

**Westminster Aviation Security
Services Limited**

Financial statements

Year ended 31 December 2018

Company number 04030072



Westminster Aviation Security Services Limited

Financial Statements for the year ended 31 December 2018

Contents and company information

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Company information

Directors

P D Fowler
R W Worrall
S P Fowler
M L W Hughes
J L Fowler

Company secretary

R W Worrall

Registered office

Westminster House
Blacklocks Hill
Banbury
Oxfordshire
OX17 2BS

Westminster Aviation Security Services Limited

Financial Statements for the year ended 31 December 2018

DIRECTORS' REPORT

The Directors present their report and the financial statements of the Company for the year ended 31 December 2018.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the Company during the year was the provision of airport security services.

RESULTS AND DIVIDENDS

The company result for the financial year was £1,173,000 (2017: £930,000 profit). No dividend has been declared in relation to the year ended 31 December 2018.

DIRECTORS

The Directors who held office during the year were as follows:

P D Fowler

R W Worrall

S P Fowler

J L Fowler

M L W Hughes (appointed 25 October 2018)

M B Boden (resigned 25 October 2018)

GOING CONCERN

The financial statements are prepared on the going concern basis. In assessing whether the going concern assumption is appropriate, management have taken into account all relevant available information about the future. As part of its assessment, management have taken into account the profit and cash forecasts, the continued support of the shareholder, and Directors and management's ability to affect costs and revenues.

Based upon these projections the Group has adequate working capital for the 12 months following the date of signing these financial statements. For this reason, the Directors continue to adopt the going concern basis in preparing the financial statements.

Westminster Group plc, has given an undertaking to provide such financial support as is necessary to enable the Company to meet its liabilities as they fall due and not to seek any repayment of the intercompany loan for at least the 12 months following the date of approval of these financial statements.

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 year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under Company law the Directors must not approve the financial statements unless 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 these financial statements, the Directors are required to:

Westminster Aviation Security Services Limited

Financial Statements for the year ended 31 December 2018

DIRECTORS' REPORT (continued)

STATEMENT OF DIRECTORS' RESPONSIBILITIES (continued)

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that 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.

In so far as each of the Directors is aware:

- there is no relevant audit information of which the Company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

SMALL COMPANY PROVISIONS

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

POST BALANCE SHEET EVENTS

There have been no significant events affecting the Company since the year end.

AUDITOR

On 4 February 2019 Moore Stephens LLP merged its business with BDO LLP. As a result Moore Stephens LLP resigned as auditors, and the directors have appointed BDO LLP as auditors in their place.

By order of the board



Mark L W Hughes
Director

7 June 2019

Registered number 04030072

Westminster Aviation Security Services Limited

Financial Statements for the year ended 31 December 2018

Independent auditor's report to the members of Westminster Aviation Security Services Limited

Opinion

We have audited the financial statements of Westminster Aviation Security Services Limited ("the Company") for the year ended 31 December 2018 which comprise the Statement of Comprehensive Income, Statement of Financial Position and 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 Financial Reporting Standard 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 2018 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 Directors are responsible for the other information. The other information comprises the information included in the financial statements, other than the financial statements and our auditor's report thereon. 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.

Westminster Aviation Security Services Limited

Financial Statements for the year ended 31 December 2018

Independent auditor's report to the members of Westminster Aviation Security Services Limited

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.

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 Director's 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.
- directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of Directors

As explained more fully in the Statement of Directors responsibilities, 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.

Westminster Aviation Security Services Limited

Financial Statements for the year ended 31 December 2018

Independent auditor's report to the members of Westminster Aviation Security Services Limited

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:

<https://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.



