

**Atlas Air Conditioning SSAS**

**Financial Statements**

**For the Year Ended 5 April 2017**

# **Atlas Air Conditioning Limited SSAS**

## **CONTENTS OF THE ANNUAL REPORT FOR THE YEAR ENDED 5 APRIL 2017**

	<b>Page</b>
<b>Trustees and advisers</b>	<b>1</b>
<b>Chair's statement</b>	<b>2</b>
<b>Statement of investment principles (forming part of the chair's statement)</b>	<b>3</b>
<b>Report of the trustees</b>	<b>4</b>
<b>Report of the accountants</b>	<b>5</b>
<b>Financial statements:</b>	
<b>Fund account</b>	<b>6</b>
<b>Net assets statement</b>	<b>7</b>
<b>Notes to the financial statements</b>	<b>8</b>

# **Atlas Air Conditioning Limited SSAS**

## **TRUSTEES AND ADVISERS FOR THE YEAR ENDED 5 APRIL 2017**

<b>CHAIR:</b>	S J Head
<b>OTHER TRUSTEES:</b>	G Bell
<b>SPONSORING EMPLOYER:</b>	Atlas Air Conditioning Ltd. Pavilion 2 3 Dava Street Glasgow G51 2JA
<b>ACCOUNTANTS:</b>	Burgoyne Carey Chartered Accountants Pavilion 2 3 Dava Street Broomloan Road Glasgow G51 2JA

## **Atlas Air Conditioning Limited SSAS**

### **CHAIR'S STATEMENT FOR THE YEAR ENDED 5 APRIL 2017**

The year under review has been another challenging year for the Trustees, and this review sets out my summary of the main events having an impact on the Scheme.

This year, the main legislative and regulatory challenges have been focussed on defined contribution arrangements. We have reviewed the scheme rules and our governance arrangements to ensure that the DC section of the Scheme complies fully with the new requirements and provides a greater degree of flexibility to members approaching retirement. New regulations impose a charge cap on DC investments which are used in the default arrangement and our Statement regarding DC governance included within the annual report shows how we have addressed this and other new requirements.

**ON BEHALF OF THE TRUSTEES AND MANAGERS:**

S J Head  
Chair

30 January 2018

## Atlas Air Conditioning Limited SSAS

### REPORT OF THE TRUSTEES FOR THE YEAR ENDED 5 APRIL 2017

The trustees present their report for the year ended 5 April 2017.

The scheme is a money purchase scheme and was formed to provide retirement benefits to employees of Atlas Air Conditioning Limited and their dependents. Benefits are also paid when employees die before retirement age while in the company's service.

#### MANAGEMENT OF THE SCHEME

The trustees during the year under review were:

S J Head  
G Bell

#### SCHEME ADVISERS

The advisers of the trustees are shown on page 1 and are appointed by the trustees.

#### SPONSORING EMPLOYER

The sponsoring employer of the scheme is Atlas Air Conditioning Limited.

#### MEMBERSHIP

Details of membership of the scheme during the year are shown below:

	At 6.4.16	Increase	Decrease	At 5.4.17
Active members	2	-	-	2
Pensioners	-	-	-	-
Deferred pensioners	-	-	-	-
	<u>2</u>	<u>-</u>	<u>-</u>	<u>2</u>

#### INVESTMENT MANAGEMENT

The trustees have produced a statement of investment principles as required by Section 35 of the Pensions Act 1995, a copy of which is available on request.

#### COMPLIANCE MATTERS

There have been no changes to the scheme's rules during the period.

Signed on behalf of the Trustees:

S J Head

30 January 2018

**REPORT OF THE ACCOUNTANTS TO THE TRUSTEES OF  
ATLAS AIR CONDITIONING LIMITED SSAS**

In accordance with instructions given to us we have prepared without carrying out an audit the annexed financial statements from the accounting records of Atlas Air Conditioning Limited SSAS and from information and explanations supplied to us.

Burgoyne Carey  
Chartered Accountants  
Pavilion 2  
3 Dava Street  
Broomloan Road  
Glasgow  
G51 2JA

30 January 2018

# Atlas Air Conditioning Limited SSAS

## FUND ACCOUNT FOR THE YEAR ENDED 5 APRIL 2017

	Notes	2017 £	2016 £
<b>CONTRIBUTIONS AND BENEFITS</b>			
Employer contributions		-	-
Employee contributions		<u>-</u>	<u>-</u>
<b>Total contributions</b>	2	-	-
Other income	3	<u>38</u>	<u>1,361</u>
		<u>38</u>	<u>1,361</u>
Administrative expenses	4	<u>(1,539)</u>	<u>(1,562)</u>
<b>Net withdrawals from dealings with members</b>		<u>(1,501)</u>	<u>(201)</u>
<b>RETURNS ON INVESTMENTS</b>			
Investment income	5	51,940	45,406
Change in market value of investments	7	<u>82,577</u>	<u>(47,989)</u>
<b>Net returns on investments</b>		<u>134,517</u>	<u>(2,583)</u>
<b>NET INCREASE/(DECREASE) IN THE FUND DURING THE YEAR</b>		133,016	(2,784)
<b>NET ASSETS OF THE SCHEME AT 6 APRIL 2016</b>		<u>1,075,701</u>	<u>1,078,485</u>
<b>AT 5 APRIL 2017</b>		<u><u>1,208,717</u></u>	<u><u>1,075,701</u></u>

