

# Saywell International Limited

Annual report and Financial Statements

Year Ended

31 August 2024

Company Registration Number 00579488

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# Saywell International Limited

## Annual Report and Financial Statements for the year ended 31 August 2024

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# Saywell International Limited

Company Information  
for the year ended 31 August 2024

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## Directors

P L Saywell  
M E Saywell  
R Tudor  
S Sutaria

## Secretary and registered office

H A Edmonds, Aviation Centre, Downlands Business Park, Lyons Way, Worthing, West Sussex, BN14 9LA

## Company number

00579488

## Bankers

National Westminster Bank plc, 27 South Street, Worthing, West Sussex, BN11 3AR

## Solicitors

Irwin Mitchell, Belmont House, Churchill Court, Manor Royal, Crawley, RY10 9LU

## Auditors

BDO LLP, Arcadia House, Maritime Walk, Ocean Village, Southampton, SO14 3TL

# Saywell International Limited

## Strategic report for the year ended 31 August 2024

The directors, in preparing this strategic report, have complied with s414c of the Companies Act 2006.

This strategic report has been prepared for the Group as a whole and therefore gives greater emphasis to those matters which are significant to Saywell International Limited and its subsidiary undertaking when viewed as a whole.

The results for the group show a profit after tax of £7,131,044 (2023 - £9,113,143). Turnover in the year was £96,794,936 (2023 - £84,214,846). The 15% increase in the group's turnover reflects the increased activity in the aviation industry in the year. The company maintained a stable gross profit margin, with a marginal movement of 1.1% from 26.6% to 25.5%.

### Key performance indicators

The directors consider the key measures of the Group's performance to be trends in the following:

|                           | 2024<br>£  | 2023<br>£  |
|---------------------------|------------|------------|
| Turnover                  | 96,794,936 | 84,214,846 |
| Gross profit              | 24,717,283 | 22,428,873 |
| Profit before taxation    | 9,845,525  | 11,375,509 |
| Stock                     | 29,859,490 | 29,912,543 |
| Total shareholders' funds | 39,882,883 | 36,683,212 |

The review of the business includes an analysis of the key performance indicators.

The directors have assessed the relevance of non-financial key performance indicators to the business and have concluded that none are currently necessary to understand the Group's performance or position. This assessment is reviewed regularly to ensure it remains appropriate.

### Principal risks and uncertainties

The principal risks and uncertainties affecting the management of the business and the execution of the Group's strategy are considered to relate to the sensitivity of the aviation industry to changes in the economic and regulatory environment. The directors ensure that these risks are managed, monitored and reviewed on a regular basis and adopt appropriate policies accordingly.

### Geopolitical events

The aviation industry's sensitivity to geopolitical events can have an impact throughout the supply chain. The pressures experienced globally on the availability of raw material and labour resources has caused an imbalance in the manufacture and supply of certain products; increasing lead times. The Group has secured the purchase of additional inventories to help address these issues and the directors do not believe that this materially affects the company's turnover and cash flows. There have been no other significant events since the balance sheet date other than this.

### Future developments

The breadth and depth of the capabilities brought about by the continued investment in new inventories will continue to help reduce the company's longer term exposure to some of the negative effects experienced by the industry.

# Saywell International Limited

## Strategic report for the year ended 31 August 2024 *(continued)*

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### **Section 172 statement**

Section 172 of the Companies Act 2006 requires directors of a company to make decisions that they consider, in good faith, would most likely promote the success of the company for the benefit of all its stakeholders as a whole whilst ensuring the company maintains its reputation for maintaining high standards of business conduct. The directors strive to have regard to the likely consequences their decisions may have in the long term on the company's employees, customers, suppliers and other stakeholders including the impact of the company's operations on the local community and environment.

This section together with the annual report describes how the directors have had regard to the matters set out in section 172(1)(a) to (f) Companies Act 2006 in exercising their duty to promote the success of the company for the benefit of its members.

### **The interests of the Company's employees**

The company's employees are pivotal to the success of the company and the directors recognise the contribution of each member of the team. Communication throughout the organisation is key and each employee receives a daily update on the business and its activity; ensuring the challenges and opportunities faced by the company are shared across its people. The directors ensure that the views and interests of employees are gathered and considered in its decision making through regular one to one dialogue.

### **The need to foster the company's business relationships with customers**

Customers are central to the success of the business and all directors work within the business to ensure regular dialogue with customers and suppliers is maintained by way of premises visits and more recently, virtual meetings. Customer questionnaires are used to garner feedback on the products and the standard of service offered by the company to ensure the company adapts to changes in demand.

### **The need to foster the company's business relationships with suppliers**

The company aims to build trusted partnerships with its suppliers through regular dialogue. Reviews take account of both the company and supplier's performance and feedback so that they are mutually beneficial and help to foster long standing relationships.

### **The impact of the Company's operations on the community**

The directors recognise their role in supporting the community. The company continues to support local sports clubs and charities with particular emphasis on those that play a key part in maintaining the welfare of local children.

# Saywell International Limited

Strategic report  
for the year ended 31 August 2024 (continued)

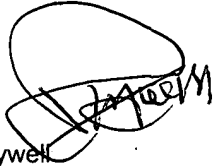
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## The likely consequences of any decisions in the long term

The directors fully appreciate that their strategic decisions have long term implications for the business and its stakeholders alike and the importance of ensuring these implications are carefully assessed. The company's near term objective to return sustainable growth is one that will benefit all its stakeholders and any long term decisions in this respect will only be approved once the directors are satisfied they have fully understood the effects these might have on all the company's stakeholders.

The directors are satisfied that they have met the requirements set out in section 172(1)(a) to (f) Companies Act 2006 in exercising their duty to promote the success of the company for the benefit of its members.

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



P L Saywell  
Director

Date: 23<sup>rd</sup> May 2025

# Saywell International Limited

## Directors' report for the year ended 31 August 2024

The directors present their annual report and the audited financial statements for the year ended 31 August 2024.

### Principal activities

The principal activity of the Group is the supply of aircraft spares through Saywell International Limited and through the subsidiary company Saywell International Inc., a company incorporated in the United States of America.