Michael Simms (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
150 Aldersgate Street
London
EC1A 4AB
Date: 18 June 2019

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Westminster Aviation Security Services Limited

Financial Statements for the year ended 31 December 2018

Statement of Comprehensive Income

	Note	2018	2017
		£000	£000
Revenue	4	3,529	3,560
Cost of sales		<u>(1,728)</u>	<u>(1,507)</u>
Gross profit		1,801	2,053
Administrative expenses		<u>(802)</u>	<u>(1,123)</u>
Profit on ordinary activities before taxation	5	999	930
Tax charge on profit/loss on ordinary activities	7	174	-
Profit for the year		<u>1,173</u>	<u>930</u>

The accompanying notes form part of these financial statements.

Westminster Aviation Security Services Limited

Financial Statements for the year ended 31 December 2018

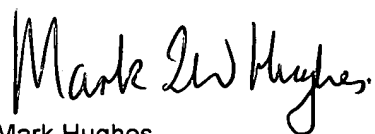
Statement of Financial Position

	Note	As at 31 December 2018 £000	As at 31 December 2017 £000
FIXED ASSETS			
Tangible assets	8	3,392	3,511
Investment in subsidiary undertaking	9	68	68
Deferred tax asset	7	174	-
		<u>3,634</u>	<u>3,579</u>
CURRENT ASSETS			
Debtors	10	455	606
Cash at hand and in bank		54	74
		<u>509</u>	<u>680</u>
CREDITORS: Amounts falling due within one year	11	<u>(5,590)</u>	<u>(6,879)</u>
NET CURRENT LIABILITIES		<u>(5,081)</u>	<u>(6,199)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>(1,447)</u>	<u>(2,620)</u>
SHAREHOLDERS' EQUITY			
Called up share capital	13	1	1
Capital redemption reserve	14	-	-
Retained earnings		(1,448)	(2,621)
SHAREHOLDERS' DEFICIT		<u>(1,447)</u>	<u>(2,620)</u>

The accompanying notes form part of these financial statements.

The Company's 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.

These financial statements were approved by the Directors and authorised for issue on 7 June 2019 and are signed on their behalf by:



Mark Hughes

Director

Registration Number 04030072

Westminster Aviation Security Services Limited
Financial Statements for the year ended 31 December 2018

Statement of Changes in Equity

	Share capital	Capital redemption reserve	Retained earnings	Total
	£'000	£'000	£'000	£'000
2018				
At beginning of year	1	-	(2,621)	(2,620)
Profit for the year	-	-	1,173	1,173
At end of year	1	-	(1,448)	(1,447)

	Share capital	Capital redemption reserve	Retained earnings	Total
	£'000	£'000	£'000	£'000
2017				
At beginning of year	1	-	(3,551)	(3,550)
Profit for the year	-	-	930	930
At end of year	1	-	(2,621)	(2,620)

The accompanying notes form part of these financial statements.

Notes to the financial statements (Continued)

Westminster Aviation Security Services Limited is a private company, limited by shares, domiciled in England and Wales, registration number 04030072. The registered office is Westminster House, Blacklocks Hill, Banbury, Oxfordshire, OX17 2BS.

The financial statements have been prepared in accordance with the provisions of Financial Reporting Standard 102 Section 1A small entities. There were no material departures from that standard.

The principal accounting policies adopted in the preparation of the financial statements are set out below, have remained unchanged from the previous year and have been consistently applied.

The financial statements have been prepared under the historical cost convention and the Companies Act 2006. The presentation currency is £ sterling.

The preparation of financial statements in compliance with FRS 102 Section 1A small entities requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The Directors have reviewed the estimates and judgements for the Company and have not identified any significant enough to require disclosure.

The following principal accounting policies have been applied:

The financial statements are prepared on the going concern basis. In assessing whether the going concern assumption is appropriate, management have taken into account all relevant available information about the future. As part of its assessment, management have taken into account the profit and cash forecasts, the continued support of the shareholders, loan note holders and Directors and management's ability to affect costs and revenues.

Westminster Group plc, has given an undertaking to provide such financial support as is necessary to enable the Company to meet its liabilities as they fall due and not to seek any repayment of the intercompany loan for at least the 12 months following the date of approval of these financial statements.

