AIR CHARTER SERVICE

Air Charter Service Group Limited

Annual Report and Financial Statements

YEAR ENDED 31 JANUARY 2024

Company registered number: 04028491

Contents

Officers and Advisers

The Board of Directors

Christopher Leach

Justin Bowman

Ruan Courtney

Stewart Pitt

Justin Lancaster

William Christie

Omar Saeed

Kathleen Ivie

Robert Bishop

James Leach

Georgina Heron

Daniel Morgan-Evans

Matthew Purton

Registered Office

Millbank House
171-185 Ewell Road
Surbiton, Surrey
KT6 6AP

Auditor

Grant Thornton UK LLP
First Floor, One Valpy
20 Valpy Street
Reading RG1 1AR

Bankers

HSBC Bank PLC
Level 6, 71 Queen Victoria Street
London EC4V 4AY

Company Secretary

Omar Saeed

Registered Number

04028491

Our gross transaction value remained significantly ahead of pre-pandemic at £881m (c$1.1 billion).

Chairman's Statement

I am pleased to report on a strong set of results for the year.

As predicted, the post covid supply chain disruption and problems in the scheduled passenger aviation network ended in Spring 2023, which was slightly later than expected. This resulted in some high value charter business coming to an end across both cargo and passenger divisions. These sorts of "special events" are common in our sector, but whilst the impact of the largest events cannot be included when judging the underlying size of the business, they do however still provide income for re-investment.

I am pleased to say that it seems that our re-investment strategy has been successful given the double-digit compound annual growth rates we are now experiencing versus 2019.

Areas of investment in the financial year included new offices in Mexico City and Boston, along with expansion of existing offices including Manhattan, Singapore, Houston, Frankfurt, Shanghai and Brisbane allowing for the hiring of more charter brokers along with new technology aimed at improving efficiency.

Our gross transaction value remained significantly ahead of pre-pandemic at £881m (c$1.1 billion). Whilst being 19% down on prior year, the comparison to pre-pandemic levels illustrates the underlying growth of the business following a sustained strategy of globalisation and diversification.

Our Private Jets division's sales were 7% down on prior year in terms of value, which reflects the pent-up demand for leisure travel in the Summer of 2022, is broadly in line with the charter market and again remains significantly ahead of pre-pandemic levels. Taking the unprecedented summer boom of 2022 aside, we have experienced strong underlying growth in this sector of our business, and we continue to invest in technology and customer service initiatives to support further growth.

Commercial Jets division increased sales by 13% following a record previous year, as the charter team responded to the return of demand from groups travelling to corporate meetings and conferences, sporting events and higher levels of aircraft sub leasing.

The Cargo division sales decreased by 32%, following a year of unprecedented demand for its services in 2022 due to supply chain issues facing many industries particularly the automotive industry, combined with ongoing capacity shortages on scheduled airlines driving charter demand. These factors fell away in 2023 and the demand for cargo charters returned to normalised levels. However, we have found ourselves still with a significantly larger business, with sales around double those achieved pre-pandemic.

Looking forward, uncertainty remains with regards to the global economy and how any of the many possible economic scenarios will reflect on the aircraft charter market. However, our approach has been to continue cautiously investing in staff, technology and other infrastructure to build a stronger underlying business.

Christopher Leach
Chairman

Strategic Report

Business review

The principal activities of Air Charter Service Group Limited (the "Company") during the year were that of a holding Company, holding investments in UK and overseas subsidiaries and providing funding for the same. The principal activities of the trading companies of the Group are those of an aircraft charter broker and will continue to be so for the foreseeable future.

The results for the year are set out in the consolidated statement of profit and loss and comprehensive income on page 12 of these financial statements and a review can be found in the Chairman's statement.

Earnings before interest, taxes, depreciation of property, plant and equipment & amortisation (EBITDA) adjusted to exclude foreign exchange (Adjusted EBITDA) is a KPI used to measure profitability of business units and the Group as a whole, rather than operating profit, as management consider this to be a controllable measure of performance more closely aligned to ongoing cash generation.

Group financial and non-financial KPIs	2024	2023
Gross profit	£110.4m	£168.0m
Adjusted EBITDA	£27.9m	£81.0m
Charter bookings	15,079	15,618

Reconciliation to operating profit	2024 £m	2023 £m
Operating profit	24.8	76.5
Depreciation of property, plant and equipment & amortisation*	2.9	2.6
Foreign exchange	0.2	1.6
Loss on disposal	-	0.3
Adjusted EBITDA	27.9	81.0

* Only depreciation of owned assets (not right of use assets) is excluded from Adjusted EBITDA

Risks and uncertainties

The process of risk management is addressed through a framework of Group policies and procedures which are subject to Board approval and ongoing review by management. Risks are monitored and mitigated through regular review of financial performance at Board level and the use of professional advisors where appropriate. Further details of the Group's financial risk management objectives and policies are included in note 15 to the accounts.

Given the ad-hoc nature of the air charter market, forward visibility is limited as our clients book charter flights on relatively short notice. The Directors have considered the current global economic environment, inflationary effects and the conflict in eastern Europe, none of which have had a material impact on the Group's results. Working capital requirements can fluctuate significantly due to variations in client and supplier payment terms from one period to the next. Taking account of current cash reserves and current business volumes, the Directors are of the opinion that the Company will continue as a going concern for at least the next 12 months from the date of approval of the financial statements.

Section 172 statement

The Directors have regard to their duty to promote the success of the Company for the benefit of shareholders and to matters affecting the Group's employees and other stakeholder relationships, Key relationships which drive the long term success of the business are those with employees, customers and charter airlines.

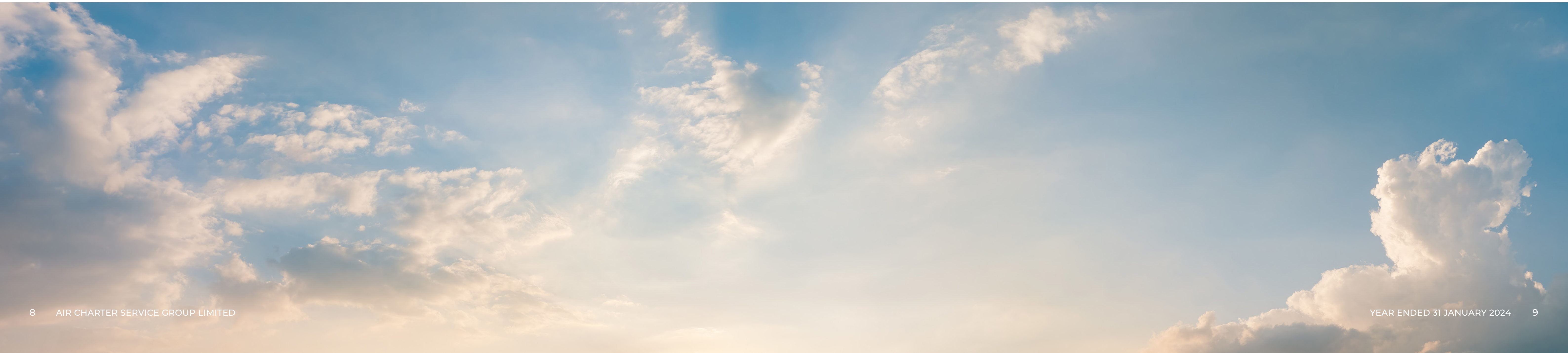
The Directors engage with employees through a process of regular communication including global video conferencing, monthly business reviews across the Group at various levels, staff events and a well-resourced intranet.

Client and airline relationships are maintained in a structured manner using a balance of personal contact and digital channels and the development of technology as a means to engage with stakeholders is given relevant focus at Board level. Departmental reports from the areas of Sales, Marketing, Human Resources, Finance and Information Technology are prepared ahead of all Board meetings to help inform decisions and develop strategies regarding the needs of different stakeholders.

Approved by the Board of Directors and signed on its behalf by:

Stewart Pitt
Director

Date: 31/7/2024



Directors' Report

The directors present their report and the financial statements of the Group for the year ended 31 January 2024.

Results and Dividends

Profit after taxation for the period was £18.1 million (2023: £59.0 million) and dividends paid during the year were £15.2 million (2023: £55.5 million). There were no political donations during the current or prior period.

Directors

The directors who served the Company during the year were as follows:

Christopher Leach
Justin Bowman
Ruan Courtney
Stewart Pitt
Justin Lancaster
William Christie
Omar Saeed
Kathleen Ivie (appointed 19 December 2023)
Robert Bishop (appointed 19 December 2023)
James Leach (appointed 19 December 2023)
Georgina Heron (appointed 19 December 2023)
Daniel Morgan-Evans (appointed 19 December 2023)
Matthew Purton (appointed 19 December 2023)

Certain directors benefited from qualifying third party indemnity provisions in place during the financial year and at the date of this report.