### UK Greenhouse gas emissions and energy use data for the period 1 September 2023 to 31 August 2024

|   | Year ended<br>31 August<br>2024 | Year ended<br>31 August<br>2023 |
|---|---------------------------------|---------------------------------|
| Energy consumption used to calculate emissions (kWh)              | 1,123,077                       | 1,143,897                       |
| Energy  |                                 |                                 |
| - gas   |                                 |                                 |
| - electricity   |                                 |                                 |
| - transport fuel  |                                 |                                 |
| <b>Scope 1 emissions in metric tonnes CO<sub>2</sub>e</b>         |                                 |                                 |
| Gas combustion  | 125                             | 131                             |
| Owned transport   | 10                              | 12                              |
| Total Scope 1 in metric tonnes CO <sub>2</sub> e                  | 135                             | 143                             |
| <b>Scope 2 emissions in metric tonnes CO<sub>2</sub>e</b>         |                                 |                                 |
| Purchased electricity   | 85                              | 83                              |
| <b>Scope 3 emissions in metric tonnes CO<sub>2</sub>e</b>         |                                 |                                 |
| Business travel in employee owned vehicles                        | 0.31                            | 0.28                            |
| <b>Total gross emissions in metric tonnes CO<sub>2</sub>e</b>     | 220.31                          | 226.28                          |
| <b>Intensity ratio kilograms of CO<sub>2</sub>e per £ Revenue</b> | 0.0025                          | 0.0029                          |

### Quantification and reporting methodology

The Streamlined Energy and Carbon Reporting ("SECR") disclosure of the Company's UK carbon footprint covers the period from 1 September 2023 to 31 August 2024. When preparing the report, the Company followed the 2019 HM Government Environmental Reporting Guidelines and the 2024 UK Government's Conversion Factors for Company Reporting.

### Intensity measurement

The chosen intensity measurement ratio is total gross emissions in grammes CO<sub>2</sub>e per £ revenue.

### Measures taken to improve energy efficiency

The Company continued its program of converting to LED lighting and is moving away from purely combustion engines for its company vehicles. Opportunities to create energy efficiencies are sought throughout the facility including scheduling office equipment to turn off when not in use and the use of PIR lighting sensors within the warehouse.

# Saywell International Limited

## Directors' report for the year ended 31 August 2024 (continued)

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### **Future developments and events after the balance sheet date**

Details of future developments and events that have occurred after the balance sheet date can be found in the Strategic Report to the financial statements on pages 2-4 and form part of this report by cross-reference.

### **Going Concern**

The directors have a reasonable expectation that the company and the Group have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing the annual financial statements.

Further details regarding the adoption of the going concern basis can be found in the Accounting Policies note in the financial statements.

### **Financial risk management objectives and policies**

As part of the Group's compliance with the Companies Act 2006 the directors wish to report on various additional matters in relation to the management of financial risks to which the business is exposed. The Group does not use financial derivatives to mitigate these risks based on cost benefit considerations.

#### **Cash flow risk**

The net borrowings of the business are a combination of loan creditors. Interest on borrowings is linked to base rates, sterling overnight index average and secured overnight financing rates and therefore the Group is affected by fluctuations in the level of interest rates. The Group's activities expose it to a degree of financial risk of changes in foreign currency exchange rates though the Group seeks to mitigate this risk by matching the foreign currency of its assets, liabilities, cash inflows and outflows.

#### **Credit risk**

The Group's credit risk is primarily attributable to its trade debtors. Credit checks are undertaken on new customers. The amounts presented in the balance sheet are net of allowances for doubtful debtors. The majority of cash balances are held with National Westminster Bank plc and directors monitor the position of the bank.

#### **Liquidity risk**

In order to maintain liquidity and ensure that sufficient funds are available for ongoing operations and future developments, the group uses a mixture of long-term and short-term debt finance.

The group's bank borrowings are subject to covenants. Based on the group's projections the directors expect that the group will be able to operate within the level of its current credit facilities for the foreseeable future.

#### **Dividends**

The directors do not recommend the payment of a final dividend (2023 - £nil). An interim dividend of £25,000 per ordinary share was paid during the year (2023: £23,333).

#### **Directors**

The directors, who served throughout the year were as follows:

P L Saywell  
M E Saywell  
R Tudor  
S Sutaria

# Saywell International Limited

## Directors' report for the year ended 31 August 2024 (continued)

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### Directors' indemnities

The Group has not made any qualifying third party provisions for the benefit of its directors.

### Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- (1) so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- (2) the director has taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

BDO LLP has expressed its willingness to continue in office as auditor of the company and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

Approved by the Board and signed on its behalf by:



P.L. Saywell  
Director

Date: 23<sup>rd</sup> May 2025

**Registered Office:**  
Aviation Centre  
Downlands Business Park  
Lyons Way, Worthing  
West Sussex  
BN14 9LA

# Saywell International Limited

## Directors' responsibilities statement

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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 Group and company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and company and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# Saywell International Limited

## Independent auditor's report to the members of Saywell International Limited

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### Opinion on the financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 August 2024 and of the Group's profit for the year then ended;
- the 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.

We have audited the financial statements of Saywell International Limited ("the Parent Company") and its subsidiaries ("the Group") for the year ended 31 August 2024 which comprise the Consolidated profit and loss account, the Consolidated statement of comprehensive income, the Consolidated balance sheet, the Consolidated statement of changes in equity, the Consolidated statement of cash flows, the Company balance sheet, the Company statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

### 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

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.

### Conclusions relating to going concern

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 or 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.

# Saywell International Limited

## Independent auditor's report to the members of Saywell International Limited (*continued*)

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### Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual report and financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of 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 this gives rise to 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.

### Other Companies Act 2006 reporting

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.

In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept 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 Directors' responsibilities statement, 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.

# Saywell International Limited

## Independent auditor's report to the members of Saywell International Limited (*continued*)

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### **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.

#### *Extent to which the audit was capable of detecting irregularities, including fraud*

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

#### *Non-compliance with laws and regulations*

Based on:

- Our understanding of the Group and the industry in which it operates; and
- Discussion with management and those charged with governance;

we considered the significant laws and regulations to be the applicable accounting framework and UK tax legislation.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be Environmental and Health & Safety and General Data Protection Regulations (GDPR).

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations; and
- Review of financial statement disclosures and agreeing to supporting documentation.

#### *Fraud*

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
  - Detecting and responding to the risks of fraud; and
  - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements.

Based on our risk assessment, we considered the areas most susceptible to fraud to be manual journal postings to revenue, job lot stock valuation and management override of controls, in particular the estimates and judgements which may impact upon the financial position and performance.

# Saywell International Limited

## Independent auditor's report to the members of Saywell International Limited (*continued*)

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Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Evaluating and, where appropriate, challenging assumptions and judgements made by management in determining significant accounting estimates as disclosed in the financial statements;
- Testing any unusual journal entries posted to revenue to appropriate supporting documentation; and
- Testing and challenging the estimates used by management in the valuation of the job lot stock.


We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### Use of our report

This report is made solely to the Parent 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 Parent 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 Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:  
  
17B9085280104A5...