# Atlas Air Conditioning Limited SSAS

## STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS 5 APRIL 2017

	Notes	2017 £	2016 £
<b>INVESTMENT ASSETS</b>	<b>7</b>		
Equities		836,283	606,767
Property		340,744	340,744
Cash		14,305	108,832
Other investment balances		<u>16,635</u>	<u>21,918</u>
		1,207,967	1,078,261
 Current assets	 11	 3,500	 -
Current liabilities	12	<u>(2,750)</u>	<u>(2,560)</u>
<b>NET ASSETS OF THE SCHEME AT 5 APRIL 2017</b>		<u><u>1,208,717</u></u>	<u><u>1,075,701</u></u>

The financial statements summarise the transactions of the scheme and deal with the net assets at the disposal of the trustees. They do not take account of obligations to pay pensions and benefits which fall due after the end of the scheme year.

These financial statements were approved by the Trustees on 30 January 2018.

Signed on behalf of the Trustees:

S J Head



# **Atlas Air Conditioning Limited SSAS**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2017**

### **1. ACCOUNTING POLICIES**

#### **BASIS OF PREPARING THE FINANCIAL STATEMENTS**

The financial statements have been prepared in accordance with the Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the guidance set out in the Statement of Recommended Practice, Financial Reports of Pension Schemes (revised November 2014). This is the first year that FRS 102 and the revised SORP have been applied to the scheme's financial statements.

#### **CONTRIBUTIONS**

Employee contributions, including AVCs, are accounted for by the Trustees when they are deducted from pay by the Employer, except for the first contribution due where the employee has been auto-enrolled by the Employer, in which case it is accounted for when received by the scheme.

Employer normal contributions that are expressed as a rate of salary are accounted for on the same basis as employee contributions, in accordance with the Schedule of Contributions in force during the year.

Employer augmentation contributions are accounted for in accordance with the agreement under which they are payable.

Employer deficit funding contributions are accounted for on the due dates on which they are payable under the Schedule of Contributions or on receipt if earlier with the agreement of the Employer and the Trustees.

Employer S75 debt contributions are accounted for when a reasonable estimate of the amount due can be determined.

#### **PAYMENTS TO MEMBERS**

Pensions in payment are accounted for in the period to which they relate.

Benefits are accounted for in the period in which the member notifies the Trustees of his decision on the type or amount of benefit to be taken or, if there is no member choice, they are accounted for on the date of retirement or leaving.

Opt-outs are accounted for when the Scheme is notified of the opt-out.

Individual transfers in and out of the Scheme are accounted for when member liability is accepted or discharged which is normally when the transfer amount is paid or received.

#### **GROUP TRANSFERS**

Group transfers are accounted for in accordance with the terms of the transfer agreement.

#### **EXPENSES**

Expenses are accounted for on an accruals basis.

#### **INVESTMENT INCOME**

Dividends from equities are accounted for on the ex-dividend date.

Income from bonds is accounted for on an accruals basis and includes interest bought and sold on investment purchases and sales.

Rental income is accounted for on an accruals basis.

Income from pooled investment vehicles is accounted for when declared by the fund manager.

Receipts from annuity policies are accounted for as investment income on an accruals basis.

# Atlas Air Conditioning Limited SSAS

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2017

### 1. ACCOUNTING POLICIES - continued

#### CHANGE IN MARKET VALUE OF INVESTMENTS

The change in market value of investments during the year comprises all increases and decreases in the market value of investments held at any time during the year, including profits and losses realised on sales of investments during the year.

#### INVESTMENTS

Investments are valued at cost or market value.

### 2. CONTRIBUTIONS

	2017 £	2016 £
Employer contributions	<u>-</u>	<u>-</u>
Employee contributions	<u>-</u>	<u>-</u>
Total contributions	<u>-</u>	<u>-</u>

### 3. OTHER INCOME

	2017 £	2016 £
Bank interest received	10	30
Loan interest received	<u>28</u>	<u>1,331</u>
	<u>38</u>	<u>1,361</u>

### 4. ADMINISTRATIVE EXPENSES

	2017 £	2016 £
Administration and processing	950	985
Accountancy fee	500	500
Bank charges	<u>89</u>	<u>77</u>
	<u>1,539</u>	<u>1,562</u>

### 5. INVESTMENT INCOME

	2017 £	2016 £
Dividends from equities	16,442	10,035
Income from bonds	409	-
Net rents from properties	35,000	35,000
Other investment income	<u>89</u>	<u>371</u>
	<u>51,940</u>	<u>45,406</u>