Strategic Report

The Company has chosen in accordance with Section 414C(11) of the Companies Act 2006 (Strategic report and Directors' report) Regulations 2013 to set out within the Group's strategic report that information required by Schedule 7 of the Large and Medium sized companies and Groups (Accounts and Reports) Regulation 2008. This includes information that would have been included in the business review and details of the principal risks and uncertainties.

Going concern

As the Company is part of the Group headed by Mountfitchet Group Limited and participates in the Group's treasury activities, the directors have included the Company as part of its Going Concern assessment of the Group. Based on cash flow forecasts up to 12 months from the signing of these statements the Group expects to have sufficient cash reserves in that period and therefore the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements adopt the going concern basis of accounting in preparing the annual financial statements (see accounting policies note on page 19).

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he or she ought to have taken as a director to make himself or herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Disabled employees

The Group gives full and fair consideration to applications for employment made by disabled persons and recruitment decisions are based on the skills required of a specific role. Enquiries are made regarding medical conditions during on boarding and employees are encouraged to advise the Company if they become disabled during the course of their duties, so that reasonable adjustments can be put in place and to ensure they are not placed at a disadvantage from a training, career development or promotion perspective.

Corporate environment & social responsibility

The Group engages a full time Director of CESR who co-ordinates a global team from across the business to implement, measure and report activities in a structured way. The Group focuses on local CESR projects, diversity, volunteering & fundraising events and supporting local charities which has long been part of the Group's values. The Group engages a full time Director of Training to develop the Group's commitment to training people at all levels in the business, building on an already well established program of training which is recognised as industry leading.

In terms of emissions, as a responsible business, we're committed to building an energy-efficient, low-carbon business that helps lead the fight against climate change. This starts with the area where we can make an immediate and long-term impact: our internal business operations.. We're striving to enable healthy spaces and places by addressing the carbon impacts associated with our offices, moving to green energy providers where possible, advancing circularity, and cultivating healthy indoor and outdoor environments. And since 2007 we have monitored our operational CO_2 output and offset accordingly through the purchase and retirement of carbon credits, certifying us as a carbon neutral business. Working with Climate Impact Partners we are providing critical funding to renewable energy projects which reduce, avoid and remove emissions throughout the world, financing the global transformation of our economy and regeneration on our planet. We are committed to playing our part in environmental stewardship and running our business in a socially responsible way.

In 2023, we launched and awarded the first Mountfitchet Scholarship, providing funding for a PHD students' research into sustainable aviation. We not only continue to reduce our own carbon footprint but are investing in the future to reduce that of the entire industry through this scholarship program.

The amounts required to be reported in respect of Scope 1 emissions (fuel for transport) and Scope 2 emissions (purchased electricity) in the year are as follows:

Tonnes of CO_2	2024	2023
Scope 1	38	39
Scope 2	114	118
Total Emissions	152	157
Intensity Ratio (Tonnes of CO_2 per employee)	0.83	0.80

The total consumption used to calculate emissions was 690,403 KwH. (2023: 753,811 KwH)

Other information

An indication of likely future developments in the business and a statement regarding engagement with employees, shareholders and other stakeholders is included in the Strategic Report on page 5. There have been no significant subsequent events since the reporting date.

Auditor

Grant Thornton UK LLP were appointed as auditors during the year. Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Grant Thornton UK LLP will therefore continue in office.

Pursuant to Section 487 of the Companies Act 2006, the auditor will be Grant Thornton UK, First Floor, One Valpy 20 Valpy Street, Reading. RG1 1AR

Approved by the Board of Directors and signed on its behalf by:

Stewart Pitt
Director

Date: 31/7/2024

Statement of Directors' responsibilities in respect of the annual report and the financial statements

The directors are responsible for preparing the Strategic Report, 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 101 'Reduced Disclosure Framework' (UK-adopted international accounting standards). 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 and profit or loss of the Company and Group for that period. In preparing these financial statements, the directors are required to:

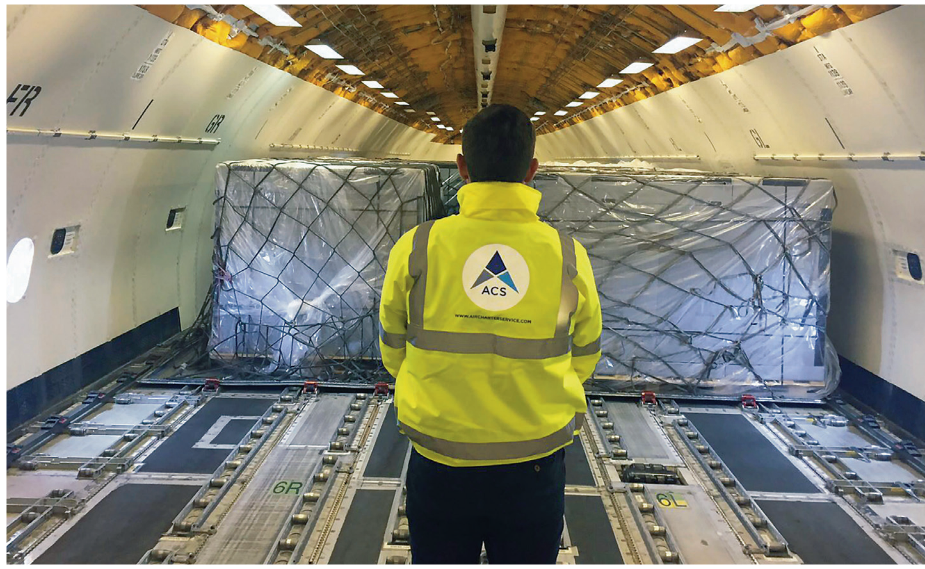
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK-adopted international accounting standards have been followed, subject to any material departures disclosed and explained in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

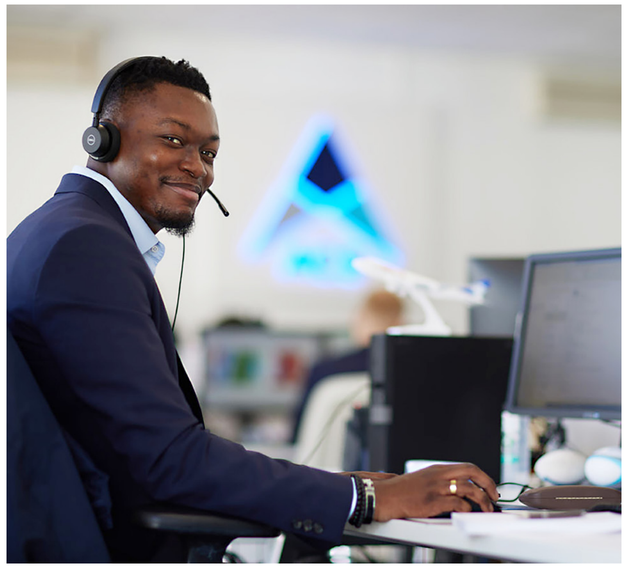
The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements with the Companies Act 2006 and Article 4 of the IAS Regulation. 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.

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.

To the best of our knowledge:

- the Group financial statements, prepared in accordance with UK-adopted international accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and
- the Strategic Report and Directors' Report include a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.





From having just 490 people in 2022, we now employ more than 650 worldwide who all receive our award-winning training at the UK head office.