Samuel Godbold (Senior Statutory Auditor)  
For and on behalf of BDO LLP, Statutory Auditor  
Southampton, UK

Date: 23 May 2025

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

# Saywell International Limited

## Consolidated profit and loss account for the year ended 31 August 2024

|   | Note | 2024<br>£           | 2023<br>£    |
|---|------|---------------------|--------------|
| <b>Turnover</b>                         | 3    | <b>96,794,936</b>   | 84,214,846   |
| Cost of sales                           |      | <b>(72,077,653)</b> | (61,785,973) |
| <b>Gross profit</b>                     |      | <b>24,717,283</b>   | 22,428,873   |
| Sales and distribution costs            |      | <b>(1,547,709)</b>  | (1,600,226)  |
| Administrative expenses                 |      | <b>(13,160,179)</b> | (9,559,818)  |
| Other operating income                  |      | <b>18,403</b>       | 26,117       |
| <b>Operating profit</b>                 | 5    | <b>10,027,798</b>   | 11,294,946   |
| Interest receivable and similar income  |      | <b>295,676</b>      | 109,167      |
| Finance (expense)/income                | 4    | <b>(397,076)</b>    | 47,581       |
| Finance charge on net pension liability | 16   | <b>(80,873)</b>     | (76,185)     |
| <b>Profit before taxation</b>           |      | <b>9,845,525</b>    | 11,375,509   |
| Tax on profit                           | 8    | <b>(2,714,481)</b>  | (2,262,366)  |
| <b>Profit for the financial year</b>    |      | <b>7,131,044</b>    | 9,113,143    |

All the results derive from continuing operations.

The notes on pages 20 to 35 form part of the financial statements.

# Saywell International Limited

## Consolidated statement of comprehensive income for the year ended 31 August 2024

|  | Note | 2024<br>£        | 2023<br>£        |
|--|------|------------------|------------------|
| <b>Profit for the financial year</b>                 |      | <b>7,131,044</b> | <b>9,113,143</b> |
| Currency translation differences                     |      | (91,896)         | (190,169)        |
| Remeasurement of net defined benefit liability       | 16   | (119,302)        | 221,820          |
| Movement in deferred tax relating to pension deficit | 15   | 29,825           | (55,455)         |
| <b>Other comprehensive loss</b>                      |      | <b>(181,373)</b> | <b>(23,804)</b>  |
| <b>Total comprehensive income</b>                    |      | <b>6,949,671</b> | <b>9,089,339</b> |

The notes on pages 20 to 35 form part of the financial statements.

# Saywell International Limited

## Consolidated balance sheet at 31 August 2024

|   | Note | 2024<br>£         | 2023<br>£         |
|---|------|-------------------|-------------------|
| <b>Fixed assets</b>                                   |      |                   |                   |
| Tangible assets                                       | 10   | 1,145,236         | 897,855           |
|   |      | <u>1,145,236</u>  | <u>897,855</u>    |
| <b>Current assets</b>                                 |      |                   |                   |
| Stocks  | 12   | 29,859,490        | 29,912,543        |
| Debtors   | 13   | 13,651,050        | 10,445,383        |
| Cash at bank and in hand                              |      | 19,204,267        | 17,942,967        |
|   |      | <u>62,714,807</u> | <u>58,300,893</u> |
| <b>Creditors: amounts falling due within one year</b> | 14   | (22,073,365)      | (20,822,496)      |
|   |      | <u>40,641,442</u> | <u>37,478,397</u> |
| <b>Net current assets</b>                             |      |                   |                   |
|   |      | <u>41,786,678</u> | <u>38,376,252</u> |
| <b>Total assets less current liabilities</b>          |      |                   |                   |
|   |      | <u>41,786,678</u> | <u>38,376,252</u> |
| <b>Provisions for liabilities</b>                     | 15   | (228,523)         | (116,342)         |
|   |      | <u>41,558,155</u> | <u>38,259,910</u> |
| <b>Net assets excluding pension liability</b>         |      |                   |                   |
|   |      | <u>41,558,155</u> | <u>38,259,910</u> |
| Pension liability                                     | 16   | (1,675,272)       | (1,576,698)       |
|   |      | <u>39,882,883</u> | <u>36,683,212</u> |
| <b>Net assets including pension liability</b>         |      |                   |                   |
|   |      | <u>39,882,883</u> | <u>36,683,212</u> |
| <b>Capital and reserves</b>                           |      |                   |                   |
| Called up share capital                               | 17   | 150               | 150               |
| Share premium   | 17   | 69,050            | 69,050            |
| Capital redemption reserve                            | 17   | 822               | 822               |
| Profit and loss account                               | 17   | 39,812,861        | 36,613,190        |
|   |      | <u>39,882,883</u> | <u>36,683,212</u> |
| <b>Total shareholders' funds</b>                      |      |                   |                   |
|   |      | <u>39,882,883</u> | <u>36,683,212</u> |

These financial statements were approved by the board of directors and authorised for issue on 23<sup>rd</sup> May 2025

They were signed on its behalf by:

  
P L Saywell  
Director

The notes on pages 20 to 35 form part of the financial statements.



# Saywell International Limited

## Consolidated statement of cash flows for the year ended 31 August 2024

|   | Note | 2024<br>£   | 2023<br>£   |
|---|------|-------------|-------------|
| <b>Net cash inflow from operating activities</b>              | 20   | 5,553,837   | 1,810,185   |
| <b>Cash flows from investing activities</b>                   |      |             |             |
| Interest received   |      | 295,676     | 109,167     |
| Purchase of tangible fixed assets                             |      | (588,038)   | (225,469)   |
| Proceeds from sale of tangible fixed assets                   |      | 122,000     | 55,000      |
|   |      | <hr/>       | <hr/>       |
| <b>Net cash (outflow) from investing activities</b>           |      | (170,362)   | (61,302)    |
|   |      | <hr/>       | <hr/>       |
| <b>Cash flows from financing activities</b>                   |      |             |             |
| Repayment of bank loans                                       |      | (3,650,786) | (3,779,833) |
| Interest paid   |      | (471,389)   | (344,666)   |
| New loans   |      | -           | 3,194,761   |
|   |      | <hr/>       | <hr/>       |
| <b>Net cash (outflow) from financing activities</b>           |      | (4,122,175) | (929,738)   |
|   |      | <hr/>       | <hr/>       |
| <b>Net increase in cash and cash equivalents</b>              |      | 1,261,300   | 819,145     |
|   |      | <hr/>       | <hr/>       |
| <b>Cash and cash equivalents at the beginning of the year</b> |      | 17,942,967  | 17,123,822  |
| <b>Cash and cash equivalents at the end of the year</b>       |      | 19,204,267  | 17,942,967  |
|   |      | <hr/>       | <hr/>       |
| <b>Reconciliation to cash at bank and in hand:</b>            |      |             |             |
| Cash at bank and in hand                                      |      | 19,204,267  | 17,942,967  |
|   |      | <hr/>       | <hr/>       |
| <b>Cash and cash equivalents</b>                              |      | 19,204,267  | 17,942,967  |
|   |      | <hr/>       | <hr/>       |

The notes on pages 20 to 35 form part of the financial statements.

