Company registration number: 01508607

# Skyline IFE Limited

## Unaudited filleted financial statements

## 31 July 2021

**Skyline IFE Limited**

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**Skyline IFE Limited**

**Directors and other information**

| | |
|---|---|
| **Director** | Dr Richard Barsby |
| **Company number** | 01508607 |
| **Registered office** | The Enterprise Centre<br>Earlham Road<br>Norwich<br>Norfolk<br>NR4 7TJ |
| **Accountants** | i-Accounting<br>The Enterprise Centre<br>University of East Anglia<br>Norwich<br>Norfolk<br>NR4 7TJ |

**Skyline IFE Limited**

**Director's report**

**Year ended 31 July 2021**

The director presents his report and the unaudited financial statements of the company for the year ended 31 July 2021.

## Principal Activity

Skyline IFE Ltd provide world cinema In-flight Entertainment (IFE) movie titles and ancillary services to our prestigious international client base. This includes sourcing and pre-screening all the movies which we offer our clients to ensure they meet pre-specified IFE criteria and high quality standards. We also provide production services including editing, subtitling and preparation of materials.

## Review of Business

Skyline-IFE's business was severely adversely affected by Covid-19 during our 2020/2021 financial year and similarly our previous financial year. Our clients were forced to operate on a skeletal basis during the periods concerned and their budgets for IFE were dramatically reduced accordingly. The detrimental economic and financial impacts on the airline industry and the movie industry still prevail at the time this report was written but we are optimistic that in 2022/2023 we will begin to see recovery.

Skyline-IFE has adapted to the pandemic challenges by changing the way in which we operate. We have sourced a team of specialist freelance workers with the experience and expertise required by our business and production processes. This has enabled us to have the flexibility to facilitate unpredictable demand without over-burdening ourselves with fixed costs.

We have also invested in other productive change management strategies in 2020/2021 which have redefined our business processes enabling us to be adaptable, proactive, SMART and AGILE.

Alongside the above, we have redeveloped our previous website Skyline-IFE.com and re-launched it as https://inflightentertainment.media/ and designed, developed and launched our impressive new IFE movie library https://inflight.movie/

In addition, we have commissioned the design and development of a bespoke IFE e-CRM and Production control system 'CASPER' which is currently at 50% completion, work-in-progress stage.

Finally, we have appointed Tracy Minns FCCA of i-accountingsolutions.com as our company accountant.

We continue to build and grow our business on strong foundations.

This report was approved by the board of directors on 08 April 2022 and signed on behalf of the board by:

Dr Richard Barsby

Managing Director

**Skyline IFE Limited**

**Statement of financial position**

**31 July 2021**

| | Note | £ | 2021<br>£ | £ | 2020<br>£ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | **5** | 296,833 | | 300,556 | |
| | | | 296,833 | | 300,556 |
| **Current assets** | | | | | |
| Stocks | | 54,238 | | 14,807 | |
| Debtors | **6** | 551,179 | | 402,930 | |
| Cash at bank and in hand | | 247,109 | | 372,301 | |
| | | 852,526 | | 790,038 | |
| **Creditors: amounts falling due within one year** | **7** | ( 89,083) | | ( 68,480) | |
| **Net current assets** | | | 763,443 | | 721,558 |
| **Total assets less current liabilities** | | | 1,060,276 | | 1,022,114 |
| **Provisions for liabilities** | | | ( 20,042) | | ( 20,485) |
| **Net assets** | | | 1,040,234 | | 1,001,629 |
| **Capital and reserves** | | | | | |
| Called up share capital | | | 7,525 | | 7,525 |
| Revaluation reserve | | | 141,361 | | 141,361 |
| Capital redemption reserve | | | 2,475 | | 2,475 |
| Profit and loss account | | | 888,873 | | 850,268 |
| **Shareholders funds** | | | 1,040,234 | | 1,001,629 |

For the year ending 31 July 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;

- The director acknowledges their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

These financial statements were approved by the board of directors and authorised for issue on 08 April 2022 , and are signed on behalf of the board by:

Dr Richard Barsby

Director

**Skyline IFE Limited**

**Notes to the financial statements**

**Year ended 31 July 2021**

## 1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is C/o i-Accounting Solutions Ltd, The Enterprise Centre, Earlham Road, Norwich, Norfolk, NR4 7TJ.