### 6. TAXATION

2017 £	2016 £
<u></u>	<u></u>

# Atlas Air Conditioning Limited SSAS

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2017

### 7. RECONCILIATION OF INVESTMENTS

	Value at 6.4.16 £	Purchases at cost £	Change in market value £	Value at 5.4.17 £
Equities	606,767	146,939	82,577	836,283
Property	<u>340,744</u>	<u>-</u>	<u>-</u>	<u>340,744</u>
	947,511	<u>146,939</u>	<u>82,577</u>	1,177,027
Cash	108,832			14,305
Other investment balances	<u>21,918</u>			<u>16,635</u>
	<u>1,078,261</u>			<u>1,207,967</u>

Investments purchased by the scheme are allocated to provide benefits to the individuals on whose behalf corresponding contributions are paid. The investment manager holds the investment units on a pooled basis for the trustees. The scheme administrator allocates investment units to members. The trustees may hold investment units representing the value of employer contributions that have been retained by the scheme that relate to members leaving the scheme prior to vesting.

Investments are as follows:

	2017 £	2016 £
Designated to members	<u>1,207,967</u>	<u>1,078,261</u>
	<u>1,207,967</u>	<u>1,078,261</u>

### 7A. INVESTMENTS - AUDITED ACCOUNTS REGULATIONS ADDITIONAL DISCLOSURES

#### Pooled investment vehicles

	2017 £	2016 £
Unit trusts		
Op val-unit tr- other UK	<u>836,283</u>	<u>606,767</u>

#### Property

	2017 £	2016 £
UK	<u>340,744</u>	<u>340,744</u>

#### Loans

	2017 £	2016 £
Atlas Air Conditioning Limited	<u>16,635</u>	<u>21,919</u>

# Atlas Air Conditioning Limited SSAS

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2017

### Cash deposits and cash in hand

	2017	2016
	£	£
High interest bank account	4,241	98,729
Bank current account	<u>10,064</u>	<u>10,102</u>
	<u>14,305</u>	<u>108,831</u>

### 8. TRANSACTION COSTS

Transaction costs are included in the cost of purchases and deducted from sales proceeds. Direct transaction costs include costs charged to the scheme such as fees, commissions and stamp duty.

Transaction costs analysed by main asset class and type of cost are as follows:

2017	2016
Total	Total
£	£
-	-

### 9. FAIR VALUE DETERMINATION

The fair value of financial instruments has been estimated using the following fair value hierarchy:

- Category (a) The quoted price for an identical asset in an active market at the reporting date.
- Category (b) When quoted prices are unavailable, the price of a recent transaction for an identical asset adjusted if necessary.
- Category (c) Where a quoted price is not available and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is determined by using a valuation technique that uses:
- (c) (i) observable market data; or
  - (c) (ii) non-observable data.

The scheme's investment assets have been fair valued using the above hierarchy categories as follows:

	Category (a) £	Category (b) £	Category (c) (i) £	Category (c) (ii) £	Total £
Equities	836,283	-	-	-	836,283
Property	340,744	-	-	-	340,744
Cash	14,305	-	-	-	14,305
Other investment balances	<u>16,635</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,635</u>
	<u>1,207,967</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,207,967</u>

# Atlas Air Conditioning Limited SSAS

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2017

### 9. FAIR VALUE DETERMINATION - continued

	Category (a) £	Category (b) £	Category (c) (i) £	Category (c) (ii) £	Total £
Equities	606,767	-	-	-	606,767
Property	340,744	-	-	-	340,744
Cash	108,832	-	-	-	108,832
Other investment balances	<u>21,918</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,918</u>
	<u>1,078,261</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,078,261</u>

### 10. INVESTMENT RISK DISCLOSURES

FRS 102 requires the disclosure of information in relation to certain investment risks. These risks are set out by FRS 102 as follows:

#### Credit risk

This is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge the obligation.

#### Market risk

This comprises currency risk, interest rate risk and other price risk.

- Currency risk

This is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in foreign exchange rates.

- Interest rate risk

This is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market interest rates.

- Other price risk

This is the risk that the fair value or future cash flows of a financial asset will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

Investment risk is low.

#### CREDIT RISK

Credit risk is low.

#### CURRENCY RISK

There are no foreign investments.

#### INTEREST RATE RISK

Interest rate risk is low.

#### OTHER PRICE RISK

Other price risk is low.

### 11. CURRENT ASSETS

	2017 £	2016 £
Accrued income	<u>3,500</u>	<u>-</u>

# Atlas Air Conditioning Limited SSAS

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2017

### 12. CURRENT LIABILITIES

	2017	2016
	£	£
Accrued expenses	1,000	1,100
VAT	<u>1,750</u>	<u>1,460</u>
	<u>2,750</u>	<u>2,560</u>

### 13. FIRST YEAR ADOPTION

	6.4.15	5.4.16
	£	£
Net assets of the scheme as previously stated	<u>1,078,485</u>	<u>1,075,701</u>
Net assets of the scheme as restated	<u>1,078,485</u>	<u>1,075,701</u>
		2016
		£
Net decrease in fund as previously stated		<u>(2,784)</u>
Net decrease in fund as restated		<u>(2,784)</u>