REGISTERED NUMBER: 10656583 (England and Wales)
AMENDED

Parent Company of 2 Excel Management LTD
Registered Number 08503399
List of Subsidiaries are included on
Page 24 to 26 of these accounts

GROUP STRATEGIC REPORT,

REPORT OF THE DIRECTORS AND

AUDITED

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2018

FOR

2 EXCEL (HOLDINGS) LIMITED

2 EXCEL (HOLDINGS) LIMITED

CONTENTS OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

2 EXCEL (HOLDINGS) LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2018

DIRECTORS:	C J R Norton A C Offer H P Singh A J W Rae
REGISTERED OFFICE:	72 Fielding Road London W4 1DB
REGISTERED NUMBER:	10656583 (England and Wales)
AUDITORS:	Grant Thornton UK LLP Accountants and Senior Statutory Auditors 30 Finsbury Square London EC2A 1AG

2 EXCEL (HOLDINGS) LIMITED

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2018

The directors present their Strategic Report of the Company and the Group for the year ended 31 March 2018.

REVIEW OF BUSINESS

The principal activity of the Company is that of investments holding and the Group in the year under review was that of total aviation solutions.

The principal activity of the 2Excel Group during the year under review was that of providing aerospace services. 2Excel's strategy for the year has been to complete building its new capabilities to be able to grow the scale and depth of its aviation offerings by investing in its core business streams; it has only diversified within existing sectors and where directly necessary to capitalise on opportunities. In parallel it has continued to invest in its management (establishing a Management Board) and supporting processes to increase capacity to control risks and further develop its markets.

During the year, T2 Aviation Limited and GCP Aviation Limited were added to the Group as subsidiary entities. Also, during the year, the Group sold its shareholding in the loss-making entity, 2Excel Engineering Limited. Pivotal to the growth plans of the Group, the original shareholders sold a 51% controlling stake in the Group to the Employees by establishing an Employees Ownership Trust to retain and incentivise staff and to increase overall productivity.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties facing the group are described below.

Revenue Risk

The Group is reliant on government and large companies for contracts which are subject to periodic competitive tender. In the face of contextual change, renewal of these contracts is uncertain but the Group over-performs both financially and operationally in order to remain the incumbent and, historically, retains more contracts than it loses.

Competitive Risk

Historically, the Group's strategy has been to operate in service niches where there are few, if any, competitors. However, as it grows, the opportunities are bigger, and it is coming up against larger companies with longer histories and more ability to 'buy' the work.

Financial Instrument Risks

The Group continues to improve its risk and financial management frameworks to enhance its internal controls and improve its capacity to meet its performance objectives. This limits undue counterparty exposure, ensures sufficient working capital exists for tenders and opportunities, monitors performance and management of risk at a business unit level and increases the likelihood of success.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Group has mitigated its liquidity risk by managing cash generation by its operations, applying cash collection targets and by drawing down additional debt funding during the period. This second tranche of debt has allowed a step change in scale to meet sales opportunities and, using retained revenues, the Group has sufficient resources to meet the operating needs of its business.

POSITION OF THE GROUP

Internal investment and consolidation meant revenue growth during the year was almost double and, at year end, the Group was well positioned to further grow and the Directors are optimistic for a significant increase in revenues and retained profits during next year.

GROUP RECONSTRUCTION

The group reconstruction has been accounted for by using the merger accounting method.

Under the merger accounting method:

- The carrying values of the assets and liabilities of the parties to the combination are not required to be adjusted to fair value, although appropriate adjustments shall be made to achieve uniformity of accounting policies in the combining entities.
- The results and cashflow of all combining entities shall be brought into the financial statements of the combined entity from the beginning of the financial year in which the combination occurred, adjusted so as to achieve uniformity of accounting policies.
- The comparative information shall be restated by including the total comprehensive income for all the combining entities for the previous reporting period and their statement of financial position for the previous reporting date, adjusted as necessary to achieve uniformity of accounting policies.
- The difference between the nominal value of the shares issued plus the fair value of any other consideration given, and the nominal value of the shares received in exchange shall be shown as a movement on merger reserves in the consolidated financial statements. Any existing balances on the share premium account or capital redemption reserve of a new subsidiary shall be brought in by being shown as a movement on merger reserves. These movements shall be shown in the statement of changes in equity.

2 EXCEL (HOLDINGS) LIMITED

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2018**

KEY PERFORMANCE INDICATORS
The key financial and other performance indicators for the Group during the year were as follows:

Description	**2018**	**2017**	**Change**
	£	**£**	**%**
Turnover	29,560,805	16,821,042	+76
Gross profit	16,239,011	12,479,752	+30
Operating (loss)/profit	(2,442,176)	3,027,431	-181
(Loss)/Profit after tax	(3,969,725)	2,448,488	-262
Shareholders' funds	4,734,822	6,036,175	-22
Gross Profit %	55%	65%	-15
Average number of employees	254	197	+29

ON BEHALF OF THE BOARD:

Harant Singh

....
H P Singh - Director

Date: 12 February 2019

2 EXCEL (HOLDINGS) LIMITED

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2018

The directors present their report with the financial statements of the Company and the Group for the year ended 31 March 2018.

