

# **H+S Aviation Limited**

## **Report and Financial Statements**

31 December 2021



**H+S Aviation Limited**  
**Report and Financial Statements**  
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**Directors**

B Fawkes  
M Scott

**Auditors**

Deloitte LLP  
Statutory Auditor  
1 New Street Square  
London  
United Kingdom  
EC4A 3HQ

**Bankers**

HSBC Bank PLC  
14 Bradford Road  
Cleckheaton  
West Yorkshire  
BD19 3JR

Barclays Bank PLC  
City Service Centre  
PO Box 544  
54 Lombard Street  
London  
EC3V 9EX

**Registered Office**

Airport Service Road  
Portsmouth  
Hampshire  
United Kingdom  
PO3 5PJ

## Strategic Report

The directors of H+S Aviation Limited (the 'Company'), in preparing this strategic report, have complied with s414C of the Companies Act 2006.

### Review of the business

The Company's principal activity is the overhaul and repair of aviation engines and associated components.

The Company's key performance indicators during the year are as follows:

	2021 U\$000's	2020 U\$000's (Restated)	Change (%)
Turnover	64,967	74,120	-12%
Operating (loss)/profit excluding exceptional items	(934)	1,801	-152%
(Loss)/profit after taxation	(13,357)	1,790	-846%
Operating (loss)/profit as a % of sales	-1.4%	2.4%	-159%

The downturn in sales and operating profit through 2021 is linked to lower overhaul and repair volume seen by the business as a direct result of the impact to the business from the global COVID-19 pandemic on its trading operations.

On 1 July 2021, H+S Aviation Limited was acquired by Standard Aero Aviation Holdings, Inc. The business continues to trade as H+S Aviation Limited (a StandardAero Company).

During the year licences with a net book value of \$10.1m were assessed as being fully impaired. This followed the change in ownership of the company in July 2021 and a downturn in the use of less efficient engines in the year (see Note 7). A further \$4.4m was provided against the value of inventory following a review of the method of estimating the net realisable value carried out by the new owner.

The business continues to face challenges linked to the effect on the global aviation markets due to COVID-19, however, with restrictions now lifted, and flying hours across the global aviation sector having increased, there is a positive outlook as we move through 2022 and beyond.

During 2021, the business completed its work towards the liquidation of its subsidiary business, H+S Aviation Middle East LLC, and this was successfully completed on 30 June 2021.

### Principal risks and uncertainties

The management of the business and the execution of the Company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the Company are considered to relate to competition from other aircraft maintenance businesses. The emergence of the COVID-19 global pandemic during early 2020 did create additional uncertainties around the company's operations.

Other risks include:

- **Legislative risk:** The Company is in compliance with applicable regulations of the aviation industry. Compliance imposes costs and failure to comply with the applicable standards could affect the Company's ability to operate.
- **Revenue risk:** The majority of the revenues earned by the Company are covered by longer term support contracts. Activity levels are based on both scheduled and unscheduled maintenance events which are dependent on customer flying hours and the passage of time. Additional revenue can be generated as a result of unexpected damage to engines and/or completion of upgrade and modification programmes.
- **Testing of engines is critical to H+S Aviation Limited's operations.** Failure of one or more test beds would substantially affect its ability to test engines and dispatch within agreed timelines. There are alternative test beds available for sub-contract testing should the need arise, however, the use of these would incur additional costs and extend delivery times to the customer.

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## Strategic Report (continued)

### Future Developments

The external commercial environment is expected to remain competitive through 2022 and beyond. However, we expect improvements to our current level of performance in the future, driven by our culture of continuous improvement, and the benefits to the business from being part of the wider StandardAero group.

### Section 172 Statement

The directors have a duty to promote the long-term sustainable success of the Company and understand that consideration must be given to wider stakeholders and other factors when making decisions. This duty is reflected in particular when:

- setting, updating and monitoring Company strategy and managing and mitigating risk;
- putting in place policies and procedures to support operational performance and achievement of goals;
- implementing engagement with customers, suppliers, employees and the wider community in which the business operates; and
- assessing the level and depth of information required for decision making and any training and development needs to carry out their duties.

The directors' behaviours are intended to reinforce this duty and help foster the Company's values and culture and align them to the Company's goals and objectives, set within the context of alignment with the interests of all stakeholders, where possible. Further details of stakeholder engagement are provided in the Directors' Report.

This report was approved by the board on 21 December 2022 and signed on its behalf.



*B Fawkes*  
Director

## Directors' Report

The directors present their Directors' Report for the year ended 31 December 2021.

### Results and dividends

The loss for the year, after taxation, amounted to -\$13,357k (2020 (restated): \$1,790k profit).

An interim dividend of \$56,841,369 was paid (2020: \$nil). No final dividend was paid in 2021 (2020: \$nil).