Independent auditor's report to the members of Air Charter Service Group Limited

Opinion

We have audited the financial statements of Air Charter Service Group Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 January 2024, which comprise the Consolidated Statement of Profit and Loss and Comprehensive Income, the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows, the Company Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and UK-adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the state of the group's and the parent company's affairs as at 31 January 2024 and of the group's profit for the period then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements 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 group and the parent 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 are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the group's and the parent company's business model including effects arising from macro-economic uncertainties such as the cost of living crisis and global conflicts, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the group's and the parent company's financial resources or ability to continue operations over the going concern period.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Independent auditor's report to the members of Air Charter Service Group Limited (continued)

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

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 themselves. 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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

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 their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

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 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 6, 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 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.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- We obtained an understanding of the legal and regulatory frameworks applicable to the group and company and industry in which it operates through our commercial and sector experience, discussions with management, those charged with governance, inspection of the company's legal correspondence and board minutes. We enquired of management and those charged with governance whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.
- Through the understanding that we obtained, we determined that the most significant legal and regulatory frameworks which are directly relevant to the specific assertions in the financial statements are those relating to the reporting frameworks (UK-adopted IFRS and the Companies Act 2006) and the relevant taxation legislation.
- By considering management's incentives and opportunities for manipulation of the financial statements. This included the evaluation of the risk of management override of controls. We determined that the principal risks were in relation to journal entries that manipulated revenues.
- Our audit procedures involved gaining an understanding of the controls that management has in place to prevent and detect fraud, journal entry testing, with a focus on journals indicating large or unusual transactions based on our understanding of the business, challenging assumptions and judgements made by management in its significant accounting estimates, identifying and testing related party transactions, enquiring of management and those charged with governance whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud, assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the financial statement item and undertaking audit procedures to consider the compliance of disclosures in the financial statements with applicable financial reporting requirements.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.
- Our assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
- Understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation;
- knowledge of the industry in which the client operates; and
- understanding of the legal and regulatory requirements specific to the entity.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditors responsibilities. 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.

Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants, Reading

Financial Statements

Consolidated statement of profit and loss and comprehensive income

Group	Note	2024 £'000	2023 £'000
Gross transaction value		**880,823**	**1,086,865**
Revenue	2	115,969	174,573
Cost of sales		(5,524)	(6,524)
Gross profit		**110,445**	**168,049**
Administrative expenses		(85,682)	(91,565)
Operating profit	**3**	**24,763**	**76,484**
Finance income		60	97
Finance costs	19	(702)	(584)
Profit before tax		**24,121**	**75,997**
Tax	6	(6,033)	(17,011)
Profit for the year		**18,088**	**58,986**
Other comprehensive income			
Exchange differences on translating foreign operations		(620)	1,097
Total comprehensive income for the year		**17,468**	**60,083**
Profit for the year attributable to:			
Equity holders of the parent		18,130	59,131
Non-Controlling Interests		(42)	(145)
		18,088	**58,986**
Total comprehensive income for the year attributable to:			
Equity holders of the parent		17,518	60,245
Non-Controlling Interests		(50)	(162)
		17,468	**60,083**

The results for the current and prior year are derived from continuing operations.

The accompanying notes on pages 24 to 44 form part of these financial statements.

Consolidated Statement of Financial Position

Group		Note	2024 £'000	2023 £'000
Assets	**Non-current assets**			
	Property, plant and equipment	10	3,244	2,789
	Right of use assets	18	9,507	8,276
	Intangible assets and goodwill	11	3,822	4,368
	Deferred tax asset	7	1,029	725
	Total non-current assets		**17,602**	**16,158**
	Current assets			
	Trade and other receivables	13	49,319	61,898
	Current tax asset		1,888	953
	Cash and cash equivalents	8	33,465	35,898
	Total current assets		**84,672**	**98,749**
	Total assets		**102,274**	**114,907**
Liabilities	**Non-current liabilities**			
	Deferred tax liability	7	(1,014)	(1,526)
	Lease liabilities	18	(7,715)	(6,594)
	Total non current liabilities		**(8,729)**	**(8,120)**
	Current liabilities			
	Trade and other payables	14	(64,739)	(77,062)
	Current tax liabilities		(2,430)	(4,384)
	Lease liabilities	18	(2,873)	(2,712)
	Financial liabilities		-	(1,436)
	Total current liabilities		**(70,042)**	**(85,594)**
	Total liabilities		**(78,771)**	**(93,714)**
	NET ASSETS		**23,503**	**21,193**
	Called up share capital	17	236	236
	Share premium account		290	290
	Translation reserve		(735)	(123)
	Retained earnings		23,604	20,632
	Attributable to equity holders of the parent		**23,395**	**21,035**
	Non-Controlling Interest		108	158
	TOTAL EQUITY		**23,503**	**21,193**

The accompanying notes on pages 24 to 44 form part of these financial statements.

Approved by the Board of Directors and signed on its behalf by:

Stewart Pitt
Director

Date: 31/7/2024

Financial Statements

Company statement of financial position

Company	Note	2024 £'000	2023 £'000
ASSETS			
Non-current assets			
Investments in subsidiaries	12	4,044	3,929
Current assets			
Trade and other receivables	13	7,364	5,818
Cash and cash equivalents		6,727	5,084
Total current asset		14,091	10,902
Total assets		**18,135**	**14,831**
LIABILITIES			
Current liabilities			
Trade and other payables	14	(9,851)	(10,987)
Current tax liabilities		(585)	-
Total liabilities		**(10,436)**	**(10,987)**
NET ASSETS		**7,699**	**3,844**
EQUITY			
Called up share capital	17	236	236
Share premium account		290	290
Own shares		-	(48)
Retained earnings		7,173	3,366
TOTAL EQUITY		**7,699**	**3,844**

The accompanying notes on pages 24 to 44 form part of these financial statements.

Under section 408 of the Companies Act 2006, the Company is exempt from the requirement to present its own Statement of Profit and Loss and Other Comprehensive Income. The Company's profit for the year amounted to £18.9 m (2023: £58.1m).

Approved by the Board of Directors and signed on its behalf by:

Stewart Pitt
Director

Date: 31/7/2024

Financial Statements

Consolidated statement of changes in equity

Group	Called up Share Capital £'000	Share Premium Account £'000	Translation Reserve £'000	Retained Earnings £'000	Total £'000	Non-Controlling Interest £'000	Total Equity £'000
CURRENT YEAR							
At 1 February 2023	**236**	**290**	**(123)**	**20,632**	**21,035**	**158**	**21,193**
Total comprehensive income:							
Profit for the year	-	-	-	**18,130**	**18,130**	(42)	**18,088**
Other comprehensive income	-	-	(612)	-	**(612)**	(8)	**(620)**
Total comprehensive income	-	-	**(612)**	**18,130**	**17,518**	**(50)**	**17,468**
Transactions with owners:							
Dividends paid	-	-	-	(15,158)	**(15,158)**	-	**(15,158)**
Total transactions with owners	-	-	-	**(15,158)**	**(15,158)**	-	**(15,158)**
At 31 January 2024	**236**	**290**	**(735)**	**23,604**	**23,395**	**108**	**23,503**
PRIOR YEAR							
At 1 February 2022	**236**	**290**	**(1,237)**	**17,048**	**16,337**	**320**	**16,657**
Total comprehensive income:							
Profit for the year	-	-	-	59,131	**59,131**	(145)	**58,986**
Other comprehensive income	-	-	1,114	-	**1,114**	(17)	**1,097**
Total comprehensive income	-	-	**1,114**	**59,131**	**60,245**	**(162)**	**60,083**
Transactions with owners:							
Dividends paid	-	-	-	(55,547)	**(55,547)**	-	**(55,547)**
Total transactions with owners	-	-	-	**(55,547)**	**(55,547)**	-	**(55,547)**
At 31 January 2023	**236**	**290**	**(123)**	**20,632**	**21,035**	**158**	**21,193**

The accompanying notes on pages 24 to 44 form part of these financial statements.

Company statement of changes in equity

Group	Called up Share Capital £'000	Share Premium Account £'000	Own Shares £'000	Retained Earnings £'000	Total Equity £'000
CURRENT YEAR					
At 1 February 2023	**236**	**290**	**(48)**	**3,366**	**3,844**
Total comprehensive income:					
Profit for the year	-	-	-	18,876	**18,876**
Total comprehensive income	-	-	-	**18,876**	**18,876**
Transactions with owners:					
Dividends paid	-	-	-	(15,069)	**(15,069)**
Transfer from EBT	-	-	48	-	**48**
Total transactions with owners	-	-	-	**(15,069)**	**(15,021)**
At 31 January 2024	**236**	**290**	**-**	**7,173**	**7,699**
PRIOR YEAR					
At 1 February 2022	**236**	**290**	**(48)**	**405**	**883**
Total comprehensive income:					
Profit for the year	-	-	-	58,051	**58,051**
Total comprehensive income	-	-	-	**58,051**	**58,051**
Transactions with owners:					
Dividends paid	-	-	-	(55,090)	**(55,090)**
Total transactions with owners	-	-	-	**(55,090)**	**(55,090)**
At 31 January 2023	**236**	**290**	**(48)**	**3.366**	**3,844**

The accompanying notes on pages 24 to 44 form part of these financial statements.