DIVIDENDS
The total distribution of dividends for the year ended 31 March 2018 is £300,000.

FUTURE DEVELOPMENTS
The directors aim to maintain the management policies, which have resulted in the Group's substantial growth in the last four years. They consider that the next year will show a further significant growth in sales due to the additional contracts obtained.

DIRECTORS
The directors shown below have held office during the whole of the period from 1 April 2017 to the date of this report.

C J R Norton
A C Offer
H P Singh

Other changes in directors holding office are as follows:

A J W Rae was appointed as a director after 31 March 2018 but prior to the date of this report

CHARITABLE DONATIONS AND EXPENDITURE
During the year, the group made total charitable donations of £46,893 (2017: £25,331).

The following charitable donations were above £2,000:
- £7,510 to Aerobility
- £38,148 to RAFBF (Royal Air Force Benevolent Fund)

DISCLOSURE IN THE STRATEGIC REPORT
The following information has been disclosed in the strategic report:
- The principal activity of the Group during the year
- The principal risks and uncertainties of the Group

DIRECTORS' RESPONSIBILITIES STATEMENT
The directors are responsible for preparing the Group Strategic Report, the Report of the Directors and the financial statements in accordance with applicable laws 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws, including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"). 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 the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company and the Group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

2 EXCEL (HOLDINGS) LIMITED

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2018

AUDITORS
The auditors, Grant Thornton UK LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

Harpal Singh

....
H P Singh - Director

Date: 12 February 2019

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF 2 EXCEL (HOLDINGS) LIMITED

Opinion

We have audited the revised financial statements of 2 Excel (Holdings) Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2018 which comprise the Consolidated Income Statement, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement 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). These revised financial statements replace the original financial statements approved by the directors on 29 January 2019.

The revised financial statements have been prepared under the Companies (Revision of Defective Accounts and Reports) Regulations 2008 and accordingly do not take account of events which have taken place after the date on which the original financial statements were approved.

In our opinion the revised financial statements:

- the revised financial statements give a true and fair view, seen as at the date the original financial statements were approved, of the state of the group's and of the parent company's affairs as at 31 March 2018 and of the group's loss for the year then ended;
- the revised financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice seen as at the date the original financial statements were approved;
- the revised financial statements have been prepared in accordance with the requirements of the Companies Act 2006 as they have effect under the Companies (Revision of Defective Accounts and Reports) Regulations 2008; and
- the original financial statements for the year ended 31 March 2018 failed to comply with the requirements of the Companies Act 2006 in the respects identified by the directors in the statement contained in Note 1 to these revised financial statements.

Emphasis of matter - disclosure of parental guarantee given to subsidiary companies and omission of subsidiary company from Note 11

In forming our opinion on the revised financial statements, which is not modified, we have considered the adequacy of the disclosures made in Note 1 to these revised financial statements. As explained in that the Note 1 to the revised financial statements, the directors are of the opinion that the previous financial statements were defective in that they did not disclose the fact that the company had issued a parental guarantee to its subsidiary companies, as identified in Note 11 to the revised financial statements, permitting the subsidiary companies to be exempt from statutory audit by virtue of section 479A of the Companies Act 2006 for the year ended 31 March 2018. They were also defective in that the previous financial statements did not disclose the fact the 2 Excel Aviation Limited was a subsidiary of the parent company at 31 March 2018.

The original financial statements were approved on 29 January 2019 and our previous report was signed on that date.

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 Auditors' responsibilities for the audit of the revised financial statements section of our report. We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the revised 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.

Who we are reporting to

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 a Report of the Auditors 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.

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 revised financial statements is not appropriate; or
- the directors have not disclosed in the revised financial statements any identified material uncertainties that may cast significant doubt about the group'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 revised financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, other than the revised financial statements and our Report of the Auditors thereon. Our opinion on the revised financial statements does not cover the other information, except to the extent otherwise explicitly stated in our report, and we do not express any form of assurance conclusion thereon.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF 2 EXCEL (HOLDINGS) LIMITED

In connection with our audit of the revised financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the revised 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.

Opinion 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 Group Strategic Report and the Report of the Directors for the financial year for which the revised financial statements are prepared is consistent with the revised financial statements; and
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

In our opinion, the original financial statements for the year ended 31 March 2018 failed to comply with the requirements of the Companies Act 2006 in the respects identified by the directors in note 1 to the revised financial statements.

Matter on which we are required to report under the Companies Act 2006
In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:
- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Responsibilities of directors
As explained more fully in the Statement of Directors' Responsibilities set out on page four, the directors are responsible for the preparation of the revised financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the revised financial statements, the directors are responsible for assessing the group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the revised financial statements
Our objectives are to obtain reasonable assurance about whether the revised financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors 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 revised financial statements.

We are required to report to you if, in our opinion: the revised financial statements are prepared in accordance with the requirements of the Companies Act 2006 as they have effect under the Companies (Revision of Defective Accounts and Reports) Regulations 2008; the original financial statements failed to comply with the requirements of the Companies Act 2006 in the respects identified by the directors in the statement contained in the notes to the revised financial statements; and the information given in the Strategic Report and Directors' Report is consistent with the revised financial statements.