Revenue comprises the fair value of the consideration received or receivable for the sale of products and services, net of value-added tax, rebates and discounts. Revenue is recognised when the service is provided to the client.

All intangible assets are recorded at initial cost less accumulated amortisation.

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Software - 20% straight line

All tangible assets are recorded at initial cost less accumulated depreciation.

Westminster Aviation Security Services Limited

Financial Statements for the year ended 31 December 2018

Notes to the financial statements (Continued)

3.7 Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Office equipment	- Various rates between 2% and 33%
Motor vehicles	- 33% straight line
Plant and machinery	- Over the length of the contract.

3.8 Impairment

At each reporting date, fixed assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

3.9 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.

3.10 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 accounts receivable and payable. Financial assets are measured at the present value of amounts receivable, less an allowance for the expected level of doubtful receivables. Financial liabilities are measured at the present value of the obligation.

3.11 Creditors

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

3.12 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognised as an expense or income in profit or loss, except in respect of items dealt with through equity, in which case the tax is also dealt with through equity.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated by using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is the tax expected to be payable or recoverable on material differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction which affects neither the tax profit nor the accounting profit.

3.13 Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

Westminster Aviation Security Services Limited

Financial Statements for the year ended 31 December 2018

Notes to the financial statements (Continued)

4. REVENUE

The revenue and profit before tax are attributable to the one principal activity of the Company. An analysis of revenue is given below:

	2018	2017
	£'000	£'000
United Kingdom	1	-
Africa	3,368	3,560
Middle East	144	-
Rest of the World	16	-
	3,529	3,560

5. PROFIT FROM OPERATIONS

The profit for the year has been arrived at after charging / (crediting):

	2018	2017
	£'000	£'000
Depreciation	125	173
Foreign exchange (gain) / loss	(65)	71
Auditors Remuneration	4	10

6. EMPLOYEES

The average number of employees during the year amounted to:

	2018	2017
	No.	No.
Management	1	1
Administration	6	6
	7	7

Total staff cost was £428,000 (2017: £345,000)

Westminster Aviation Security Services Limited

Financial Statements for the year ended 31 December 2018

Notes to the financial statements (Continued)

7. TAXATION

a) Analysis of the tax charge in the year;

	2018 £000	2017 £000
<i>Current tax:</i>		
United Kingdom corporation tax at 19% (2017: 19.25%)	-	-
Deferred tax provision	174	-
Total current tax	174	-

b) Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK 19% (2017: 19.25%). The differences are explained below:

	2018 £000	2017 £000
Profit on ordinary activities before taxation	999	930
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19.0% (2017: 19.25%)	190	179
Capital allowances in excess of depreciation	(45)	46
Expenses not deductible	1	-
Carried forward losses utilised	(146)	(225)
Deferred Tax timing differences	(174)	-
Current tax charge for the year	(174)	-

c) Factors that may affect future tax charges

The Company has trading estimated losses carried forward of £1,930,000 (2017: £2,852,000), which are subject to the usual HMRC approval.

8. TANGIBLE FIXED ASSETS

	Plant and machinery £'000	Equipment £'000	Motor vehicles £'000	Total £'000
Cost				
At 1 Jan 2018	675	3,601	51	4,327
Additions	-	5	-	5
Disposal	-	(2)	-	(2)
At 31 Dec 2018	675	3,604	51	4,330
Depreciation				
At 1 Jan 2018	357	414	45	816
Charge for year	36	82	6	124
Disposal	-	(2)	-	(2)
At 31 Dec 2018	393	494	51	938
Net book value				
At 31 Dec 2018	282	3,110	-	3,392
At 31 Dec 2017	318	3,187	6	3,511

Westminster Aviation Security Services Limited

Financial Statements for the year ended 31 December 2018

Notes to the financial statements (Continued)

9. INVESTMENT IN SUBSIDIARY UNDERTAKING

	2018	2017
	£'000	£'000
Investment in Subsidiary	68	68

The investment in subsidiary undertaking represents a 49% shareholding in Westminster Sierra Leone Limited. This Company has its registered address at ATU Building, Government Wharf, Freetown, Sierra Leone.