# Saywell International Limited

## Company balance sheet at 31 August 2024

|   | Note | 2024<br>£           | 2023<br>£           |
|---|------|---------------------|---------------------|
| <b>Fixed assets</b>                                   |      |                     |                     |
| Tangible assets                                       | 10   | 1,139,453           | 891,755             |
| Investments   | 11   | 687                 | 687                 |
|   |      | <u>1,140,140</u>    | <u>892,442</u>      |
| <b>Current assets</b>                                 |      |                     |                     |
| Stocks  | 12   | 28,809,281          | 29,121,252          |
| Debtors   | 13   | 12,010,927          | 9,464,099           |
| Cash at bank and in hand                              |      | 18,036,652          | 16,586,957          |
|   |      | <u>58,856,860</u>   | <u>55,172,308</u>   |
| <b>Creditors: amounts falling due within one year</b> | 14   | <u>(20,663,969)</u> | <u>(19,994,562)</u> |
| <b>Net current assets</b>                             |      | <u>38,192,891</u>   | <u>35,177,746</u>   |
| <b>Total assets less current liabilities</b>          |      | <u>39,333,031</u>   | <u>36,070,188</u>   |
| <b>Provisions for liabilities</b>                     | 15   | <u>(228,523)</u>    | <u>(116,342)</u>    |
| <b>Net assets excluding pension liability</b>         |      | <u>39,104,508</u>   | <u>35,953,846</u>   |
| Pension liability                                     | 16   | <u>(1,675,272)</u>  | <u>(1,576,699)</u>  |
| <b>Net assets including pension liability</b>         |      | <u>37,429,236</u>   | <u>34,377,147</u>   |
| <b>Capital and reserves</b>                           |      |                     |                     |
| Called up share capital                               | 17   | 150                 | 150                 |
| Share premium   | 17   | 69,050              | 69,050              |
| Capital redemption reserve                            | 17   | 822                 | 822                 |
| Profit and loss account                               | 17   | 37,359,214          | 34,307,125          |
| <b>Total shareholders' funds</b>                      |      | <u>37,429,236</u>   | <u>34,377,147</u>   |

As permitted by s408 of the Companies Act 2006, no separate profit and loss account or statement of comprehensive income is presented in respect of the parent company.

The profit for the financial year dealt with in the financial statements of the parent company was £6,891,566 (2023 - £8,863,894). These financial statements were approved and authorised for issue by the board of directors and were signed on its behalf on 23<sup>rd</sup> May 2025

P L Saywell  
Director



The notes on pages 20 to 35 form part of the financial statements.

# Saywell International Limited

## Company statement of changes in equity for the year ended 31 August 2024

|   | Called up<br>share<br>capital<br>£ | Share<br>premium<br>account<br>£ | Capital<br>redemption<br>reserve<br>£ | Profit<br>and loss<br>account<br>£ | Total<br>equity<br>£ |
|---|------------------------------------|----------------------------------|---------------------------------------|------------------------------------|----------------------|
| <b>At 31 August 2023</b>                            | <b>150</b>                         | <b>69,050</b>                    | <b>822</b>                            | <b>34,307,125</b>                  | <b>34,377,147</b>    |
| <b>Comprehensive income for the year</b>            |                                    |                                  |                                       |                                    |                      |
| Profit for the financial year                       | -                                  | -                                | -                                     | 6,891,566                          | 6,891,566            |
| Remeasurement of net defined benefit liability      | -                                  | -                                | -                                     | (89,477)                           | (89,477)             |
| <b>Total comprehensive income</b>                   | <b>-</b>                           | <b>-</b>                         | <b>-</b>                              | <b>6,802,089</b>                   | <b>6,802,089</b>     |
| <b>Contributions by and distributions to owners</b> |                                    |                                  |                                       |                                    |                      |
| Dividends paid                                      | -                                  | -                                | -                                     | (3,750,000)                        | (3,750,000)          |
| <b>At 31 August 2024</b>                            | <b>150</b>                         | <b>69,050</b>                    | <b>822</b>                            | <b>37,359,214</b>                  | <b>37,429,236</b>    |
|   |                                    |                                  |                                       |                                    |                      |
|   | Called up<br>share<br>capital<br>£ | Share<br>premium<br>account<br>£ | Capital<br>redemption<br>reserve<br>£ | Profit<br>and loss<br>account<br>£ | Total<br>equity<br>£ |
| <b>At 31 August 2022</b>                            | <b>150</b>                         | <b>69,050</b>                    | <b>822</b>                            | <b>28,776,866</b>                  | <b>28,846,888</b>    |
| <b>Comprehensive income for the year</b>            |                                    |                                  |                                       |                                    |                      |
| Profit for the financial year                       | -                                  | -                                | -                                     | 8,863,894                          | 8,863,894            |
| Remeasurement of net defined benefit liability      | -                                  | -                                | -                                     | 166,365                            | 166,365              |
| <b>Total comprehensive income</b>                   | <b>-</b>                           | <b>-</b>                         | <b>-</b>                              | <b>9,030,259</b>                   | <b>9,030,259</b>     |
| <b>Contributions by and distributions to owners</b> |                                    |                                  |                                       |                                    |                      |
| Dividends paid                                      | -                                  | -                                | -                                     | (3,500,000)                        | (3,500,000)          |
| <b>At 31 August 2023</b>                            | <b>150</b>                         | <b>69,050</b>                    | <b>822</b>                            | <b>34,307,125</b>                  | <b>34,377,147</b>    |

The notes on pages 20 to 35 form part of the financial statements.

# Saywell International Limited

## Notes forming part of the financial statements for the year ended 31 August 2024

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### 1 Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and to the preceding year.

#### **General information and basis of accounting**

Saywell International Limited (the Company) is a company incorporated in the United Kingdom under the Companies Act 2006. The Company is a private company limited by shares and is registered in England and Wales. The address of the Company's registered office is Aviation Centre, Downlands Business Park, Lyons Way, Worthing, West Sussex. BN14 9LA.

The nature of the Group's operations and its principal activities are set out in the Strategic Report on page 2 and the Directors' Report on page 5.

The financial statements have been prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The functional currency of Saywell International Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates. The consolidated financial statements are also presented in pounds sterling. Foreign operations are included in accordance with the policies set out below.

Saywell International Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements, which are presented alongside the consolidated financial statements. Exemptions have been taken in relation to financial instruments, presentation of a cash flow statement and remuneration of key management personnel.

#### **Basis of consolidation**

The Group financial statements consolidate the financial statements of the Company and its subsidiary undertaking, Saywell International Inc., drawn up to 31 August each year.

Business combinations are accounted for under the purchase method. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

# Saywell International Limited

Notes forming part of the financial statements  
for the year ended 31 August 2024 (continued)

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## 1 Accounting policies (continued)

### Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the strategic report. The directors' report further describes the financial position of the Group; its cash flows, liquidity position and borrowing facilities; the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposure to credit risk and liquidity risk.

The Group's bank borrowings are subject to covenants, which are monitored regularly by the directors, with sufficient headroom forecasted against each covenant. The Group has sufficient cash reserves to repay the loan and continue trading for the foreseeable future, should it wish to do so. Based on the Group's projections the directors expect that the Group will have sufficient cash flows for the next twelve months. As a consequence, the directors believe the Group is well placed to manage its business risks successfully despite the dynamics of the current economy and for these reasons, they continue to adopt the going concern basis in preparing the financial statements.