A further description of our responsibilities for the audit of the revised financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities . This description forms part of our Report of the Independent Auditors.

The audit of the revised financial statements includes the performance of procedures to assess whether the revisions made by the directors are appropriate and have been properly made.

Grant Thornton UK LLP

Gary Jones (Senior Statutory Auditor)
for and on behalf of Grant Thornton UK LLP
30 Finsbury Square
London
EC2A 1AG

Date: 12 February 2019

2 EXCEL (HOLDINGS) LIMITED

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2018 £ Continuing	2018 £ Discontinued (Note 2)	2018 £ Total	2017 £ Total
REVENUE					
Group and share of associates		18,033,845	11,759,784	29,793,629	19,244,144
Less:					
Share of associates		(232,824)	-	(232,824)	(2,423,102)
GROUP REVENUE		17,801,021	11,759,784	29,560,805	16,821,042
Cost of sales		(4,198,381)	(9,123,413)	(13,321,794)	(4,341,290)
GROSS PROFIT		13,602,640	2,636,371	16,239,011	12,479,752
Administrative expenses		(11,806,362)	(7,184,856)	(18,991,218)	(9,475,168)
Other operating income		310,031	-	310,031	22,847
GROUP OPERATING (LOSS)/PROFIT	4	2,106,309	(4,548,485)	(2,442,176)	3,027,431
Share of operating loss in associates		(83)	-	(83)	(23,262)
Interest payable and similar expenses	5	(1,497,446)	(30,012)	(1,527,458)	(555,444)
(LOSS)/PROFIT BEFORE TAXATION		608,780	(4,578,497)	(3,969,717)	2,448,725
Tax on (loss)/profit	6	(8)	-	(8)	(237)
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		608,772	(4,578,497)	(3,969,725)	2,448,488
(Loss)/profit attributable to:					
Owners of the parent				(4,667,425)	2,674,839
Non-controlling interests				697,700	(226,351)
				(3,969,725)	2,448,488

The notes on pages 15 to 29 form part of these financial statements

2 EXCEL (HOLDINGS) LIMITED (REGISTERED NUMBER: 10656583)

CONSOLIDATED BALANCE SHEET
31 MARCH 2018

		2018		2017	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	9		2,397,020		3,354,402
Property, plant and equipment	10		15,091,726		10,489,710
			17,488,746		13,844,112
CURRENT ASSETS					
Inventories	12	2,500		328,837	
Debtors	13	6,323,789		7,660,777	
Cash at bank and in hand		3,407		25,328	
		6,329,696		8,014,942	
CREDITORS					
Amounts falling due within one year	14	(4,906,891)		(5,269,892)	
NET CURRENT ASSETS			1,422,805		2,745,050
TOTAL ASSETS LESS CURRENT LIABILITIES			18,911,551		16,589,162
CREDITORS					
Amounts falling due after more than one year	15		(15,283,441)		(12,387,247)
NET ASSETS			3,628,110		4,201,915
CAPITAL AND RESERVES					
Called up share capital	19		840		420
Merger reserve	20		471,700		472,120
Retained earnings	20		4,262,282		5,563,635
SHAREHOLDERS' FUNDS			4,734,822		6,036,175
NON-CONTROLLING INTEREST			(1,106,712)		(1,834,260)
TOTAL EQUITY			3,628,110		4,201,915

The financial statements were approved by the Board of Directors on 12 February 2019 and were signed on its behalf by:

Harant Singh

....

H P Singh - Director

The notes on pages 15 to 29 form part of these financial statements

2 EXCEL (HOLDINGS) LIMITED (REGISTERED NUMBER: 10656583)

COMPANY BALANCE SHEET
31 MARCH 2018

	Notes	2018 £	2018 £	2017 £	2017 £
FIXED ASSETS					
Investments	11		420		-
			420		-
CURRENT ASSETS					
Debtors	13	840		420	
CREDITORS					
Amounts falling due within one year	14	(420)		-	
NET CURRENT ASSETS			420		420
TOTAL ASSETS LESS CURRENT LIABILITIES			840		420
CAPITAL AND RESERVES					
Called up share capital	18		840		420
SHAREHOLDERS' FUNDS			840		420
Company's profit for the financial year			300,000		-

The financial statements were approved by the Board of Directors on 12 February 2019 and were signed on its behalf by:

Harant P Singh

....

H P Singh - Director

2 EXCEL (HOLDINGS) LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2018

	Called up share capital £	Retained earnings £	Merger reserve £
Balance at 1 April 2016	-	3,188,796	472,120
Changes in equity			
Issue of share capital	420	-	-
Dividends	-	(300,000)	-
Total comprehensive income	-	2,674,839	-
Movement due to gain/loss of control of subsidiaries	-	-	-
Balance at 31 March 2017	420	5,563,635	472,120
Changes in equity			
Issue of share capital	420	-	-
Dividends	-	(300,000)	-
Total comprehensive income	-	(4,667,425)	-
Movement due to gain/loss of control of subsidiaries	-	3,666,072	-
Other movement	-	-	(420)
	420	(1,301,353)	(420)
Balance at 31 March 2018	840	4,262,282	471,700