Consolidated statement of cash flows

Group	2024 £'000	2023 £'000
RECONCILIATION OF PROFIT TO OPERATING CASH FLOWS		
Profit for the year	18,088	58,986
Taxation	6,033	17,011
Financial income	(60)	(97)
Financial costs	702	584
Depreciation and amortisation	2,948	2,610
Depreciation of right of use assets	3,103	2,895
Loss on disposal of property, plant and equipment	2	109
Revaluation of leased assets	(6)	(125)
Foreign exchange translation difference	196	1,174
Operating cash flows before movements in working capital	**31,006**	**83,147**
Decrease in receivables	12,579	34,232
Decrease in payables	(12,323)	(70,998)
Cash generated from operations	**31,262**	**46,381**
Tax paid	(9,738)	(15,403)
Net cash generated from operating activities	**21,524**	**30,978**
INVESTING ACTIVITIES		
Interest received	60	97
Purchases of plant, property and equipment	(2,099)	(1,318)
Purchases of intangibles	(760)	(2,068)
Net cash used in investing activities	**(2,799)**	**(3,289)**
FINANCING ACTIVITIES		
Interest paid	(702)	(55)
Lease payments	(3,037)	(3,410)
Short term trade funding	(1,436)	1,436
Dividends paid	(15,158)	(55,547)
Net cash used in financing activities	**(20,333)**	**(57,576)**
Net decrease in cash and cash equivalents	**(1,608)**	**(29,887)**
Cash and cash equivalents at the beginning of the year	35,898	65,785
Effect of changes in foreign exchange rates	(825)	-
Cash and cash equivalents at the end of the year	**33,465**	**35,898**

Cash and cash equivalents represent the sum of the Group's bank balances and cash in hand at the balance sheet date as disclosed on the face of the balance sheet.

The accompanying notes on pages 24 to 44 form part of these financial statements.

Financial Statements

Company statement of cash flows

Company	2024 £'000	2023 £'000
Profit for the year	18,876	58,051
Tax charge	585	417
Finance income	(99)	-
Increase in receivables	(1,546)	(4,703)
Decrease in payables	(1,136)	(26,540)
Cash used from operations	**16,680**	**27,225**
Tax paid	-	(642)
Net cash used in operating activities	**16,680**	**26,583**
Investing activities		
Investment in subsidiaries	(115)	(249)
Interest received	99	-
Transfer from EBT	48	-
Net cash from investing activities	**32**	**(249)**
Financing activities		
Dividends paid	(15,069)	(55,090)
Net cash used in financing activities	**(15,069)**	**(55,090)**
Net increase / (decrease) in cash and cash equivalents	**1,643**	**(28,756)**
Cash and cash equivalents at the beginning of the year	5,084	33,839
Cash and cash equivalents at the end of the year	**6,727**	**5,084**

Cash and cash equivalents represent the sum of the Company's bank balances and cash in hand at the balance sheet date as disclosed on the face of the balance sheet.

The accompanying notes on pages 24 to 44 form part of these financial statements.

Notes To The Financial Statements

1. Accounting Policies

Basis of accounting

Air Charter Service Group Limited (the "Company") is a private Company incorporated, domiciled and registered in England in the UK. The registered number is 04028491.

The Group financial statements consolidate those of the Company and its subsidiaries (together referred to as the "Group"). The parent Company financial statements present information about the Company as a separate entity and not about its Group. The Group financial statements have been prepared and approved by the directors in accordance with UK-adopted international accounting standards ("UK-adopted IFRS"). The parent Company financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of UK-adopted IFRS, but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken. The financial statements have been prepared on the historical cost basis.

The registered office of the Company is Millbank House, 171-185 Ewell Road, Surbiton, Surrey, KT6 6AP. The principal activities of the Company during the year were that of a holding Company, holding investments in UK and overseas subsidiaries and providing funding for the same. The principal activities of the trading companies of the Group are those of an aircraft charter broker.

In accordance with the exemptions permitted by Section 408 of the Companies Act 2006 the income statement of the Company has not been presented. In the accounts of the Company the profit for the financial year amounted to £18.9m (2023: £58.1m profit).

Going concern

The consolidated financial statements have been prepared on a going concern basis which the directors consider to be appropriate. The Group made a profit of £18.1 million (2023: £59.0 million), has net assets of £23.5 million (2023: £21.2 million), net current assets of £14.6 million (2023: £13.2 million) and cash of £33.5 million (2023: £35.9 million). As the Company is part of the Group headed by Mountfitchet Group Limited and participates in the Group's treasury and banking facilities, the directors have included the Company as part of its going concern assessment of the Group. The Directors have assessed the Group's working capital position, available financing and have also prepared detailed cash flow and covenant compliance forecasts up to 12 months from the date of the signing of these statements, which indicate that, considering severe but plausible downsides, the Group expects to have sufficient cash reserves in that period. The Directors considered trading up to the point of signing these financial statements which reflects continued profitable trading.

While the Directors expect the Group to continue to generate new revenues, there is an element of uncertainty over predicting what will happen in the future. The Group's ability to remain cash positive depends on continuing to secure new revenue contracts which the Directors expect to continue to secure. Economic uncertainly arising from macroeconomic factors such as increased cost of living can adversely affect demand, whilst certain political and economic issues can also lead to increased demand for charters. The Group has relatively low level of fixed costs and can reduce discretionary costs or make operational changes to preserve cash. The directors have also considered the financial covenants attached to the Group's bank loans, and which, using the downsides applied, are not forecast to be breached. The Directors are satisfied that the Group has sufficient liquidity to continue operating without additional financing. Consequently, the directors are confident that the Group will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the consolidated financial statements and therefore have prepared them on a going concern basis.

Basis of consolidation

The consolidated financial statements incorporate the results of the Company and all of its subsidiary undertakings up to 31 January 2024. Unless otherwise stated, the acquisition method of accounting has been adopted. Under this method, the results of the subsidiary undertakings acquired in the year are included in the consolidated profit and loss account from the date of acquisition.

The Group consolidated financial statements incorporate the financial statements of Air Charter Service Group Limited and its subsidiary undertakings. As permitted by Companies Act 2006, a separate income statement is not presented in respect of the Company.

Key accounting judgements and sources of estimation uncertainty

The Group makes various judgements in applying its accounting policies and various assumptions and estimates, including about the future, when determining the carrying value of certain assets and liabilities. As at 31 January 2024 there were no such judgements or assumptions that had a significant effect on the amounts recognised in the financial statements, or a significant risk of causing material adjustment to the carrying amounts of assets and liabilities in the next financial year.

Revenue recognition

Revenue is recognised when a flight commences as the Company is deemed to have completed its performance obligations at this point. Revenue on multi-sector charters is recognised on commencement of the first sector. In line with IFRS 15, where a contract is determined as principal, the total invoiced amount is recorded as revenue and where a contract is determined as agent, the difference between amounts invoiced to clients and cost of sale is recorded as revenue. Gross transaction value (GTV) represents the total amount invoiced to clients excluding VAT.

Property, plant and equipment

Property, plant and equipment are stated at cost, net of depreciation and any recognised impairment loss.

Depreciation is calculated so as to write off the cost of an asset, over their estimated useful lives, using the straight-line method as follows:

- Leasehold improvements over the period of the leases
- Motor vehicles 25% per annum straight line
- Fixtures and fittings 25% per annum straight line
- Computer equipment 33% or 20% per annum straight line
- Residual values and useful economic lives are reviewed annually.

1. ACCOUNTING POLICIES (continued)

Property, plant and equipment (continued)

Property, plant and equipment are assessed for impairment annually or more often if events or changes in circumstances indicate that the carrying value may not be recoverable. Where an impairment review is deemed necessary, it is performed in accordance with the policies set out below.

Impairment of tangible and intangible assets

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount and the impairment loss is recognised as an expense immediately.

When an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognised as income immediately. Amortisation costs are included in the income statement within administrative expenses.

Investments

Investments are stated at cost less any provision for impairment in value.

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs

The Group operates a defined contribution scheme for employees. The assets of the scheme are held separately from those of the Group. The annual contributions payable are charged to the Group income statement.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement 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 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 differences between the carrying amounts 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 balance sheet liability method. Deferred tax liabilities are generally 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 that affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it related to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and where they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Financial Instruments

Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through the profit and loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement
Financial assets
On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income

("FVOCI") – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Investments in subsidiaries are carried at cost less impairment. Investments in subsidiaries are accounted for in accordance with IFRS 9.

Cash and cash equivalents
Cash and cash equivalents comprise solely of cash balances. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

Subsequent measurement and gains and losses
Financial assets at FVTPL - these assets (other than derivatives designated as hedging instruments) are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost - these assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Debt investments at FVOCI - these assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On de-recognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI - these assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Financial liabilities and equity
Financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and

- where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

Financial Instruments (continued)

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Intra-Group financial instruments

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its Group, the Company considers these to be insurance arrangements and accounts for them as such. In this respect, the Company treats the guarantee contract as a contingent liability until such time as it becomes probable that the Company will be required to make a payment under the guarantee.