### Directors

The directors during the year and subsequently were as follows:

B Fawkes (appointed 1 July 2021)

M Scott (appointed 1 July 2021)

M Stubbs (resigned 1 July 2021)

H McElroy (resigned 1 July 2021)

W J Bonder (resigned 1 July 2021)

M R Jeram (resigned 1 July 2021)

P A Jupp (resigned 1 July 2021)

### Directors' liabilities

The Company has entered into deeds of indemnity in favour of each of its directors, under which the Company agrees to indemnify each director against liabilities incurred by that director in respect of acts or omissions arising in the course of their office or otherwise by virtue of their office.

Where such deeds are for the benefit of directors, they are qualifying third party indemnity provisions as defined by section 234 of the Companies Act 2006, as applicable. At the date of this report, these indemnities are therefore in force for the benefit of all the current directors of the Company and other members of senior management.

### Post balance sheet events

No subsequent events to note.

### Going concern

The directors have carried out an assessment of the going concern position of the Company.

The cashflow forecasts prepared for the going concern assessment period, indicate that the Company will maintain appropriate cash and short-term funding balances in place throughout the period through to December 2023. The Company has carried out scenario analysis on the forecasts which have raised no concerns. In addition to the Company's own cash funds held and generated, the directors have sought and obtained a confirmation of continued financial support from our ultimate parent Company StandardAero Aviation Holdings, Inc.

On the basis of the above assessment, the Company is considered to have appropriate financial resources to manage its business risks successfully. After reviewing the above, the directors have concluded that they have a reasonable expectation that the Company has adequate resources to continue as a going concern through to the period ending 31 December 2023. Accordingly, they continue to adopt the going concern basis in preparing the Report and Financial Statements.

## Directors' Report (continued)

### Stakeholder engagement statement

Engagement with our stakeholders plays a vital role in the success of the Company. The principal stakeholders impacting the Company are considered to include the following:

- Suppliers, customers and others – the Company maintains strong working relationships with both suppliers and customers, through regular review and evaluation of performance. Reviews are undertaken both internally amongst management, and also via meeting with the customers and suppliers. Supplier payment practices are reviewed monthly to ensure that the business is meeting its obligations, along with monitoring customer experience to ensure that the needs of the customer are being met. This allows the business to assess any potential issues, and to ensure that necessary adjustments can be made in a timely manner in order to improve the customer or supplier experience with H+S Aviation Limited.
- Employees – the Company is committed to employee participation and encourages the development of co-operation with employees. Employee-related issues and concerns are elevated to the board via Senior Management member representation on and consultation with the Company's Employee Council.

In addition to the above, the local Senior Leadership Team at H+S Aviation Limited, maintain visibility throughout the business via both formal and informal department visits to engage with the wider team.

Bi-annual employee engagement surveys are also undertaken. The results are reviewed by the Board and drive targeted actions for Senior Leaders and Managers to undertake within the business. Regular communications are delivered to employees via Town Hall style meetings and also via email and video messaging.

Applications for employment by disabled persons are always fully considered, bearing in mind the abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment within the Company continues and that appropriate training is arranged. It is the policy of H+S Aviation Limited that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

- Shareholders – The Company undertakes regular sharing of strategy and performance with its parent Company, StandardAero Aviation Holdings, Inc. The Company reports results on a regular monthly basis with a particular focus on customer relationships, supplier performance, profit and loss and cash performance.
- Society, Communities and Environment – our culture is supportive of ongoing engagement by our employees with the communities in which they live and engage. The Company is key part of the local community in Portsmouth (Hampshire) as a large local employer. Environmental issues and challenges remain a key focus for the Company.

## Directors' Report (continued)

### Energy and Carbon Reporting

The Company is committed to addressing concerns about climate change and the environment. Reducing emissions creates efficiencies, drives innovation, helps manage long-term risk and improves our competitive advantage.

The company's carbon footprint is presented as follows:

For Financial Year ending 31 December	2021	2020
<b>Indicator</b>		
Energy Consumption (absolute) (kWh)	5,115,124	5,192,903
Energy Intensity Ratio (kWh per \$m revenue)	78,734	70,061
Energy Intensity Ratio (kWh per UK employee)	18,533	17,845
Greenhouse Gas Emissions (Tonnes CO <sub>2</sub> e)	1,792	2,009
Greenhouse Gas Intensity Ratio (Tonnes CO <sub>2</sub> e per \$m revenue)	27.6	27.1
Greenhouse Gas Emissions (Tonnes CO <sub>2</sub> e per UK employee)	6.5	6.9
<b>Energy Consumption</b>	<b>kWh</b>	<b>kWh</b>
Electricity	2,121,661	2,121,721
Gas	2,947,628	3,040,746
Fuel Oil	45,835	30,436
<b>Total</b>	<b>5,115,124 kWh</b>	<b>5,192,903 kWh</b>
<b>Greenhouse Gas Emissions</b>	<b>Tonnes CO<sub>2</sub>e</b>	<b>Tonnes CO<sub>2</sub>e</b>
Scope 1 (Emissions from gas and fuel for fleet vehicles)  Includes emissions from activities owned or controlled by the company that release emissions into the atmosphere. Examples include emissions from combustion in owned or controlled boilers, vehicles.	975	1,166
Scope 2 (Emissions from electricity (location based))  Includes emissions from own consumption of purchased electricity, heat, steam and cooling. These are a consequence of the company's activities but are from sources not owned/controlled.	817	843
Scope 3 (Emissions from other indirect consequences of the company's operation)  Includes sources not owned or controlled by the company, and which are not classed as scope 2 emissions.	N/A	N/A
<b>Total</b>	<b>1,792 t CO<sub>2</sub>e</b>	<b>2,009 t CO<sub>2</sub>e</b>



## Directors' Report (continued)

### Energy and Carbon Reporting (continued)

#### Methodology

We have applied the UK Government's Conversion Factors for Company Reporting and GHG standards and the Streamlined Energy and Carbon Reporting guidance to quantify and report our greenhouse gas emissions. An operational control approach has been used to define the reporting process. Emissions for all our significant sites have been disclosed.

Scope 1 comprises direct emissions from the Company's owned and controlled plant and equipment released straight into the atmosphere.

Scope 2 comprises indirect emissions from purchased electricity using a location-based calculation method. These are indirect emissions that are a consequence of the Company's activities but which occur at sources we do not own or control.

#### Energy efficiency measures implemented

The Company completed its de-stratification fan installations in all industrial buildings across 2021 and early 2022. In addition to this, energy efficient LED lighting was installed within all communal areas of the business.

The Company is ISO50001 compliant, which includes a commitment to reduce energy usage by 5% each year.

#### Auditor appointment and reappointment

The auditor, Deloitte LLP, will not be proposed for reappointment.

#### Disclosure of information to the auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be 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.

This report was approved by the board on 21 December 2022 and signed on its behalf.



B Fawkes  
Director

## Directors' Responsibilities Statement

The directors are responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

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

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

# **Independent auditor's report**

## **to the members of H+S Aviation Limited**

### **Report on the audit of the financial statements**

#### **Opinion**

In our opinion the financial statements of H+S Aviation Limited (the 'company'):

- give a true and fair view of the company's affairs as at 31 December 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the statement of financial position
- the statement of changes in equity; and
- the related notes 1 to 24.

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 are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

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 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.

#### **Other information**

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

## **Independent auditor's report (continued)**

**to the members of H+S Aviation Limited**

### **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 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 company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Extent to which the audit was considered 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.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These include UK and US Aviation rules.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud or non-compliance with laws and regulations in the following areas, and our specific procedures performed to address them are described below:

- Revenue recognition - percentage of completion accounting:
  - We obtained an understanding of the relevant controls over the percentage of completion calculation.
  - We agreed a sample of the inputs into the percentage of completion calculation to supporting documentation.
  - We tested the completeness of the calculation by sampling projects started in early 2022 and checked if these should have been included in the 2021 calculation.
  - We performed a retrospective review of the 2021 calculation to assess the accuracy of management estimates; and
  - We tested the mechanical accuracy of the underlying calculation.

## **Independent auditor's report (continued)**

to the members of H+S Aviation Limited

### **Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)**

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements.
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

### **Report on other legal and regulatory requirements**

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

#### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

We have nothing to report in respect of these matters.

#### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*N. Pickering*

Nicki Pickering, FCA (Senior Statutory Auditor)  
for and on behalf of Deloitte LLP,  
Statutory Auditor

Reading  
United Kingdom

Date 22 December 2022

# Statement of Comprehensive Income

for the year ended 31 December 2021

	Notes	2021 U\$000's	2020 U\$000's (Restated)
Turnover	2	64,967	74,120
Cost of sales		(44,949)	(53,079)
Gross profit		20,018	21,041
Distribution costs		(367)	(381)
Administrative expenses:			
Before exceptional items		(21,345)	(19,568)
Impairment of intangible asset	7	(10,134)	-
Costs of restructuring	7	(6,051)	-
Total administrative expenses		(37,530)	(19,568)
Other operating income	3	-	23
Coronavirus Job Retention Scheme grant		760	686
Operating (loss)/profit	4	(17,119)	1,801
Interest (payable)/receivable and similar charges	8	(3)	11
(Loss)/profit on ordinary activities before taxation		(17,122)	1,812
Taxation	9	3,765	(22)
(Loss)/profit for the financial year		(13,357)	1,790
Other comprehensive income:			
Fair value movements in foreign exchange cash flow hedges		(437)	216
Revaluation gain		9,289	-
Tax on items of other comprehensive income		(2,196)	(95)
Total comprehensive (loss)/income for the year		(6,701)	1,911

All amounts relate to continuing operations.