	Total £	Non-controlling interests £	Total equity £
Balance at 1 April 2016	3,660,916	-	3,660,916
Changes in equity			
Issue of share capital	420	-	420
Dividends	(300,000)	-	(300,000)
Total comprehensive income	2,674,839	(226,351)	2,448,488
Movement due to gain/loss of control of subsidiaries	-	(1,607,909)	(1,607,909)
Balance at 31 March 2017	6,036,175	(1,834,260)	4,201,915
Changes in equity			
Issue of share capital	420	-	420
Dividends	(300,000)	-	(300,000)
Total comprehensive income	(4,667,425)	697,700	(3,969,725)
Movement due to gain/loss of control of subsidiaries	3,666,072	29,848	3,695,920
Other movement	(420)	-	(420)
Balance at 31 March 2018	4,734,822	(1,106,712)	3,628,110

The notes on pages 15 to 29 form part of these financial statements

2 EXCEL (HOLDINGS) LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2018

	Called up share capital £	Retained earnings £	Total equity £
Changes in equity			
Issue of share capital	420	-	420
Total comprehensive income	-	-	
Balance at 31 March 2017	420	-	420
Changes in equity			
Issue of share capital	420	-	420
Total comprehensive income	-	(300,000)	-
Dividends paid	-	300,000	-
Balance at 31 March 2018	840	-	840

The notes on pages 15 to 29 form part of these financial statements

2 EXCEL (HOLDINGS) LIMITED

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2018

	Notes	2018 £	2017 £
Cash flows from operating activities			
Cash generated from operations	1	4,215,590	1,597,474
Interest paid		(1,527,458)	(555,444)
Tax paid		(28)	(152)
Net cash from operating activities		2,688,104	1,041,878
Cash flows from investing activities			
Purchase of intangible assets		(94,280)	(844,634)
Purchase of property, plant and equipment		(5,810,480)	(5,617,564)
Purchase of fixed asset investments		(417,206)	113,855
Sale of property, plant and equipment		-	291,312
Sale of fixed asset investments		(408,770)	73,333
Net cash from investing activities		(6,730,736)	(5,983,698)
Cash flows from financing activities			
New loans in year		3,332,934	10,350,000
Loan repayments in year		-	(2,514,382)
Amount withdrawn by directors		-	(2,000,000)
Share issue		420	-
Share issue from reorganisation		-	(420)
Other loans		(181,846)	(957,733)
Balance due from connected companies		1,295,157	-
Equity dividends paid		(300,000)	(300,000)
Net cash from financing activities		4,146,665	4,577,465
Increase/(decrease) in cash and cash equivalents		104,033	(364,775)
Cash and cash equivalents at beginning of year	2	(156,492)	208,283
Cash and cash equivalents at end of year	2	(52,459)	(156,492)

The notes on pages 15 to 29 form part of these financial statements

2 EXCEL (HOLDINGS) LIMITED

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2018

1. RECONCILIATION OF (LOSS)/PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2018	2017
	£	£
(Loss)/profit before taxation	(3,969,717)	2,448,725
Depreciation charges	3,451,023	1,423,117
Loss/(profit) on disposal of fixed assets	3,062,606	(245,869)
Finance costs	1,527,458	555,444
	4,071,370	4,181,417
Decrease/(increase) in inventories	326,337	(28,837)
Decrease/(increase) in trade and other debtors	499,900	(731,786)
Decrease in trade and other creditors	(682,017)	(1,823,740)
Cash generated from operations	4,215,590	1,597,054

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 March 2018

	31.3.18	1.4.17
	£	£
Cash and cash equivalents	3,407	25,328
Bank overdrafts	(55,866)	(181,820)
	(52,459)	(156,492)

Year ended 31 March 2017

	31.3.17	1.4.16
	£	£
Cash and cash equivalents	25,328	208,283
Bank overdrafts	(181,820)	-
	(156,492)	208,283

1. GENERAL INFORMATION

2 Excel (Holdings) Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

The Directors consider that the previous financial statements for the year ended 31 March 2018, approved on 29 January 2019, did not comply with the requirements of Companies Act 2006 and thus have prepared and approved a revised set, under S454(1) of the Act. The Directors are of the view that the previous financial statements were defective in that they:
did not disclose the fact that the parent company, 2 Excel (Holdings) Limited, had issued a parental guarantee to its subsidiaries:

- 2 Excel Aviation Limited,
- 2 Excel Management Limited,
- 2 Excel Leading Edge Limited,
- 2 Excel Design Limited,
- GCP Aviation Limited,
- T2 Aviation Limited,

permitting the above subsidiaries to exempt themselves from statutory audit under s479a of the Companies Act 2006 for the year ended 31 March 2018.

These financial statements therefore are intended to replace those previously prepared for the year ended 31 March 2018 and signed on behalf of the Board on 29 January 2019 and are now the statutory accounts of the company for that financial year.

No other consequential alterations to the financial statements were required.

Please refer to Note 11 for the revised disclosure in relation to the parental guarantee given to all its subsidiaries.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements
These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements have been prepared on a going concern basis as the directors are satisfied that the company will have adequate resources to meet its liabilities to third parties as they fall due.