Impairment

The Company recognises loss allowances for expected credit losses ("ECLs") on financial assets measured at amortised cost, debt investments measured at FVOCI and contract assets (as defined in IFRS 15).

The Company measures loss allowances at an amount equal to lifetime ECL, except for other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition which are measured as 12-month ECL. Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security
(if any is held).

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Write-offs

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery.

Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated at the foreign exchange rate prevailing at the time of the translation based on a monthly average rate. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to Sterling at the foreign exchange rate ruling at that date.

Foreign exchange differences arising on translation are recognised in the income statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate ruling at the date of the transaction.

Financial statements of foreign operations

On consolidation the assets and liabilities of overseas foreign operations are translated at exchange rates prevailing at the reporting date. Income and expenses are translated at the average rate for the period. Exchange differences arising are classified as equity and transferred to the Group's translation reserve. On disposal of a foreign entity, the deferred accumulated amount recognised in equity relating to that particular foreign operation is recognised in the income statement.
The Group has taken advantage of the exemption conferred by IFRS1 not to fully retrospectively apply IAS 21.

Foreign Currency (continued)

The gain or loss on disposal of these operations therefore excludes translation differences that arose before the date of transition to IFRS and includes later translation differences.

Functional and presentation currency

The historical financial information is presented in Pounds Sterling and in round thousands, which is the Group's functional and presentation currency.

Intangible assets

Intangible assets (software development costs) are stated at cost, net of amortisation and any recognised impairment loss.
Amortisation is calculated so as to write off the cost of an asset over its estimated useful life of 3 years.

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets and liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised at cost and subsequently measured at cost less impairment losses.

IFRS 16 Leases

The Group has applied IFRS 16. At the inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

At commencement or on modification of a contract that contains a lease component, along with one or more other lease or non-lease components, the Group accounts for each lease component separately from the non-lease components. The Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone price and the aggregate stand-alone price of the non-lease components. The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to restore the underlying asset, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise the following: fixed payments, including in-substance fixed payments; variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date; amounts expected to be payable under a residual value guarantee; the exercise price under a purchase option that the Group is reasonably certain to exercise; lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option; and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment. When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, to the extent that the right-of-use asset is reduced to nil, with any further adjustment required from the re-measurement being recorded in profit or loss. The Group presents right-of-use assets that do not meet the definition of investment property in "non-current assets" and lease liabilities in "non-current liabilities" and "current liabilities" in the statement of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for lease of low-value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Adopted IFRS not yet applied

The following UK-adopted IFRSs have been issued but have not been applied by the Group in these consolidated financial statements. Their adoption is not expected to have a material effect on the financial statements::

IFRS 17 Insurance Contracts, Amendments to IFRS 17 and Initial Application of IFRS17 and IFRS 9 – Comparative Information (effective date 1 January 2023).

Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current and Classification of Liabilities as Current or Non-current (effective date to be confirmed).

Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors to introduce a new definition for accounting estimates (effective date 1 January 2023).

Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statements 2 Making Materiality Judgements (effective date 1 January 2023).

Amendments to IAS 12 Income Taxes – Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction (effective date 1 January 2023).

Notes To The Financial Statements (CTD)

2. REVENUE

Analysis of the Group's revenue, based on the location of assets used to generate revenue, is as follows:

	2024 £'000	2023 £'000
Europe	41,052	76,697
Americas	46,844	59,675
Rest of world	28,073	38,201
	115,969	**174,573**
Analysis of the Group's revenue based on service lines is as follows:		
Aircraft charter brokerage	107,001	166,119
On board courier services	8,073	7,634
Other travel services	895	820
	115,969	**174,573**

Contract assets and liabilities

	2024 £'000	2023 £'000
Trade receivables	24,698	38,080
Accrued income	616	1,881
Deferred income	(35,573)	(38,393)

Accrued income represents flights departed during the year but not yet invoiced at year end, which will all be invoiced within 12 months of the year end. Deferred income represents the Group's obligation to transfer goods or services to customers, for which the Group has already received consideration. The accrued income and deferred income balances carried forward at 1 February 2023 were recognised in the year.

3. OPERATING PROFIT

Operating profit is stated after charging:

	2024 £'000	2023 £'000
Staff costs (note 4)	54,766	63,578
Loss on disposal of property, plant & equipment	2	109
Depreciation of owned fixed assets	1,642	1,511
Amortisation of intangible assets	1,306	1,099
Depreciation of assets in use	3,103	2,895
Foreign exchange losses	216	1,610

Auditor's remuneration

Amounts paid to the auditors of the Company:

	2024 £'000	2023 £'000
Audit of these financial statements	55	63
Audit of subsidiaries	176	178
Non audit services	-	112
	231	**353**
Audit fees paid to other audit firms	132	106

Notes To The Financial Statements (CTD)

4. PARTICULARS OF EMPLOYEES

The average number of staff employed by the Group during the financial year amounted to:

	2024 NO.	2023 NO.
Sales	409	392
Non-sales	176	168
Total	**585**	**560**

The aggregate payroll costs of the above were:

	2024 £'000	2023 £'000
Wages and salaries	49,191	57,332
Social security costs	4,538	5,428
Other pension costs	1,037	818
	54,766	**63,578**

5. DIRECTORS' EMOLUMENTS

The directors' aggregate emoluments in respect of qualifying services were:

	2024 £'000	2023 £'000
Emoluments receivable	2,107	5,769
Company pension contributions	60	53
	2,167	**5,822**
Emoluments of highest paid director:		
Total emoluments	512	2,312
Company pension contributions	-	-
	512	**2,312**

	2024 NO.	2023 NO.
Number of directors who accrued benefits under a money purchase pension scheme:	12	6

The directors are considered the key management personnel of the Group within the definition set out in IAS24.

6. TAX CHARGE

The tax charge comprises:

	2024 £'000	2023 £'000
(**a) Tax charge:**		
In respect of the year:		
Current tax		
UK Corporation tax	1,333	5,260
Adjustment in respect of prior years	286	(259)
Foreign tax	5,230	11,580
Total current tax	**6,849**	**16,581**
Deferred tax		
Temporary timing differences	(816)	430
Total deferred tax	**(816)**	**430**
Tax on profit on ordinary activities	**6,033**	**17,011**
(b) Reconciliation of tax charge to profit per income statement:		
Profit before taxation	24,121	75,997
Taxation at UK corporation tax rate of 24% (2023:19%)	5,789	14,439
Effects of:		
Expenses not deductible	23	81
Change in deferred tax rate	(10)	232
UK and overseas taxes at differing rates	(88)	2,546
UK super deduction	-	(153)
Adjustment in respect of prior years - current tax	250	(259)
Utilisation of previously unrecognised tax losses	(89)	(57)
Tax losses not recognised	158	182
Total tax (note 6a)	**6,033**	**17,011**

7. DEFERRED TAX

(a) Deferred tax credit / (charge)

	Losses Carried Forward £'000	Other Timing Differences £'000	Total £'000
CURRENT YEAR			
At 1 February 2023	-	(801)	(801)
Credit to the income statement	531	285	816
At 31 January 2024	**531**	**(516)**	**15**
Prior Year			
At 1 February 2022	-	(371)	(371)
Charge to the income statement	-	(430)	(430)
At 31 January 2023	**-**	**(801)**	**(801)**

(b) Deferred tax assets and liabilities

	Assets £'000	Liabilities £'000	Total £'000
Other timing differences			
At 1 February 2023	725	(1,526)	(801)
Credit / (charge) to the income statement	(227)	512	285
At 31 January 2024	**498**	**(1,014)**	**(516)**
Losses carried forward			
At 1 February 2023	-	-	-
Credit / (charge) to the income statement	531	-	531
At 31 January 2024	**531**	**-**	**531**
Total			
At 1 February 2023	725	(1,526)	(801)
Credit / (charge) to the income statement	304	512	816
At 31 January 2024	**1,029**	**(1,014)**	**15**

8. CASH AND CASH EQUIVALENTS

	2024 £'000	2023 £'000
Restricted cash - Jetcard deposits	11,186	11,512
Other cash and cash equivalents	22,279	24,386
	33,465	**35,898**

The Group has certain bank accounts for the sole purpose of holding client deposits in relation to the Group's Jetcard product. These accounts are held separately from the Group's trading accounts and are not used in funding the Group's working capital requirements and are therefore designated 'restricted cash'.