10. DEBTORS

	2018	2017
	£000	£000
Trade debtors	422	435
Prepayments	10	10
Amounts owed by Group undertakings	23	161
Total	455	606

Amounts due from group undertakings are unsecured, repayable on demand and bear no interest.

11. CREDITORS; AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£000	£000
Amounts owed to Group undertakings	5,514	6,820
Trade creditors	15	11
Other taxes and social security payable	9	6
Accruals and other creditors	52	42
Total	5,590	6,879

Amounts due to group undertakings have no fixed repayment date and bear no interest. Overdrafts are secured by multiparty guarantee over all companies within the Westminster Group.

12. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption conferred by FRS 102 not to disclose transactions with group undertakings where 100% of the share capital is held within the group and the consolidated financial statements are publicly available.

The Company had transactions in the year with one related party which was not a 100% owned subsidiary of the group; Westminster Sierra Leone Ltd which is a 49% subsidiary of this entity. At 31st December 2018 Westminster Aviation Security Services Limited was owed £25,000 (31st December 2017: £161,000) by this entity. During the year Westminster Aviation Security Services Limited had purchases of £1,359,000 (2017: £1,217,000) from Westminster Sierra Leone Ltd, transferred cash to Westminster Sierra Leone Ltd of £50,000 (2017: £481,000) and Westminster Sierra Leone Ltd made payments to third parties on behalf of Westminster Aviation Security Services Limited of £279,000 (2017: £2,047,000). During the year airline receipts totalling £1,170,000 (2017: £1,048,000) were made to Westminster Sierra Leone Ltd and transferred to Westminster Aviation Security Services Ltd. Purchases totalling £283,000 (2017: £1,000) were transferred to Westminster Sierra Leone Ltd.

Westminster Aviation Security Services Limited

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Notes to the financial statements (Continued)

Westminster Sierra Leone Ltd also made payments to third parties on behalf of Westminster Aviation Security Services Ltd of £nil (2017: £14,000).

13. SHARE CAPITAL

	2018		2017	
	£		£	
Authorised:				
10,000 Ordinary shares of £0.10 each		<u>1,000</u>		<u>1,000</u>
	At 31 Dec 2018		At 31 Dec 2017	
	No.	£	No.	£
Allotted, called up and fully paid:				
Ordinary shares of £0.10 each	<u>9,500</u>	<u>950</u>	<u>9,500</u>	<u>950</u>

14. CAPITAL REDEMPTION RESERVE

	2018	2017
	£	£
Capital redemption reserve	<u>50</u>	<u>50</u>

15. ULTIMATE PARENT COMPANY

Westminster International Limited is the immediate controlling party and Westminster Group PLC is the ultimate controlling party by virtue of their ownership of 100% of the issued share capital. The controlling company is incorporated in England and Wales. The consolidated financial statements of the Group are available on its website at www.wsg-corporate.com and may be obtained from the Company Secretary at Westminster House, Blacklocks Hill, Banbury, Oxfordshire, OX17 2BS.

16. CONTINGENT LIABILITIES

In 2017 the company was party to a multilateral guarantee in respect of bank overdrafts of all companies within Westminster Group. At 31 December 2018 these borrowings amounted to £nil (2017: £14,000). The charge was satisfied on 25 October 2018 so it no longer exists.

Optimus Capital LLP hold debentures comprising fixed and floating charges over all the assets of Westminster Aviation Security Services.

17. SUBSIDIARY UNDERTAKING

Name	Country of incorporation	Principal activity	% of nominal ordinary share capital and voting rights held
Westminster Sierra Leone Limited	Sierra Leone	Local infrastructure for airport operations	49