The principal activity of the company is that of investments holding and the group is that of total aviation solutions.

Basis of consolidation
The group financial statements consolidate the financial statements of 2 Excel (Holdings) Limited and all its subsidiary undertakings drawn up to 31 March each year. No profit and loss account is presented for 2 Excel (Holdings) Limited as permitted by section 408 of the Companies Act 2006.

Subsidiaries are consolidated from the date of their acquisition, being the date on which the group obtains control and continue to be consolidated until the date that such control ceases. Control comprises the power to govern the financial and operating policies of the investee so as to obtain benefit from its activities. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Any subsidiary undertakings sold during the year are included up to, or from, the date of change of control or change of significant influence respectively. Where control is lost, the gain or the loss is recognised in the consolidated income statement.

T2 Aviation Limited and GCP Aviation Limited has been included in the group financial statements using the purchase method of accounting. Accordingly, the group profit and loss account and statement of cash flow include the results and cash flows of T2 Aviation Limited and GCP Aviation Limited from the acquisition date. The purchase consideration has been allocated to the assets and liabilities on the basis of fair value at the date of acquisition.

Under the principles of merger accounting, other than as noted below, the assets and liabilities of acquired entities and its subsidiaries have been brought in at their book values under the accounting policies of the company, which are the same as the accounting policies previously adopted by the acquired entities.

 continued...

The consolidated financial statements incorporate the financial statements of the company and all its subsidiary undertakings, together with the group's share of the net assets and results of associated undertakings.

Discontinued operations
During the year, the group sold one of its subsidiaries, 2 Excel Engineering Ltd. The entity contributed post tax loss of £4,578,497. The net liabilities at the date of disposal were £4,335,232 respectively and the group's loss on disposal of £3,062,606 was recognised in the consolidated statement of comprehensive income.

Related party exemption
The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

Significant judgements and estimates
In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period. or in the period of the revision and future periods where the revision affects both current and future periods.

The preparation of the company financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the statement of financial position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

Significant judgements and estimates relate to the classification of research and development costs and the impairment of licenses. Development expenditure is capitalised in accordance with the accounting policy given below. Initial capitalisation of costs is based on management's judgement that technical and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised management makes assumptions regarding the expected future cash generation of the assets, discount rates to be applied and the expected period of benefits.

The Group establishes a reliable estimate of the useful life of licenses. This estimate is based on a variety of factors such as the expected use of the acquired license, the expected usual life of the cash generating units to which the license is attributed, any legal, regulatory or contractual provisions that can limit useful life and assumptions that market participants would consider in respect of similar businesses.

The Group did not recognise any deferred tax assets for the year as future profits are not probable.

Investment in subsidiaries and associates
Group
Investments in associates are recognised initially in the consolidated financial statements at the transaction price and subsequently adjusted to reflect the group's share of total profit and loss and equity of the associate, less any impairment.

Any excess of the cost of acquisition over the group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associated undertaking recognised at the date of acquisition, although treated as goodwill, is presented as part of the investment in the associate. Amortisation is charged so as to allocate the cost of goodwill over its estimated useful life, using the straight-line method. Losses in excess of the carrying amount of an investment in an associate are recorded as a provision only when the company has incurred legal or constructive obligations or has made payments on behalf of the associate.

Individual
Investment in subsidiaries and associates are recognised initially in the individual financial statements at fair value which is normally the transaction price (but excludes any transaction costs, where the investment is subsequently measured at fair value through profit and loss). Subsequently, they are measured at fair value through profit or loss except for those investments that are not publicly traded and whose fair value cannot otherwise be measured reliably which are recognised at cost less impairment until a reliable measure of fair value becomes available.

If a reliable measure of fair value is no longer available, the investment's fair value on the last date the investment was reliably measurable is treated as the cost of the investment.

continued...

2. **ACCOUNTING POLICIES - continued**

Revenue
Revenue represents the total invoice value, excluding value added tax, of sales made during the year. Revenue is recognised at the point the company has transferred to the buyer the significant risks and rewards, the amount of the revenue can be measured reliably, and it is probable the economic benefits associated with the transactions will flow to the company.

Revenue related to contracts with the customers are recognised evenly over the period of the contract. Revenue on contracts with customers comprises of the initial amount of revenue agreed in the contract and variations in the contract work and claims that can be measured reliably. A variation or a claim is recognised as contract revenue when it is agreed with the customer.

Goodwill
Goodwill arising on the acquisition of subsidiary undertakings and business, representing any excess of fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired, is capitalised and written off on a straight-line basis over its useful economic life, which is five years.

Patents and licences, research and development
Patents and licences are included at cost and amortised over a period of 10 years which is its estimated useful economic life. Provision is made for any impairment.

Research is written off in the same year in which it is incurred.

Development expenditure is written off in the same year unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period from which the company is expected to benefit.

Development costs - 5 years

Property, Plant and Equipment
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Short Leasehold	- Over the life of the lease
Aircraft and helicopter	- at variable rates on reducing balance
Aircraft equipment	- 20% on reducing balance
Plant & Machinery	- 5/10 years straight line
Fixtures, fittings & equipment	- 33%/10% on reducing balance
Office Equipment	- 33% on reducing balance
Motor vehicles	- 5 years straight line

Inventories
Inventories are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation
Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax
Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

continued...

