>
Creditors: amounts falling due within one year	9	<u>(766,657)</u>	<u>(915,953)</u>
<b>Net current assets</b>		<b>2,358,546</b>	<b>2,086,696</b>
<b>Total assets less current liabilities</b>		<b>2,410,122</b>	<b>2,315,727</b>
<b>Net assets</b>		<b>2,410,122</b>	<b>2,315,727</b>
<b>Capital and reserves</b>			
Called up share capital		50,001	50,001
Share premium account		199	199
Profit and loss account		<u>2,359,922</u>	<u>2,265,527</u>
		<b>2,410,122</b>	<b>2,315,727</b>

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:

**M Einollahi**  
Director

Date: 14 December 2023

The notes on pages 2 to 9 form part of these financial statements.

**Notes to the Financial Statements  
For the Year Ended 30 September 2023**

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**1. General information**

AD Aerospace Limited is a private company limited by share capital. The company is incorporated in England, registered number 03034197. The address of the registered office and principal place of business is Electra House Pepper Road, Hazel Grove, Stockport, SK7 5BW.

**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 Turnover**

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover 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 turnover is recognised:

**Sale of goods**

Turnover 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 turnover 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.

**2.3 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.

**2.4 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

**2.5 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 profit or loss when they fall due. Amounts not paid are shown in other creditors as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

Notes to the Financial Statements  
For the Year Ended 30 September 2023

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2. Accounting policies (continued)

2.6 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 balance sheet date in the countries where the Company operates and generates income.

2.7 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Statement of Income and Retained Earnings over its useful economic life of 3 years.

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 provided on the following basis:

Long-term leasehold property	-	In accordance with the lease term
Motor vehicles	-	50% on cost
Computer equipment	-	33% on cost

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.

2.9 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.

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.

2.10 Debtors

Short-term debtors are measured at transaction price, less any impairment.

**Notes to the Financial Statements  
For the Year Ended 30 September 2023**

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**2. Accounting policies (continued)**

**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 Creditors**

Short-term creditors are measured at the transaction price.

**2.13 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.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

**2.14 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 12 (2022 - 12).

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AD Aerospace Limited

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Notes to the Financial Statements  
For the Year Ended 30 September 2023

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4. Intangible assets

	Goodwill £
<b>Cost</b>	
At 1 October 2022	276,287
At 30 September 2023	<u>276,287</u>
<b>Amortisation</b>	
At 1 October 2022	184,192
Charge for the year	92,095
At 30 September 2023	<u>276,287</u>
<b>Net book value</b>	
At 30 September 2023	<u>-</u>
<i>At 30 September 2022</i>	<u>92,095</u>

AD Aerospace Limited

**Notes to the Financial Statements  
For the Year Ended 30 September 2023**

**5. Tangible fixed assets**

	Long-term leasehold property £	Motor vehicles £	Computer equipment £	Total £
<b>Cost</b>				
At 1 October 2022	547,742	6,774	4,811	559,327
Additions	79,564	23,097	-	102,661
Disposals	-	(6,774)	-	(6,774)
At 30 September 2023	<u>627,306</u>	<u>23,097</u>	<u>4,811</u>	<u>655,214</u>
<b>Depreciation</b>				
At 1 October 2022	410,806	6,774	4,811	422,391
Charge for the year	185,134	2,887	-	188,021
Disposals	-	(6,774)	-	(6,774)
At 30 September 2023	<u>595,940</u>	<u>2,887</u>	<u>4,811</u>	<u>603,638</u>
<b>Net book value</b>				
At 30 September 2023	<u>31,366</u>	<u>20,210</u>	<u>-</u>	<u>51,576</u>
<i>At 30 September 2022</i>	<u>136,936</u>	<u>-</u>	<u>-</u>	<u>136,936</u>

**6. Stocks**

	2023 £	2022 £
Finished goods and goods for resale	<u>1,368,327</u>	<u>810,952</u>

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**AD Aerospace Limited**

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**Notes to the Financial Statements  
For the Year Ended 30 September 2023**

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**7. Debtors**

	2023 £	2022 £
Trade debtors	235,604	922,242
Amounts owed by group undertakings	31,253	128,541
Other debtors	148,319	87,449
Prepayments and accrued income	156,016	66,400
	<u>571,192</u>	<u>1,204,632</u>

Amounts due from group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

**8. Cash and cash equivalents**

	2023 £	2022 £
Cash at bank and in hand	<u>1,185,684</u>	<u>987,065</u>

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

	2023 £	2022 £
Trade creditors	114,282	90,771
Amounts owed to group undertakings	426,847	187,074
Corporation tax	10,000	100,000
Other taxation and social security	10,890	10,835
Other creditors	3,291	124,749
Accruals and deferred income	201,347	402,524
	<u>766,657</u>	<u>915,953</u>

Amounts due from group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

**Notes to the Financial Statements  
For the Year Ended 30 September 2023**

**10. Financial instruments**

2023                      2022  
£                              £

**Financial assets**

Derivative financial instruments measured at fair value through profit or loss held as part of a trading portfolio

89,095                      (121,324)

Derivative financial instruments measured at fair value through profit or loss held as part of a trading portfolio comprise forward foreign currency contracts to mitigate the exchange risk for foreign currency receivables. At 30 September 2023, the outstanding contracts all mature within 15 months (2022 - within 6 months) of year end. The company is committed to sell US \$4,500,000 (2022 - US \$1,800,000) and receive a fixed sterling amount of £3,776,792 (2022 - £1,490,930).

The forward currency contracts are measured at fair value, which is determined using valuation techniques that utilise observable inputs. The key assumptions used in valuing the derivatives are the forward exchange rates for GBP:USD.

**11. 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. Contributions totalling £3,291 (2022: £3,425) were payable to the fund at the balance sheet date and are included in creditors.

**12. Commitments under operating leases**

At 30 September 2023 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

2023                      2022  
£                              £

Not later than 1 year	38,373	153,490
Later than 1 year and not later than 5 years	-	38,373
	<u>38,373</u>	<u>191,863</u>

**13. Controlling party**

The immediate and ultimate parent company is Mythra Limited. Mythra Limited has company number 09172417 and its registered office is Electra House Pepper Road, Hazel Grove, Stockport, England, SK7 5BW.

Mythra Limited is the parent company of the largest and smallest group of undertakings to consolidate these financial statements. The registered address of Mythra Limited is Electra House Pepper Road, Hazel Grove, Stockport, England, SK7 5BW. The consolidated financial statements can be obtained from Companies House.

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**AD Aerospace Limited**

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**Notes to the Financial Statements  
For the Year Ended 30 September 2023**

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**14. Auditors' information**

The auditors' report on the financial statements for the year ended 30 September 2023 was unqualified.

The audit report was signed on 14 December 2023 by Anthony Woodings (Senior Statutory Auditor) on behalf of Hurst Accountants Limited.

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.