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the strategic report. The directors' report further describes the financial position of the Group; its cash flows, liquidity position and borrowing facilities; the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposure to credit risk and liquidity risk.

### Tangible fixed assets

Tangible fixed assets are included at cost less depreciation. Depreciation is provided on all tangible fixed assets on either a reducing balance or straight line basis over the estimated useful lives of the assets. The rates of depreciation are as follows:

|   |   |                     |
|---|---|---------------------|
| Motor vehicles                          | - | 25% per annum       |
| Fixtures, fittings and office equipment | - | 15% per annum       |
| Computer equipment                      | - | 25% per annum       |
| Short leasehold improvements            | - | Over the lease term |

### Investments

Investments held as fixed assets are stated at cost, less provision for any impairment in value.

### Stocks

Stocks are stated at the lower of cost and net realisable value and charged to cost of sales on an actual per unit basis. Provisions are made for obsolete stock. Job lot stocks are stated in accordance with the accounting policy set out below.

# Saywell International Limited

## Notes forming part of the financial statements for the year ended 31 August 2024 (*continued*)

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### 1 Accounting policies (*continued*)

#### **Job lot stock**

The cost of job lot stocks acquired is apportioned across each item contained therein based on their individual estimated market value and stated at the lower of cost and net realised value.

#### **Taxation**

Current tax including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

#### **Foreign exchange**

Transactions in foreign currencies are translated into sterling at the rates ruling at the date of the transaction. The balances on foreign bank accounts and all foreign denominated assets and liabilities have been translated into sterling using the rates of exchange ruling at the year end. These translation differences are dealt with in the profit and loss account.

The results of overseas operations are translated at the average rates of exchange during the period and their balance sheets at the rates ruling at the balance sheet date. Exchange differences arising on translation of the opening net assets and results of overseas operations are reported in other comprehensive income and accumulated in equity.

#### **Turnover**

Turnover is stated net of VAT and trade discounts and is recognised when the significant risks and rewards are considered to have been transferred to the buyer. Turnover from the sale of goods is recognised when the goods are physically delivered to the customer.

#### **Pension costs**

The Group operates defined contribution schemes for the employees. The Group also operates an unfunded defined benefit arrangement for two former employees. The contributions are at the discretion of the Group and are based on calculations performed periodically by professionally qualified actuaries. The assets of the defined contribution schemes are held separately from those of the Group.

# Saywell International Limited

Notes forming part of the financial statements  
for the year ended 31 August 2024 (*continued*)

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## 1 Accounting policies (*continued*)

### Financial instruments

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

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

#### (i) *Financial assets and liabilities*

All financial assets and liabilities are initially measured at transaction price (including transaction costs) except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs) unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when and only when there exists a legally enforceable right to set off the recognised amounts and the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the following conditions of being 'basic' financial instruments as defined in paragraph 11.9 of FRS 102 are subsequently measured at amortised cost using the effective interest method.

Debt instruments that have no stated interest rate (and do not constitute financing transactions) and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Group transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Group, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

#### (ii) *Investments*

In the Company balance sheet, investments in subsidiaries are measured at cost less impairment.

#### (iii) *Equity instruments*

Equity instruments issued by the Company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs.

# Saywell International Limited

Notes forming part of the financial statements  
for the year ended 31 August 2024 (continued)

## 2 Critical accounting judgements and key sources of estimation uncertainty

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

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

### Critical judgements in applying the Group's accounting policies

There are no significant critical judgements that the directors have made in applying the company's accounting policies that have any significant effect on the amounts recognised in the financial statements.

### Key source of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

#### (a) Impairment of trade debtors

Trade debtors are stated at their recoverable amount based on reviews of specific customers' credit worthiness and payment profiles.

#### (b) Impairment of stocks

Stocks are stated at the lower of cost and net realisable value. An assessment of likely future revenue from the inventory is made based on historic sales and economic data on the number of aircraft in service. The directors are of the opinion that adequate provision has been made to reflect the possibility of stocks being sold at less than cost.

## 3 Turnover

The total turnover and profits for the year have been derived from the principal activity of the Group. Turnover represents the invoiced value of goods supplied during the year, excluding value added tax. An analysis of the Group's turnover by geographical market is set out below.

|  | 2024<br>£  | 2023<br>£  |
|--|------------|------------|
| <b>Geographical analysis of turnover by destination:</b> |            |            |
| Europe   | 39,549,624 | 36,932,658 |
| Americas   | 24,013,759 | 22,142,623 |
| Asia   | 24,044,005 | 17,520,256 |
| Africa   | 5,305,059  | 3,740,464  |
| Rest of the world  | 3,882,489  | 3,878,845  |
|  | <hr/>      | <hr/>      |
|  | 96,794,936 | 84,214,846 |
|  | <hr/>      | <hr/>      |

# Saywell International Limited

Notes forming part of the financial statements  
for the year ended 31 August 2024 (continued)

| 4 Finance expense/(income)  | 2024<br>£      | 2023<br>£       |
|---|----------------|-----------------|
| Interest payable and similar expenses   | 458,764        | 436,634         |
| Exchange (gain)   | (61,688)       | (484,215)       |
|   | <u>397,076</u> | <u>(47,581)</u> |
| <br>  |                |                 |
| 5 Profit before taxation  | 2024<br>£      | 2023<br>£       |
| Profit before taxation is stated after charging/(crediting):                                      |                |                 |
| Depreciation of tangible fixed assets   | 235,332        | 190,919         |
| Gain on disposal of fixed assets  | (16,675)       | (24,923)        |
| Impairment of stock recognised as an expense  | 8,050,388      | 544,855         |
| Rentals under operating leases:   |                |                 |
| - Hire of plant and equipment   | 26,808         | 22,671          |
| - Other operating leases  | 1,323,137      | 1,108,166       |
| Fees payable to the company's auditors for the audit of the company's annual financial statements | 61,000         | 61,463          |
|   | <u>61,000</u>  | <u>61,463</u>   |

The impairment of stocks is included in cost of sales. The impairments arose as a result of the diminution in value of stock where limited demand now exists.

| 6 Staff numbers and costs                    | Group<br>2024<br>Number     | Group<br>2023<br>Number     | Company<br>2024<br>Number     | Company<br>2023<br>Number     |
|--|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| The average monthly number of employees was: |                             |                             |                               |                               |
| Office and management                        | 19                          | 19                          | 14                            | 14                            |
| Production and sales                         | 42                          | 44                          | 34                            | 35                            |
|  | <u>61</u>                   | <u>63</u>                   | <u>48</u>                     | <u>49</u>                     |
|  | <b>Group<br/>2024<br/>£</b> | <b>Group<br/>2023<br/>£</b> | <b>Company<br/>2024<br/>£</b> | <b>Company<br/>2023<br/>£</b> |
| Their aggregate remuneration comprised:      |                             |                             |                               |                               |
| Wages and salaries                           | 7,616,516                   | 4,885,481                   | 6,231,008                     | 3,728,105                     |
| Social security costs                        | 546,378                     | 484,262                     | 546,378                       | 484,262                       |
| Other pension costs                          | 318,586                     | 276,312                     | 288,834                       | 255,045                       |
|  | <u>8,481,480</u>            | <u>5,646,055</u>            | <u>7,066,220</u>              | <u>4,467,412</u>              |