9. DIVIDENDS

	2024 £'000	2023 £'000
Equity dividends on ordinary shares - 64 pence per share (2023: 235 pence per share)	15,158	55,547

Notes To The Financial Statements (CTD)

10. PROPERTY, PLANT AND EQUIPMENT

Group	Leasehold improvement £'000	Fixtures and fittings £'000	Motor vehicles £'000	Computer equipment £'000	Total £'000
CURRENT YEAR					
Cost					
At 1 February 2023	4,852	1,826	152	6.080	12,910
Additions	759	297	102	941	2,099
Disposals	-	(65)	-	(2,582)	(2,647)
At 31 January 2024	**5,611**	**2,058**	**254**	**4,439**	**12,362**
Depreciation					
At 1 February 2023	3,480	1,626	26	4,989	10,121
Charge for the year	487	130	57	968	1,642
Disposals	-	(65)	-	(2,580)	(2,645)
At 31 January 2024	**3,967**	**1,691**	**83**	**3,377**	**9,118**
Net Book Value					
At 1 February 2023	1,372	200	126	1,091	2,789
At 31 January 2024	**1,644**	**367**	**171**	**1,062**	**3,244**
PRIOR YEAR					
Cost					
At 1 February 2022	4,677	2,053	28	5,247	12,005
Additions	175	88	124	931	1,318
Disposals	-	(315)	-	(98)	(413)
At 31 January 2023	**4,852**	**1,826**	**152**	**6,080**	**12,910**
Depreciation					
At 1 February 2022	3,045	1,654	22	4,193	8,914
Charge for the year	435	181	4	891	1,511
Disposals	-	(209)	-	(95)	(304)
At 31 January 2023	**3,480**	**1,626**	**26**	**4,989**	**10,121**
Net Book Value					
At 1 February 2022	1,632	399	6	1,054	3,091
At 31 January 2023	**1,372**	**200**	**126**	**1,091**	**2,789**

The Company did not hold any property, plant and equipment.

11. INTANGIBLE ASSETS

	Software £'000	Goodwill £'000	Total £'000
CURRENT YEAR			
Cost			
At 1 February 2023	9,235	188	9,423
Additions	760	-	760
At 31 January 2024	**9,995**	**188**	**10,183**
Amortisation			
At 1 February 2023	5,055	-	5,055
Charge for the year	1,306	-	1,306
At 31 January 2024	**6,361**	-	**6,361**
Net Book Value			
At 1 February 2023	4,180	188	4,368
At 31 January 2024	3,634	188	3,822
PRIOR YEAR:			
Cost			
At 1 February 2022	7,167	188	7,355
Additions	2,068	-	2,068
At 31 January 2023	**9,235**	**188**	**9,423**
Amortisation			
At 1 February 2022	3,956	-	3,956
Charge for the year	1,099	-	1,099
At 31 January 2023	**5,055**	**-**	**5,055**
Net Book Value			
At 1 February 2022	3,211	188	3,399
At 31 January 2023	**4,180**	**188**	**4,368**

The Company did not hold any intangible assets. IAS 36 requires that an annual impairment review be conducted in relation to Goodwill, regardless of whether there are any indications of impairment. Based on review of expected cashflows management did not identify any impairment.

12. INVESTMENTS IN SUBSIDIARIES

Company	Subsidiary undertakings £'000
CURRENT YEAR:	
Cost and Net book value	
At 1 February 2023	3,929
Additions	115
At 31 January 2024	**4,044**
PRIOR YEAR:	
At 1 February 2022	3,680
Additions	249
At 31 January 2023	**3,929**

Notes To The Financial Statements (CTD)

12. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Subsidiaries	Country Of Registration	Holding	%	Prior Year %	Principal Activity
Air Charter Service Limited	England	Ordinary shares	100%	100%	Charter broker
ACS Air Charter Service (Canada) Corp.	Canada	Ordinary shares	100%	100%	Charter broker
Air Charter Service GmbH	Germany	Ordinary shares	100%	100%	Charter broker
ACS Afretamento Aereo Ltda	Brazil	Ordinary shares	100%	100%	Charter broker
Kingston Aviation Holdings Limited	England	Ordinary shares	100%	100%	Dormant
Air Charter Service Inc	USA	Ordinary shares	100%	100%	Charter broker
Air Charter Service California Inc	USA	Ordinary shares	100%	100%	Charter broker
Air Charter Service FZCO	Dubai	Ordinary shares	100%	100%	Charter broker
Air Charter Service (HK) Ltd	Hong Kong	Ordinary shares	100%	100%	Charter broker
Air Global Business Services (Beijing) Co. Ltd	China	Ordinary shares	100%	100%	Charter broker
ACS España Servicios de Charter Aéreo SLU	Spain	Ordinary shares	100%	100%	Charter broker
Aircraft Chartering Services SAS	France	Ordinary shares	100%	100%	Charter broker
ACS Air Charter (Pty) Limited	S Africa	Ordinary shares	100%	100%	Charter broker
ACS Air Charter Service India Private Ltd	India	Ordinary shares	85%	85%	Charter broker
Air Charter Service (ACS) Switzerland SA	Switzerland	Ordinary shares	100%	100%	Charter broker
ACS (Texas) Air Charter Service Inc	USA	Ordinary shares	100%	100%	Charter broker
Air Charter Service (Florida) Inc	USA	Ordinary shares	100%	100%	Charter broker
Air Charter Service (Aust) Pty Ltd	Australia	Ordinary shares	100%	100%	Charter broker
ACS Air Charter Service (International) Ltd	Ireland	Ordinary shares	100%	100%	Dormant
Air Charter Service North Carolina Inc	USA	Ordinary shares	100%	100%	Charter broker
Air Global Business Services (Shanghai) Co Ltd	China	Ordinary shares	100%	100%	Charter broker
Air Charter Service Georgia Inc	USA	Ordinary shares	100%	100%	Charter broker
Air Charter Service Trucking Inc	USA	Ordinary shares	100%	100%	Charter broker
ACS Air Charter Service (Canada) Passenger Corp	Canada	Ordinary shares	100%	100%	Charter broker
Held by Kingston Aviation Holdings Limited: Air Charter Service Trustee Company Ltd	England	Ordinary shares	100%	100%	Trustee Company
Held by Air Charter Service Limited Air Courier Service Limited	England	Ordinary shares	100%	100%	Dormant
Air Charter Service Kazakhstan LLP	Kazakhstan	Ordinary shares	75%	75%	Charter broker
Air Charter Service (Singapore) Pte Ltd	Singapore	Ordinary shares	100%	100%	Charter broker
Air Charter Service Illinois Inc	USA	Ordinary shares	100%	100%	Charter broker
Air Charter Service Delaware Inc	USA	Ordinary shares	100%	100%	Charter broker
ACS Time Critical Services GmbH	Germany	Ordinary shares	100%	100%	Broker
Air Charter Service Mexico City S.DE R.L.DE C.V.	Mexico	Ordinary shares	100%	100%	Charter broker
Air Charter Service (Thailand) Limited	Thailand	Ordinary shares	100%	-	Charter broker
Simunye Air Charter (Pty) Ltd	South Africa	Ordinary shares	40%	-	Charter broker

12. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Addresses of subsidiary undertakings:	
Air Charter Service Limited	Millbank House, 171-185 Ewell Road, Surbiton, Surrey, UK
ACS Air Charter Service (Canada) Corp.	3280 Bloor Street West, Suite 1630, Toronto, Ontario M8X 2X3, Canada
Air Charter Service GmbH	An der Welle 5, 60322, Frankfurt am Main, Germany
ACS Afretamento Aereo Ltda	Rua Funchal, 411 5 andar sala 13, Vila Olimpia, São Paulo – SP, CEP 04551-060, Brazil
Kingston Aviation Holdings Limited	Millbank House, 171-185 Ewell Road, Surbiton, Surrey, UK
Air Charter Service Inc	1200 RXR Plaza, Uniondale, NY 11556, United States
Air Charter Service California Inc	11150 Santa Monica Blvd, Los Angeles, CA 90025, USA
Air Charter Service FZCO	DAFZ, East Wing Building 8E/102, P.O. Box 293696, Dubai, UAE
Air Charter Service (HK) Ltd	25 The Cameron, 33 Cameron Rd, Kowloon, Hong Kong
Air Global Business Services (Beijing) Co. Ltd	Room 2603, Building B (South Office), Jian Wai SOHO, No. 39, Dong San Huan Zhong Lu, Chao Yang District, Beijing, 100022, China
ACS España Servicios de Charter Aéreo SLU	Edificio Iberia Mart I, Calle Pedro Teixeira 8, 8 planta, 28020 Madrid, Spain
Aircraft Chartering Services SAS	82 Rue Beaubourg, Paris, 75003, France
ACS Air Charter (Pty) Limited	The Pivot, Block A, Fourth Floor, Montecasino Boulevard, Montecasino, Fourways, Johannesburg, South Africa
ACS Air Charter Service India Private Ltd	Platina, 7th Floor, Unit 703, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra, 400051, India
Air Charter Service (ACS) Switzerland SA	Route de Pré Bois 15-17, Geneva, 1215, Switzerland
ACS (Texas) Air Charter Service Inc	515 Post Oak Blvd. Suite 710, Houston, TX 77027, USA
Air Charter Service (Florida) Inc	2 S.Biscayne Blvrd, Suite 3770, Miami, FL 33131, USA
Air Charter Service (Aust) Pty Ltd	Level 21, 60 Margaret Street, Sydney NSW, 2000, Australia
ACS Air Charter Service International Ltd	4th Floor Harmony Court, Harmony Rd, Dublin 2, Ireland
Air Charter Service Trustee Company Ltd	Millbank House, 171-185 Ewell Road, Surbiton, Surrey, UK
Air Courier Service Limited	Millbank House, 171-185 Ewell Road, Surbiton, Surrey, UK
Air Charter Service Kazakhstan LLP	Str. Fonvizin, 17A, Office 301, Almaty, 050051, Kazakhstan
Air Charter Service North Carolina Inc	160 Mine Lake Court, Suite 200, Raleigh, Wake County, North Carolina, 27615 USA
Air Globe Business Services (Shanghai) Co Ltd	Room 4115, Floor4, No.355 Hongqiao Road, Xu Hui District, Shanghai, 200030, China
Air Charter Service Trucking Inc	1200 RXR Plaza, Uniondale, NY 11556, United States
Air Charter Service Georgia Inc	1100 Peachtree Street NE, Suite 950, Atlanta, GA 30309, United States
ACS Air Charter Service (Canada) Passenger Corp	3280 Bloor Street West, Suite 1630, Toronto, Ontario M8X 2X3, Canada
Air Charter Service (Singapore) Pte Ltd	30-12/13 South Beach Tower, 38 Beach Road, Singapore
Air Charter Service Illinois Inc	515 N. State St., 14th Floor, Chicago, IL 60654, United States
Air Charter Service Delaware Inc	1209 Orange Street, Wilmington, New Castle 19801, United States
ACS Time Critical Services GmbH	Langer Kornweg 34C, 65451 Kelsterbach, Germany
Air Charter Service Mexico City S.DE R.L.DE C.V.	Av. Humberto Junco Voigt No. 2307, Torre II Local 3 Mezzanine Col, Valle Ote., Garza García, Nuevo León, 66269 SAN PEDRO, Mexico
Air Charter Service (Thailand) Limited	29 Vanissa Building, 25th Floor, Room No. 2511-2512, Soi Chidlom, Ploenchit Road, Lumpini, Pathumwan, 10330 Bangkok, Thailand
Simunye Air Charter (Pty) Ltd	The Pivot, Block A, Fourth Floor, Montecasino Boulevard, Montecasino, Fourways, Johannesburg, South Africa

The funding arrangements for subsidiaries are generally arranged through the Company. The Directors have considered the carrying value of the Company's investments in its subsidiaries at the year end having taken account of the net assets of each subsidiary, current trading activity and forecast future results. Based on the results of this review, they have recognised an impairment within the carrying value of certain of the investments of £453,000 (2023: £453,000) and a provision against loans due from subsidiaries of £nil (2023: £364,000). This impairment does not impact upon the consolidated income statement of the group.

Notes To The Financial Statements (CTD)

13. TRADE AND OTHER RECEIVABLES

	Group 2024 £'000	Group 2023 £'000	Company 2024 £'000	Company 2023 £'000
Trade receivables	24,698	38,080	-	-
Amounts owed by Parent undertakings	12,438	10,944	-	-
Amounts owed by subsidiaries	-	-	7,364	5,818
Other debtors	1,674	1,760	-	-
Prepayments	9,893	9,233	-	-
Accrued income	616	1,881		
	49,319	**61,898**	**7,364**	**5,818**

No interest is charged on receivables and inter-Company amounts owed are repayable on demand. The directors consider that the carrying amount of receivables approximates to their fair value.

14. TRADE AND OTHER PAYABLES

	Group 2024 £'000	Group 2023 £'000	Company 2024 £'000	Company 2023 £'000
Trade payables	8,982	13,747	-	-
Amounts owed to Parent undertakings	671	81	-	-
Amounts owed to subsidiaries	-	-	9,851	10,987
Other taxation and social security	1,098	632	-	-
Accruals	17,814	23,631	-	-
Deferred income	35,573	38,393		
Other creditors	601	578	-	-
	64,739	**77,062**	**9,851**	**10,987**

No interest is charged on payables and inter-Company amounts owed are repayable on demand. The directors consider that the carrying amount of payables approximates to their fair value.

15. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments are bank balances, trade and other receivables, trade and other payables. The Group holdsfinancial instruments in order to finance its operations, manage exposure to related risks and to ensure that adequate levels of working capital exist for the ongoing business.

Capital management

The Group's objectives when managing capital (ie equity and borrowings) are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, The Group may adjust the amount of dividends paid, issue new shares or sell assets to reduce debt.

Fair value of financial instruments	2024 Carrying Amount £'000	2024 Fair Value £'000	2023 Carrying Amount £'000	2023 Fair Value £'000
FINANCIAL ASSETS				
Cash and cash equivalents	33,465	33,465	35,898	35,898
Trade and other receivables	49,319	49,319	61,898	61,898
	82,784	**82,784**	**97,796**	**97,796**
FINANCIAL LIABILITIES				
Trade and other payables	64,739	64,739	77,062	77,062
Lease liabilities	10,588	10,588	9,306	9,306
	75,327	**75,327**	**86,368**	**86,368**

The financial instruments in the table above are all within level 3 of the fair value hierarchy (input for the asset or liability that are not based on observable market data).

15. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

Credit risk

Credit risk predominantly arises from trade receivables. The level of credit provided to customers is reviewed on a regular basis by the directors. Internal procedures for providing credit terms take account of external credit agency information, the customer's reputation in the industry and past trading experience. Given that the majority of sales are settled in advance of operation, the Group has no significant concentrations of credit risk and the Group's exposure to bad debt has not been significant historically.

	2024 £'000	2024 £'000
More than 60 days past due	972	72
Between 30 and 60 days past due	402	2,011
Less than 30 days past due	2,541	3,010
Due after the balance sheet date	20,783	32,987
	24,698	**38,080**

Significant amounts due at the reporting date were settled prior to the signing of these final statements.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The finance function produces regular forecasts of expected cash inflows and outflows, which are reviewed at Board level. The Group aims to manage liquidity by ensuring that cash is collected efficiently, also by placing excess cash on low risk, short term interest bearing deposits. Investment of cash surpluses are made through banks which must fulfil credit rating criteria approved by the directors.

Current Year	2024			2024 Contractual Cash Flows
	Carrying Amount £'000	1 Year Or Less £'000	2 To <5 Years £'000	5 Years And Over £'000
NON DERIVATIVE FINANCIAL LIABILITIES				
Trade and other payables	64,739	64,739	-	-
Lease liabilities	10,588	3,330	5,890	2,892
	75,327	**68,069**	**5,890**	**2,892**

PRIOR YEAR	2023			2023 Contractual Cash Flows
	Carrying Amount £'000	1 Year Or Less £'000	2 To <5 Years £'000	5 Years And Over
NON DERIVATIVE FINANCIAL LIABILITIES				
Trade and other payables	77,062	77,062	-	-
Lease liabilities	9,306	3,120	4,839	2,612
	86,368	**80,182**	**4,839**	**2,612**

Notes To The Financial Statements (CTD)

15. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)

The Group's principal financial instruments are bank balances, trade and other receivables, trade and other payables. The Group holdsfinancial instruments in order to finance its operations, manage exposure to related risks and to ensure that adequate levels of working capital exist for the ongoing business.