2. ACCOUNTING POLICIES - continued

Foreign currencies
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 transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments
Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Pension costs and other post-retirement benefits
The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

Short-term debtors and creditors
Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other operating expenses.

Financial instruments
The Group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Group's statement of financial position when the Group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets
Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets
Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

continued...

2. **ACCOUNTING POLICIES - continued**

Impairment of financial assets
Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets
Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, 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.

Classification of financial liabilities
Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all its liabilities.

Basic financial liabilities
Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities
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 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 finance income as appropriate, unless hedge accounting is applied, and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value though profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities
Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

Equity instruments
Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

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3. EMPLOYEES AND DIRECTORS

	2018 £	2017 £
Wages and salaries	9,040,145	4,399,453
Social security costs	778,246	442,521
Other pension costs	173,733	14,585
	9,992,124	4,856,559

The average number of employees during the year was as follows:

	2018	2017
Management	3	3
Operations and administration	251	194
	254	197

The average number of employees by undertakings that were proportionately consolidated during the year was 254 (2017 - 90).

	2018 £	2017 £
Directors' remuneration	272,455	261,547

Information regarding the highest paid director is as follows:

	2018 £	2017 £
Total Emoluments	112,189	118,134

4. OPERATING (LOSS)/PROFIT

The operating loss (2017 - operating profit) is stated after charging/(crediting):

	2018 £	2017 £
Operating leases	808,081	377,530
Depreciation - owned assets	2,950,207	1,122,639
Loss/(profit) on disposal of fixed assets	3,062,606	(245,869)
Goodwill amortisation	216,104	80,394
Patents and licences amortisation	13,168	58,150
Development costs amortisation	358,796	118,637
Auditors' remuneration	49,140	28,000
Foreign exchange differences	25,941	44,238
Management expenses	152,500	147,500

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	2018 £	2017 £
Bank interest	-	42,064
Bank loan interest	1,527,458	513,380
	1,527,458	555,444

continued...

6. TAXATION

Analysis of the tax charge
The tax charge on the loss for the year was as follows:

	2018 £	2017 £
Current tax:		
Overseas tax	8	237
Tax on (loss)/profit	8	237

Reconciliation of total tax charge included in profit and loss
The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2018 £	2017 £
(Loss)/profit before tax	(3,969,717)	2,448,488
(Loss)/profit multiplied by the standard rate of corporation tax in the UK of 19% (2017 - 20%)	(754,246)	489,745
Effects of:		
Expenses not deductible for tax purposes	20,133	2,955
Capital allowances in excess of depreciation	104,550	(127,895)
Utilisation of tax losses	(148,499)	(34,647)
R&D relief	(95,589)	(227,178)
Other losses	-	4,642
Sale of assets	504,219	(28,742)
Profit not taxable for tax purposes	-	(14,647)
Unrealised tax losses	369,440	(63,996)
Total tax charge	8	237

7. INDIVIDUAL INCOME STATEMENT

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

8. DIVIDENDS

	2018 £	2017 £
Ordinary shares of £1 each		
Final	300,000	300,000

9. INTANGIBLE ASSETS

Group

	Goodwill £	Patents and licences £	Development costs £	Totals £
COST				
At 1 April 2017	1,697,474	581,497	1,437,816	3,716,787
Additions	1,080,520	-	503,101	1,583,621
Disposals	(1,673,474)	-	-	(1,673,474)
Impairments	-	(449,819)	-	(449,819)
At 31 March 2018	1,104,520	131,678	1,940,917	3,177,115
AMORTISATION				
At 1 April 2017	104,394	129,468	128,523	362,385
Amortisation for year	216,104	13,168	358,796	588,068
Eliminated on disposal	(80,394)	-	-	(80,394)
Impairments	-	(89,964)	-	(89,964)
At 31 March 2018	240,104	52,672	487,319	780,095
NET BOOK VALUE				
At 31 March 2018	864,416	79,006	1,453,598	2,397,020
At 31 March 2017	1,593,080	452,029	1,309,293	3,354,402

continued...

10. **PROPERTY, PLANT AND EQUIPMENT**
Group

	Short leasehold £	Aircraft and helicopters £	Aircraft equipment £	Plant and machinery £
COST				
At 1 April 2017	128,056	5,154,489	7,956,509	792,632
Additions	35,650	553,116	5,009,963	118,089
Transfer to ownership	-	2,699,990	3,375,981	850,000
Disposals	(35,650)	-	-	(850,721)
At 31 March 2018	128,056	8,407,595	16,342,453	910,000
DEPRECIATION				
At 1 April 2017	32,447	1,396,468	2,420,877	189,255
Charge for the year	14,940	369,968	2,127,999	234,320
Transfer to ownership	-	2,699,990	1,981,256	49,313
Reclassification/transfer	(2,134)	-	-	(355,055)
At 31 March 2018	45,253	4,466,426	6,530,132	117,833
NET BOOK VALUE				
At 31 March 2018	82,803	3,941,169	9,812,321	792,167
At 31 March 2017	95,609	3,758,021	5,535,632	603,377