# Saywell International Limited

Notes forming part of the financial statements  
for the year ended 31 August 2024 *(continued)*

| 7 Directors' remuneration   | 2024<br>£     | 2023<br>£     |
|---|---------------|---------------|
| Emoluments  | 3,605,798     | 1,207,962     |
| Company contributions to money purchase schemes                       | 103,661       | 90,204        |
|   | 3,709,459     | 1,298,166     |
| <b>Remuneration of the higher paid director</b>                       | <b>£</b>      | <b>£</b>      |
| Emoluments  | 2,691,515     | 405,045       |
| Pension costs   | -             | 51,316        |
|   | 2,691,515     | 456,361       |
|   | <b>Number</b> | <b>Number</b> |
| Number of directors who are members of defined benefit pension scheme | -             | -             |
| Number of directors who are members of money purchase scheme          | 2             | 2             |

# Saywell International Limited

Notes forming part of the financial statements  
for the year ended 31 August 2024 (continued)

| 8 Tax on profit                                    | 2024             | 2023             |
|--|------------------|------------------|
| The tax charge comprises:                          | £                | £                |
| <b>(a) Current tax</b>                             |                  |                  |
| United Kingdom corporation tax at 25% (2023 – 25%) | 2,450,000        | 2,480,000        |
| Foreign tax  | 39,268           | 46,112           |
| Adjustments in respect of prior years              | 107,850          | (302,484)        |
| <b>Total current tax</b>                           | <b>2,597,118</b> | <b>2,223,628</b> |
| <b>Deferred tax</b>                                |                  |                  |
| Timing differences, originating and reversal       | 112,181          | 13,442           |
| Adjustments in respect of prior years              | -                | 19,627           |
| Pension liability                                  | 5,182            | 5,669            |
| <b>Total deferred tax</b>                          | <b>117,363</b>   | <b>38,738</b>    |
| <b>Tax on profit</b>                               | <b>2,714,481</b> | <b>2,262,366</b> |

## (b) Factors affecting current tax charge for the year

The differences between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

|   | 2024             | 2023             |
|---|------------------|------------------|
|   | £                | £                |
| Profit on ordinary activities before taxation                               | 9,845,525        | 11,375,509       |
| Standard rate of corporation tax in the UK                                  | 25%              | 25%              |
| Tax on Group profit at standard UK corporation tax rate of 25% (2023 - 25%) | 2,461,381        | 2,843,877        |
| Effects of:   |                  |                  |
| Expenses not deductible for tax purposes                                    | 163,557          | (251,299)        |
| Difference in tax rates on overseas earnings                                | (18,307)         | (27,728)         |
| Adjustments to tax charge in respect of prior periods                       | 107,850          | (302,484)        |
| <b>Group total tax charge for the year</b>                                  | <b>2,714,481</b> | <b>2,262,366</b> |

## Factors that may affect future tax charge

Section 6 of the Finance Act 2021 (FA 2021) increases the main rate of corporation tax from 19 per cent to 25 per cent, with effect from the financial year beginning 1 April 2023. This rate increase has been reflected in the calculation of deferred tax at the balance sheet date.

# Saywell International Limited

Notes forming part of the financial statements  
for the year ended 31 August 2024 (*continued*)

## 9 Dividends on equity shares

|  | 2024<br>£ | 2023<br>£ |
|--|-----------|-----------|
| Dividend for the year ended 31 August 2024 of £25,000<br>(2023 - £23,333) per ordinary share | 3,750,000 | 3,500,000 |

## 10 Tangible fixed assets

| Group                 | Motor<br>vehicles<br>£ | Fixtures,<br>fittings<br>plant and<br>equipment<br>£ | Computer<br>equipment<br>and<br>software<br>£ | Short<br>leasehold<br>improvements<br>£ | Total<br>£       |
|-----------------------|------------------------|--|---|---|------------------|
| <i>Cost</i>           |                        |  |   |   |                  |
| At 1 September 2023   | 555,090                | 1,559,303  | 629,789                                       | 1,282,255                               | 4,026,437        |
| Additions             | 463,901                | 124,137  | -   | -                                       | 588,038          |
| Disposals             | (297,760)              | -  | -   | -                                       | (297,760)        |
| At 31 August 2024     | <b>721,231</b>         | <b>1,683,440</b>                                     | <b>629,789</b>                                | <b>1,282,255</b>                        | <b>4,316,715</b> |
| <i>Depreciation</i>   |                        |  |   |   |                  |
| At 1 September 2023   | 197,053                | 1,362,502  | 586,749                                       | 982,278                                 | 3,128,582        |
| Charge for the year   | 125,504                | 39,279   | 4,990   | 65,559                                  | 235,332          |
| Disposals             | (192,435)              | -  | -   | -                                       | (192,435)        |
| At 31 August 2024     | <b>130,122</b>         | <b>1,401,781</b>                                     | <b>591,739</b>                                | <b>1,047,837</b>                        | <b>3,171,479</b> |
| <i>Net book value</i> |                        |  |   |   |                  |
| At 31 August 2024     | <b>591,109</b>         | <b>281,659</b>                                       | <b>38,050</b>                                 | <b>234,418</b>                          | <b>1,145,236</b> |
| At 31 August 2023     | 358,037                | 196,801  | 43,040  | 299,977                                 | 897,855          |

# Saywell International Limited

Notes forming part of the financial statements  
for the year ended 31 August 2024 (continued)

## 10 Tangible fixed assets (continued)

| Company               | Motor vehicles<br>£ | Fixtures,<br>fittings<br>plant and<br>equipment<br>£ | Computer<br>equipment<br>and<br>software<br>£ | Short<br>leasehold<br>improvements<br>£ | Total<br>£       |
|-----------------------|---------------------|--|---|---|------------------|
| <i>Cost</i>           |                     |  |   |   |                  |
| At 1 September 2023   | 555,090             | 1,499,339  | 562,714                                       | 1,282,255                               | 3,899,398        |
| Additions             | 463,901             | 124,137  | -   | -                                       | 588,038          |
| Disposals             | (297,760)           | -  | -   | -                                       | (297,760)        |
| At 31 August 2024     | <b>721,231</b>      | <b>1,623,476</b>                                     | <b>562,714</b>                                | <b>1,282,255</b>                        | <b>4,189,676</b> |
| <i>Depreciation</i>   |                     |  |   |   |                  |
| At 1 September 2023   | 197,053             | 1,283,608  | 544,704                                       | 982,278                                 | 3,007,643        |
| Charge for the year   | 125,504             | 38,962   | 4,990   | 65,559                                  | 235,015          |
| Disposals             | (192,435)           | -  | -   | -                                       | (192,435)        |
| At 31 August 2024     | <b>130,122</b>      | <b>1,322,570</b>                                     | <b>549,694</b>                                | <b>1,047,837</b>                        | <b>3,050,223</b> |
| <i>Net book value</i> |                     |  |   |   |                  |
| At 31 August 2024     | <b>591,109</b>      | <b>300,906</b>                                       | <b>13,020</b>                                 | <b>234,418</b>                          | <b>1,139,453</b> |
| At 31 August 2023     | 358,037             | 215,731  | 18,010  | 299,977                                 | 891,755          |