## 2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102, Section 1A, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

## 3. Accounting policies

### Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

### Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover is reduced for estimated customer returns, rebates and other similar allowances. Sale of goods - Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer. This is usually at the point that the customer ahs signed for the delivery of the goods. Rendering of services - Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing costs incurred for work performed to date to the total estimated contract costs. Turnover is only recognised to the extent of recoverable expenses when the outcome of a contract cannot be estimated reliably.

**Taxation**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

**Tangible assets**

tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in capital and reserves, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

**Depreciation**

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

| | | |
|---|---|---|
| Freehold and leasehold properties | - | Revaluation policy |
| Plant and machinery | - | 25 % reducing balance |

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

**Impairment**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

**Stocks**

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads. Work in progress is reflected in the accounts on a contract by contract basis by recording turnover and related costs as contract activity progresses.

**Government grants**

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

**Provisions**

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event; it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

**Financial instruments**

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments like trade debtors and trade creditors are initially recognised at the transaction price.

**Defined contribution plans**

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided.

**4. Staff costs**

The average number of persons employed by the company during the year amounted to 2 (2020: 3 ).

The aggregate payroll costs incurred during the year were:

| | **2021** | 2020 |
|---|---|---|
| | **£** | £ |
| Wages and salaries | 142,172 | 138,099 |
| Other pension costs | 2,418 | 2,291 |
| | 144,590 | 140,390 |

## 5. Tangible assets

| | Freehold property | Plant and machinery | **Total** |
|---|---|---|---|
| | £ | £ | **£** |
| **Cost** | | | |
| At 1 August 2020 | 345,489 | 415,572 | 761,061 |
| Additions | - | 2,721 | 2,721 |
| **At 31 July 2021** | 345,489 | 418,293 | 763,782 |
| **Depreciation** | | | |
| At 1 August 2020 | 67,989 | 392,516 | 460,505 |
| Charge for the year | - | 6,444 | 6,444 |
| **At 31 July 2021** | 67,989 | 398,960 | 466,949 |
| **Carrying amount** | | | |
| **At 31 July 2021** | 277,500 | 19,333 | 296,833 |
| At 31 July 2020 | 277,500 | 23,056 | 300,556 |

**Tangible assets held at valuation**

The property was revalued in 2016, an up to date valuation will be carried out in February 2022.

## 6. Debtors

| | **2021** | 2020 |
|---|---|---|
| | **£** | £ |
| Trade debtors | 210,479 | 52,120 |
| Amounts owed by group undertakings and undertakings in which the company has a participating interest | 318,275 | 317,473 |
| Other debtors | 22,425 | 33,337 |
| | 551,179 | 402,930 |

The debtors above include the following amounts falling due after more than one year:

| | **2021** | 2020 |
|---|---|---|
| | **£** | £ |
| Amounts owed by group undertakings and undertakings in which the company has a participating interest | 316,712 | 316,732 |

## 7. Creditors: amounts falling due within one year

| | **2021** | 2020 |
|---|---|---|
| | **£** | £ |
| Bank loans and overdrafts | 2,969 | - |
| Trade creditors | 26,649 | 46,028 |
| Corporation tax | - | ( 1,437) |
| Social security and other taxes | 2,962 | 3,545 |
| Other creditors | 56,503 | 20,344 |
| | 89,083 | 68,480 |

## 8. Related party transactions

During the year the company entered into the following transactions with related parties:

| | Transaction value | | Balance owed by/(owed to) | |
|---|---|---|---|---|
| | **2021** | 2020 | **2021** | 2020 |
| | **£** | £ | **£** | £ |
| Polaris Property Asset Management Ltd | - | - | 316,732 | 316,732 |
| Sigma One Holdings Ltd | 803 | - | 1,544 | 741 |

Loans to group undertakings outstanding as at the year end.

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