	Fixtures, fittings & equipment £	Office & flight simulator £	Motor vehicles £	Totals £
COST				
At 1 April 2017	409,637	436,498	19,925	14,897,746
Additions	532,485	82,277	-	6,331,580
Transfer to ownership	2,358	-	-	6,928,329
Disposals	(561,602)	-	(17,259)	(1,465,232)
At 31 March 2018	382,878	518,775	2,666	26,692,423
DEPRECIATION				
At 1 April 2017	89,086	275,477	4,426	4,408,036
Charge for the year	127,576	71,285	4,119	2,950,207
Transfer to ownership	1,232	-	-	4,731,791
Reclassification/transfer	(124,382)	-	(7,766)	(489,337)
At 31 March 2018	93,512	346,762	779	11,600,697
NET BOOK VALUE				
At 31 March 2018	289,366	172,013	1,887	15,091,726
At 31 March 2017	320,551	161,021	15,499	10,489,710

continued...

11. FIXED ASSET INVESTMENTS

Group

	Interest in associate £
COST	
Additions	83
Impairments	(83)
At 31 March 2018	-
NET BOOK VALUE	
At 31 March 2018	-

Company

	Shares in group undertakings £
COST	
Additions	420
At 31 March 2018	420
NET BOOK VALUE	
At 31 March 2018	420
At 31 March 2017	-

continued...

11. **FIXED ASSET INVESTMENTS - continued**

- 2 Excel Aviation Limited (Company Number: 05391365),
- 2 Excel Management Limited (Company Number 08503399),
- 2 Excel Design Limited (Company Number 05576452),
- 2 Excel Leading Edge Limited (Company Number 08154032),
- T2 Aviation Limited (Company Number 07615313),
- GCP Aviation Limited (Company Number 10232812),

are exempt from the requirements of the Companies Act 2006 relating to the audit of individual accounts. 2 Excel (Holdings) Limited issued a parental guarantee to the above entities on 29 January 2019 in relation to the year ended 31 March 2018, which permits them to take the exemption under s479a of the Act. 2 Excel (Holdings) Limited guarantees all outstanding liabilities of these companies at the year ended 31 March 2018, until they are satisfied in full.

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiaries

2 Excel Aviation Limited
Registered office: UK
Nature of business: Aviation services

Class of shares:	% holding		
Ordinary	100.00		

	Year ended 2018 £	Year ended 2017 £
Aggregate capital and reserves	6,424,881	5,890,099
Profit for the year	834,782	2,085,972

2 Excel Management Limited
Registered office: UK
Nature of business: Business support service

Class of shares:	% holding
Ordinary	100.00

	Year ended 2018 £	Year ended 2017 £
Aggregate capital and reserves	(122,256)	(104,712)
Loss for the year	(17,544)	(56,871)

2 Excel Design Limited
Registered office: UK
Nature of business: Design organisation approval

Class of shares:	% holding
Ordinary	100.00

	Year ended 2018 £	Year ended 2017 £
Aggregate capital and reserves	(370,813)	(357,645)
Loss for the year	(13,168)	(13,168)

continued...

11. FIXED ASSET INVESTMENTS - continued

2 Excel Leading Edge Limited
Registered office: UK
Nature of business: Dormant

Class of shares:	% holding		
Ordinary	100.00		
		Year ended 2018 £	Year ended 2017 £
Aggregate capital and reserves		100	100

T2 Aviation Limited
Registered office: UK
Nature of business: Oil spill response

Class of shares:	% holding		
Ordinary	62.50		
		11-month to 31.03.18 £	Year ended 30.04.17 £
Aggregate capital and reserves		(2,683,040)	(2,839,061)
Profit/(loss) for the period/year		156,021	(353,474)

24% of the ordinary share capital was bought on 2 June 2017.

Analysis of the acquisition of T2 Aviation Limited

Description	Book value £	Revaluation adjustments £	Fair value to group £
Tangible assets	1,312,799	-	1,312,799
Debtors	4,481	-	4,481
Cash at bank and in hand	10	-	10
Creditors	(4,159,585)	-	(4,159,585)
Net liabilities			(2,842,295)
Less: Net liabilities attributable to minority interests			1,065,861
Less: Fair Value of Shares Disposed			1,113,982
Net liabilities attributable to the group			(662,452)
Add: Goodwill on acquisition			1,079,145
			416,693
Discharged by:			
Cash payment			416,693
			416,693

continued...