Foreign currency risk

The Group buys and sells services denominated principally in Sterling, US Dollars and Euros and as a result financial instruments can be affected by movements in exchange rates. The Group aims to minimise exposure to foreign currency risk by matching sales and purchases in the same currency where possible. The Group also makes use of foreign exchange markets in order to maintain an appropriate mix of foreign currency bank balances for use within the business. The breakdown of cash and cash equivalents at the balance sheet date was as follows:

Currency	2024 Local £'000	2024 Closing rate	2024 GBP £'000	2023 Local £'000	2023 Closing rate	2023 Closing rate £'000
US Dollars	21,728	1.27	17,122	20,001	1.23	16,221
Euros	4,384	1.17	3,742	5,655	1.14	4,975
GB Pounds Sterling	5,439	1.00	5,439	6,396	1.00	6,396
Other various			7,162			8,306
			33,465			**35,898**

Foreign currency risk sensitivity analysis

The Group's principal foreign currency exposures are on cash and cash equivalents denominated in US dollars and the Euro. The table below illustrates the hypothetical sensitivity of the Group's reported operating profit to a 10% increase and decrease in the US Dollar/Sterling and Euro/Sterling exchange rates at the year end, showing the effect of a revaluation of cash and cash equivalents:

Currency	2024 Closing rate	2024 Adjusted rate	2024 Effect £'000	2023 Closing rate £'000	2023 Adjusted rate	2023 Effect £'000
Sterling strengthens by 10%						
US Dollar	1.27	1.40	(1,556)	1.23	1.36	(1,475)
Euro	1.17	1.29	(340)	1.14	1.25	(452)
Sterling strengthens by 10%						
US Dollar	1.27	1.14	1,902	1.23	1.11	1,802
Euro	1.17	1.05	416	1.14	1.02	553

16. SHORT TERM TRADE LOAN

The Group has a $8.0m million short term trade loan facility with HSBC Bank Plc for the purpose of funding credit sales to government departments, relief and charitable organisations. Interest is charged at UK base rate plus 3.5% and the facility is repayable on demand. At the balance sheet date the amount drawn on the facility was nil (2023: £1.4m).

17. CALLED UP SHARE CAPITAL

Currency	2024 £'000	2023 £'000
100,000,000 (2023: 100,000,000) Ordinary shares of £0.01 each	1,000	1,000

Currency	NO.	2024 £'000	NO.	2023 £'000
Ordinary shares of £0.01 each	23,602,092	236	23,602,092	236

Dividends paid on ordinary shares during the year amounted to £15.2m (2023: £55.53m).

18. IFRS 16 LEASE LIABILITIES

	GROUP £'000
Non current assets	
At 1 February 2023	8,276
Additions	4,605
Disposals	(90)
Depreciation	(3,103)
Translation differences	(181)
At 31 January 2024	**9,507**
Lease liabilities	
At 1 February 2023	9,306
Additions	4,605
Interest	(96)
Depreciation	551
Lease payments	(3,588)
Translation differences	(190)
At 31 January 204	**10,588**
Lease liabilities are further classified as follows:	
Current	2,873
Non-current	7,715
Total	**10,588**

Notes To The Financial Statements (CTD)

19. FINANCE COSTS

	2024 £'000	2023 £'000
Bank interest and trade loan charges	151	55
Lease interest	551	529
	702	**584**

20. RELATED PARTY TRANSACTIONS

The Group had the following balances with Parent undertakings at the year end:

	2024 £'000	2023 £'000
Amounts owed to Parent undertakings	671	81
Amounts due from Parent undertakings	12,438	10,944

The remuneration of the directors who are the key management personnel of the Group is set out in note 5. The Company received dividends of £17.4 million during the year from its subsidiary companies (2023: £55.5 million).

During the year Jectus Properties Ltd, (a Company owned by Mr C Leach and Mr J Leach and other family members) charged the Group £152k for the rental of properties owned by Jectus Properties Ltd (2023: £138k) and the Group charged Jectus Properties Ltd £30k for administrative services. The Group charged Mr C Leach £284k in respect of aircraft charters and other travel services (2023: £350k). Related party transactions were made on terms equivalent to those that prevail in arm's length transactions.

21. CONTINGENT LIABILITIES

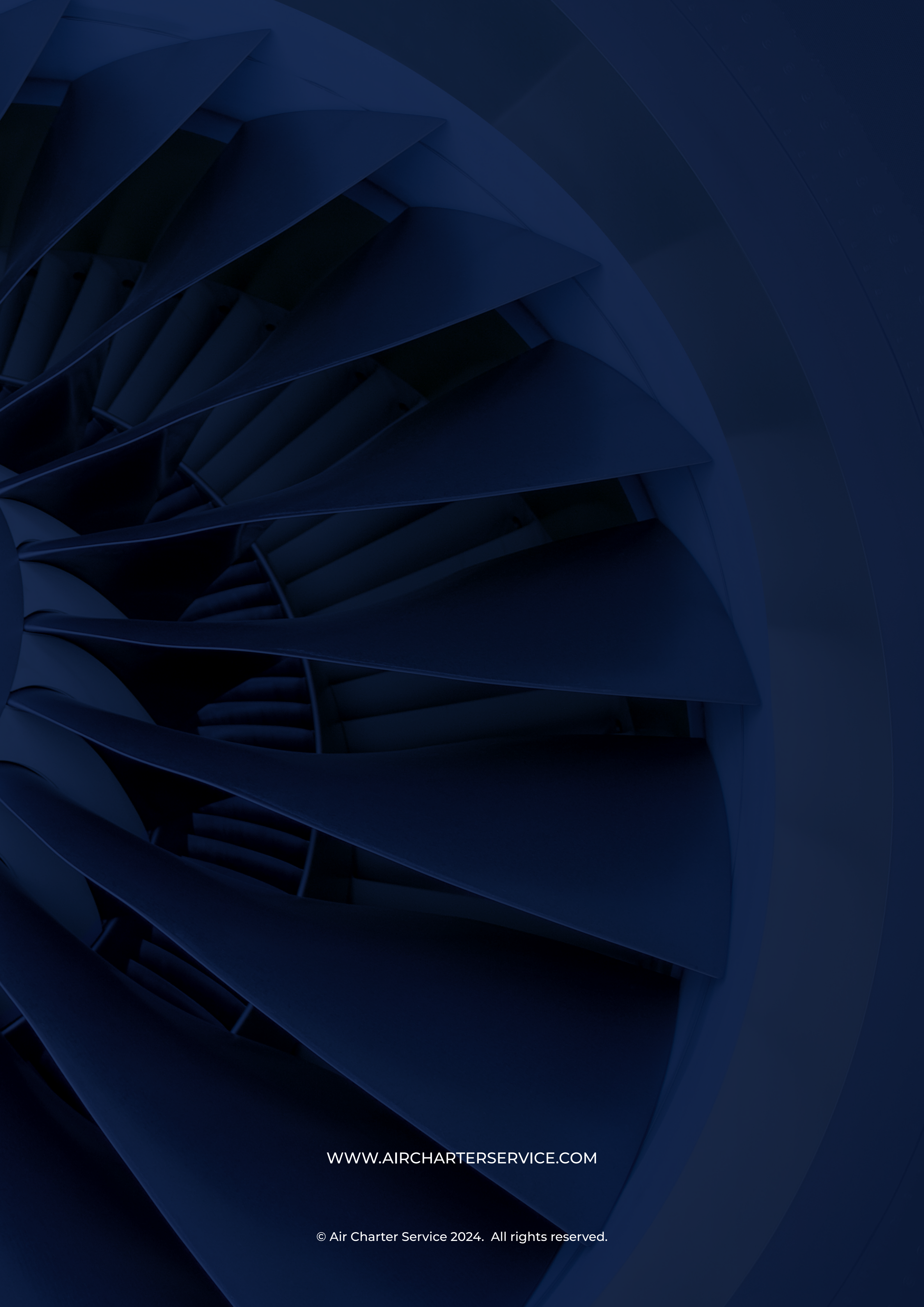
The Group operates in various overseas jurisdictions, some of which are less well developed, from a fiscal perspective, than others. The directors have structured the Group's activities to manage its exposure to such evolving legal and fiscal frameworks and thus far during the Group's expansion there have been no material unexpected exposures. The directors consider that challenge by relevant fiscal authorities is possible, but this cannot be predicted and no provision has been made for contingent liabilities of which directors are not aware.

22. CONTROLLING PARTY

The ultimate parent Company of the Group is Mountfitchet Group Limited and there is no majority controlling shareholder. The smallest and largest consolidation the Company is consolidated into is Mountfitchet Group Limited, the financial statements of which are available at Millbank House, 171-185 Ewell Road, Surbiton, Surrey, KT6 6AP. UK.

23. SUBSEQUENT EVENTS

There were no signification subsequent events after the reporting date.



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