## 11 Investments held as fixed assets

| Company                                | Shares in<br>subsidiary<br>undertakings<br>£ | Total<br>£ |
|--|--|------------|
| <i>Cost</i>                            |  |            |
| At 1 September 2023 and 31 August 2024 | 687  | 687        |

Saywell International Limited owns 100% of the voting rights and ordinary share capital of Saywell International Inc., a company incorporated in the United States of America whose registered address is 3700 North 29th Avenue, Unit 101 Hollywood, Florida and whose principal activity is the supply of aircraft spares.

# Saywell International Limited

Notes forming part of the financial statements  
for the year ended 31 August 2024 (continued)

## 12 Stocks

|                  | Group<br>2024<br>£ | Group<br>2023<br>£ | Company<br>2024<br>£ | Company<br>2023<br>£ |
|------------------|--------------------|--------------------|----------------------|----------------------|
| Goods for resale | 14,624,088         | 13,019,171         | 13,936,958           | 12,343,535           |
| Job lot stock    | 15,235,402         | 16,893,372         | 14,872,323           | 16,777,717           |
|                  | <u>29,859,490</u>  | <u>29,912,543</u>  | <u>28,809,281</u>    | <u>29,121,252</u>    |

## 13 Debtors

|  | Group<br>2024<br>£ | Group<br>2023<br>£ | Company<br>2024<br>£ | Company<br>2023<br>£ |
|--|--------------------|--------------------|----------------------|----------------------|
| <b>Amounts falling due within one year:</b>      |                    |                    |                      |                      |
| Trade debtors                                    | 12,198,079         | 8,932,722          | 10,795,433           | 8,018,317            |
| Amounts owed by Group undertakings               | -                  | -                  | 42,853               | 36,038               |
| Other debtors                                    | 305,255            | 124,742            | 24,925               | 21,825               |
| Other taxation and social security               | 241,235            | 569,938            | 241,235              | 569,938              |
| Deferred tax asset relating to pension liability | 418,818            | 394,175            | 418,818              | 394,175              |
| Prepayments and accrued income                   | 487,663            | 423,806            | 487,663              | 423,806              |
|  | <u>13,651,050</u>  | <u>10,445,383</u>  | <u>12,010,927</u>    | <u>9,464,099</u>     |

Amounts owed by Group undertaking relate to trading balances under normal commercial terms with no interest charged.

All amounts due under debtors fall due for payment within one year except the deferred tax asset relating to the defined benefit pension scheme which will reverse over the life of the scheme and is subject to changes in valuation of the defined benefit obligation.

## 14 Creditors: amounts falling due within one year

|                                    | Group<br>2024<br>£ | Group<br>2023<br>£ | Company<br>2024<br>£ | Company<br>2023<br>£ |
|------------------------------------|--------------------|--------------------|----------------------|----------------------|
| Bank loans                         | 2,225,458          | 5,937,933          | 2,225,458            | 5,937,933            |
| Trade creditors                    | 9,578,020          | 9,858,675          | 8,592,832            | 9,295,236            |
| Corporation tax                    | 1,251,361          | 1,206,309          | 1,250,000            | 1,205,000            |
| Other taxation and social security | 238,478            | 198,624            | 238,478              | 198,624              |
| Other creditors                    | 30,133             | 27,673             | 30,133               | 27,673               |
| Director's current accounts        | 1,187,039          | 1,356,092          | 1,187,039            | 1,356,092            |
| Accruals                           | 7,562,876          | 2,237,190          | 7,140,029            | 1,974,004            |
|                                    | <u>22,073,365</u>  | <u>20,822,496</u>  | <u>20,663,969</u>    | <u>19,994,562</u>    |

# Saywell International Limited

Notes forming part of the financial statements  
for the year ended 31 August 2024 (continued)

## 15 Provisions

### Deferred tax

The amounts of deferred taxation provided in the financial statements are as follows:

| Group and company   | 31 August<br>2023<br>£ | Charge to<br>profit<br>and loss<br>account<br>£ | Charged to<br>statement<br>of total<br>comprehensive<br>income<br>£ | 31 August<br>2024<br>£ |
|---|------------------------|---|---|------------------------|
| Capital allowances in excess of depreciation              | (116,342)              | (112,181)                                       | -   | (228,523)              |
| Deferred tax liability excluding pension liability        | (116,342)              | (112,181)                                       | -   | (228,523)              |
| Deferred tax asset relating to pension liability          | 394,176                | (5,182)   | 29,825  | 418,819                |
| Deferred tax including that relating to pension liability | 277,834                | (117,363)                                       | 29,825  | 190,296                |

## 16 Pension costs

### Defined contribution scheme

The Group operates several defined contribution pension arrangements for its employees. The pension cost of £318,586 (2023 - £276,312) in respect of these arrangements represents the actual contributions payable by the Group to the defined contribution schemes.

### Defined benefit scheme

The Group also operates an unfunded defined benefit arrangement for two former employees.

Liability calculations were performed for each employee as at 31 August 2024 and 31 August 2023 by an independent qualified actuary.

### Financial assumptions

Key assumptions used:

|  | 2024<br>(%) | 2023<br>(%) |
|--|-------------|-------------|
| Discount rate  | 4.90%       | 5.00%       |
| Rate of increase of pensions in payment - RPI capped at 2.5% | 3.40%       | 3.50%       |
| Rate of increase of pensions in payment - RPI capped at 5.0% | 3.40%       | 3.50%       |
| Price inflation  | 2.40%       | 2.40%       |

# Saywell International Limited

Notes forming part of the financial statements  
for the year ended 31 August 2024 (continued)

## 16 Pensions costs (continued)

### Mortality assumptions

|   | 2024 | 2023 |
|---|------|------|
| The assured life expectations on retirement age 65 are: |      |      |
| Retiring today  | 21.7 | 21.0 |

Amounts recognised in the profit and loss account are as follows:

|   | 2024<br>£ | 2023<br>£ |
|---|-----------|-----------|
| Current service cost                          | 101,601   | 98,861    |
| Net interest cost                             | (80,873)  | (76,185)  |
|   | 20,728    | 22,676    |
| Recognised in other comprehensive income      | (119,302) | 221,820   |
| Total cost relating to defined benefit scheme | (98,574)  | 244,496   |