11. **FIXED ASSET INVESTMENTS - continued**

GCP Aviation Limited
Registered office: UK
Nature of business: Aviation services

Class of shares:	% holding
Ordinary	60.00

	9-month to 31.3.2018	11-month to 30.6.17
	£	£
Aggregate capital and reserves	(88,155)	(13,555)
Loss for the period	(74,600)	(13,655)

10% of the ordinary share capital was bought on 1 June 2017

Analysis of the acquisition of GCP Aviation Limited

Description	**Book value**	**Revaluation adjustments**	**Fair value to group**
	£	£	£
Tangible assets	800,417	-	800,417
Debtors	90,611	-	90,611
Cash at bank and in hand	6,281	-	6,281
Creditors	(910,864)	-	(910,864)
Net liabilities			(13,555)
Less: Net liabilities attributable to minority interests			5,422
Less: Fair Value of Shares disposed			6,768
Net liabilities attributable to the group			(1,365)
Add: Goodwill on acquisition			1,375
			10
Discharged by:			
Cash payment			10
			10

Subsidiary entities not subject to the Companies Act 2006

2 Excel Aviation Training APS
Registered office: Denmark
Nature of business: Training organisation

Class of shares:	% holding
Ordinary	100.00

	Year ended 2018	Year ended 2017
	£	£
Aggregate capital and reserves	11,211	9,876
Profit for the year	1,335	1,003

continued...

12. INVENTORIES

	Group	
	2018	2017
	£	£
Finished goods	2,500	328,837

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Trade debtors	1,070,820	2,453,566	-	-
Amounts owed by participating interests	-	1,233,499	-	-
Amounts owed by associates	396,411	-	-	-
Other debtors	4,073,104	2,782,433	840	420
Prepayments and accrued income	783,454	1,191,279	-	-
	6,323,789	7,660,777	840	420

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Bank loans and overdrafts (see note 16&17)	492,606	181,820	-	-
Trade creditors	1,456,270	3,203,330	-	-
Amounts owed to associates	8,250	-	-	-
Corporation tax payable	217	237	-	-
Social security and other taxes	399,367	277,710	-	-
VAT payable	551,252	222,095	-	-
Other creditors	1,482,650	901,293	420	-
Accruals and deferred income	516,279	483,407	-	-
	4,906,891	5,269,892	420	-

continued...

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group	
	2018	2017
	£	£
Bank loans (see note 16&17)	15,283,441	12,387,247

16. LOANS

An analysis of the maturity of loans is given below:

	Group	
	2018	2017
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	55,866	181,820
Bank loans	436,740	-
	492,606	181,820
Amounts falling due between two and five years:		
Bank loans - 2-5 years	15,283,441	12,387,247

Interest of 7% plus LIBOR is charged on the bank loans and the maturity date is 22 December 2021.

17. SECURED DEBTS

The following secured debts are included within creditors:

	Group	
	2018	2017
	£	£
Bank overdrafts	55,866	181,820
Bank loans	15,720,181	12,387,247
	15,776,047	12,569,067

For the overdraft facility dated from 14 August 2009 there is fixed and floating charge over the undertaking and all property and assets present and future, including goodwill, uncalled capital, buildings, fixtures, fixed plant & machinery.

Beechbrook UK SME Credit Ltd, the loan facility provider, have a fixed charge over all the assets of the company.

18. LEASING COMMITMENTS

	Group	
	2018	2017
	£	£
Within one year	476,779	572,075
Between one and five years	1,244,364	1,798,101
In more than five years	1,100,000	1,593,200
	2,821,143	3,963,376

The Company does not have any operating leases.

continued...

18. FINANCIAL INSTRUMENTS

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Carrying amount of financial assets				
Debt instruments measured at amortised cost	5,539,495	6,469,078	840	420
Carrying amount of financial liabilities				
Measured at amortised cost	20,123,453	17,173,732	420	-

19. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2018 £	2017 £
840	Ordinary	£1	840	420

During the year the company issued 420 ordinary shares of £1 each.

The holders of the ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meeting of the Company.

20. RESERVES

Retained Earnings
Retained earnings include all current and prior period retained profits.

Merger reserve
The merger reserve was created following a group restructure that was completed on 2 June 2017.

21. RELATED PARTY DISCLOSURES

3XL Aviation Limited
3XL Aviation is a company in which C Norton is a director and shareholder. The directors of the Company own 50%. The company invoiced 3XL aviation for services amounting to £218,293 (2017 - £339,594). 3XL Aviation Limited owed £83,117 as at 31 March 2018 (2017 - £2,410).

Heathmatic Limited
The Company was invoiced by Heathmatic Limited for professional fees amounting to £110,000 (2017 - £116,500), a company in which H Singh, a director of the Company, is the sole shareholder. There is no outstanding balance as of 31 March 2018 and 2017.

Blades Racing Team Limited
Blades Racing Team Limited is a company in which the Company owns 50% of its shareholding and A Offer is also a director. As at 31 March 2018, the company has a balance payable of £8,250 due to Blades Racing Team Limited. 2 Excel Aviation Limited invoiced Blades Racing Team Limited the amount of £128,232.

21T Limited
21T Limited is a company in which the Company owns 33.33% of its shareholding and A Offer is also a director. As at 31 March 2018, the company has a balance receivable of £396,411 due from 21T Limited. 2 Excel Aviation Limited invoiced 21T Limited the amount of £607,851.

Dividends amounting to £300,000 (2017: £300,000) were paid to the shareholders in the year, who were also Directors.

All directors have authority and responsibility for planning, directing and controlling the activities of the company together with 17 operations staff (2017: 17). All are considered to be key management personnel. Total remuneration in respect of these individuals is £1,293,929 (2017: £1,188,732).

22. ULTIMATE CONTROLLING PARTY

There is no ultimate controlling party.