The amount included in the balance sheet arising from the Group's obligations in respect of the defined benefit arrangements is as follows:

|  | 2024<br>£   | 2023<br>£   |
|--|-------------|-------------|
| Present value of defined benefit obligations | (1,675,272) | (1,576,698) |
| Deficit in scheme                            | (1,675,272) | (1,576,698) |

Movement in the present value of defined benefit obligations were as follows:

|                          | 2024<br>£   | 2023<br>£   |
|--------------------------|-------------|-------------|
| At 1 September           | (1,576,698) | (1,821,194) |
| Plan amendments          | -           | -           |
| Company contributions    | 101,601     | 98,861      |
| Net interest cost        | (80,873)    | (76,185)    |
| Actuarial (losses)/gains | (119,302)   | 221,820     |
| At 31 August             | (1,675,272) | (1,576,698) |

The amounts included in other finance charges

|                                     | 2024<br>£ | 2023<br>£ |
|-------------------------------------|-----------|-----------|
| Interest cost on scheme liabilities | 80,873    | 76,185    |

# Saywell International Limited

Notes forming part of the financial statements  
for the year ended 31 August 2024 (continued)

## 16 Pensions costs (continued)

The five year history of experience adjustments is as follows:

|   | 2024<br>£ | 2023<br>£ | 2022<br>£ | 2021<br>£ | 2020<br>£ |
|---|-----------|-----------|-----------|-----------|-----------|
| <b>Experience gains and losses on scheme liabilities</b>                |           |           |           |           |           |
| Amount (£)  | (11,302)  | (9,705)   | (24,609)  | 21,546    | (9,222)   |
| Percentage of schemes liabilities (%)                                   | 0.67%     | 0.62%     | 1.35%     | (0.86%)   | 0.35%     |
| <b>Total amount recognised in the statement of comprehensive income</b> |           |           |           |           |           |
| Amount (£)  | (119,302) | 221,820   | 645,975   | 59,557    | (113,216) |
| Percentage of schemes liabilities (%)                                   | 7.12%     | (14.07%)  | (35.46%)  | (2.37%)   | 4.35%     |

The estimated amounts of contributions expected to be paid to the scheme in respect of pension payments to members in the proceeding financial year is £104,298 (2023: £101,497).

## 17 Called up share capital

|  | 2024<br>£ | 2023<br>£ |
|--|-----------|-----------|
| <i>Authorised</i><br>1,000 (2023 – 1,000) ordinary shares of £1 each                     | 1,000     | 1,000     |
| <i>Called up, allotted and fully paid</i><br>150 (2023 – 150) ordinary shares of £1 each | 150       | 150       |

The Group and Company's other reserves are as follows:

The share premium reserve contains the premium arising on issue of equity shares, net of issue expenses.

The profit and loss reserve represents cumulative profits or losses net of dividends paid and other adjustments.

The capital redemption reserve represents the amounts transferred following the reduction of the company's share capital.

# Saywell International Limited

Notes forming part of the financial statements  
for the year ended 31 August 2024 (continued)

## 18 Financial commitments

At 31 August 2024, the total future minimum lease payments under non-cancellable operating leases are as follows:

|                             | Motor vehicles                 |                                | Leasehold premises             |                                |
|-----------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
|                             | Group/<br>Company<br>2024<br>£ | Group/<br>Company<br>2023<br>£ | Group/<br>Company<br>2024<br>£ | Group/<br>Company<br>2023<br>£ |
| <b>Leases which expire:</b> |                                |                                |                                |                                |
| Within one year             | -                              | 6,162                          | 1,503,712                      | 1,143,924                      |
| Between one and five years  | -                              | -                              | 5,952,771                      | 4,575,696                      |
| After five years            | -                              | -                              | 6,645,430                      | 6,309,189                      |
|                             |                                |                                |                                |                                |
|                             | -                              | 6,162                          | 14,101,913                     | 12,028,809                     |

## 19 Capital commitments and contingent liabilities

The company has granted the following guarantees:

- a £10,000 Deferred Duty Guarantee in favour of Her Majesty's Revenue and Customs (2023 - £10,000)

## 20 Notes to the consolidated cash flow statement

### Reconciliation of consolidated operating profit to Group net cash inflow from operating activities

|  | 2024<br>£   | 2023<br>£   |
|--|-------------|-------------|
| Operating profit   | 10,027,798  | 11,294,946  |
| Profit on sale of fixed assets                             | (16,675)    | (24,923)    |
| Depreciation charge  | 235,382     | 190,919     |
| Decrease/(increase) in stock                               | 27,719      | (4,070,780) |
| (Increase) in debtors                                      | (3,307,644) | (1,590,898) |
| Increase in creditors                                      | 5,159,981   | 432,454     |
| Pension contributions                                      | (101,601)   | -           |
| Corporation tax paid                                       | (2,552,070) | (1,560,577) |
| Movement in the director's loan account (refer note below) | (3,919,053) | (2,860,956) |
|  |             |             |
|  | 5,553,837   | 1,810,185   |

### Movement in director's loan account

During the year, the company declared and approved a dividend of £3,750,000 (2023: £3,500,000) which is recognised within the director's loan account. During the year, cash payments to the director amounted to £3,919,053 (2023: £2,860,956).

# Saywell International Limited

Notes forming part of the financial statements  
for the year ended 31 August 2024 (continued)

## 21 Net debt reconciliation

|                          | 1 September<br>2023<br>£    | Cash flows<br>£             | Forex<br>translation<br>difference<br>£ | 31 August<br>2024<br>£      |
|--------------------------|-----------------------------|-----------------------------|---|-----------------------------|
| Cash at bank and in hand | 17,942,967                  | 1,261,300                   | -                                       | 19,204,267                  |
| Bank loans               | (5,937,933)                 | 3,650,787                   | 61,688                                  | (2,225,458)                 |
|                          | <u>                    </u> | <u>                    </u> | <u>                    </u>             | <u>                    </u> |
| Net debt                 | 12,005,034                  | 4,912,087                   | 61,688                                  | 16,978,809                  |
|                          | <u>                    </u> | <u>                    </u> | <u>                    </u>             | <u>                    </u> |

## 22 Controlling party

The Group is controlled by P L Saywell, a director of the company, as a result of controlling, directly and indirectly, 100% of the issued share capital of the company.

## 23 Related party transactions

The company holds 100% of the voting rights of its subsidiary undertaking and has taken advantage of the exemption in FRS 102 not to disclose any transactions or balances with the other entity in the Group.

### Key management personnel

The directors are considered to be as such and their total remuneration is £3,917,740 (2023 - £1,408,136).

The director's loan account amounted to £1,187,039 (2023 - £1,356,092) as disclosed in note 14.

## 24 Post balance sheet events

There have been no subsequent events.