## Statement of Changes in Equity

for the year ended 31 December 2021

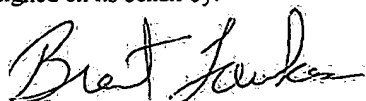
	<i>Called up share capital U\$000's</i>	<i>Revaluation reserve U\$000's</i>	<i>Foreign exchange reserve U\$000's</i>	<i>Retained earnings U\$000's</i>	<i>Total equity U\$000's</i>
At 1 January 2020 (as previously reported)	9,855	1,531	172	82,151	93,709
Transitional adjustment FRS101 to FRS102	-	-	-	193	193
At 1 January 2020 (as restated)	9,855	1,531	172	82,344	93,902
Profit for the year (as restated)	-	-	-	1,790	1,790
Fair value movements in foreign exchange cash flow hedges	-	-	216	-	216
Tax relating to items of other comprehensive income	-	-	(95)	-	(95)
Total comprehensive (loss)/income for the year	-	-	121	1,790	1,911
Reserve transfer	-	(66)	-	66	-
Foreign exchange adjustment	-	50	13	3,331	3,394
At 31 December 2020 (as restated)	9,855	1,515	306	87,531	99,207
Loss for the year	-	-	-	(13,357)	(13,357)
Fair value movements in foreign exchange cash flow hedges	-	-	(437)	-	(437)
Land and building revaluation	-	9,289	-	-	9,289
Tax relating to items of other comprehensive income	-	(2,322)	126	-	(2,196)
Total comprehensive (loss)/income for the year	-	6,967	(311)	(13,357)	(6,701)
Dividends	-	-	-	(56,841)	(56,841)
Reserve transfer	-	(70)	-	70	-
Foreign exchange adjustment	-	22	5	2,211	2,238
At 31 December 2021	9,855	8,434	-	19,614	37,903

## Statement of Financial Position

as at 31 December 2021

	Note	2021 U\$000's	2020 U\$000's (Restated)
<b>Non-current assets</b>			
Intangible fixed assets	11	-	144
Tangible assets	12	16,623	8,036
		<u>16,623</u>	<u>8,180</u>
<b>Current assets</b>			
Stocks	13	16,327	21,971
Receivables:	14		
amounts falling due within one year		28,421	82,386
amounts falling due after one year		4,297	-
		<u>49,045</u>	<u>104,357</u>
Cash at bank and in hand	15	3,134	230
		<u>52,179</u>	<u>104,587</u>
Payables: amounts falling due within one year	16	(27,722)	(13,176)
<b>Net current assets</b>		<u>24,457</u>	<u>91,411</u>
<b>Total assets less current liabilities</b>		<u>41,080</u>	<u>99,591</u>
Provisions for liabilities	17	(3,177)	(384)
<b>Net assets</b>		<u>37,903</u>	<u>99,207</u>
<b>Capital and reserves</b>			
Called up share capital	18	9,855	9,855
Revaluation reserve		8,434	1,515
Foreign exchange reserve		-	306
Retained earnings		19,614	87,531
<b>Total equity</b>		<u>37,903</u>	<u>99,207</u>

These financial statements were approved by the Board of Directors on 21 December 2022 and were signed on its behalf by:



B Fawkes (Director)



## Notes to the financial statements

at 31 December 2021

### 1. General information

The Company is a private company limited by shares, is registered in England and Wales and it is incorporated in the United Kingdom under Companies Act 2006. The address of the Company's registered office is shown on page 3.

All values are rounded to the nearest thousand except where otherwise indicated.

#### Foreign currency – functional and presentational currencies

Following changes to the ongoing business of the company, whereby the majority of the contracted revenues are now denominated in US dollars, and the long term financing of the parent company loans is also denominated in US dollars, the functional currency of the company is considered to have changed from GB pounds to US dollars during the year. As a result of this change, the financial statements have also been presented in US dollars, including the prior period amounts.

#### Basis of preparation

For the year ended 31 December 2020, when the company was a wholly owned subsidiary of Signature Aviation Limited, the financial statements were prepared under the historical cost convention and in accordance with FRS101 'Reduced Disclosure Framework' (FRS101). Following the change of ownership on 1 July 2021, the financial statements for the year ended 31 December 2021 have been prepared in accordance with FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS102). As a result, the prior period amounts have been restated for the transitional adjustments relating to the adoption of FRS102, further details are provided in Note 23.

Accordingly the company has prepared the financial statements which comply with FRS102 for the years ended 31 December 2021 and 31 December 2020 and the significant accounting policies meeting these requirements are set out below in the relevant notes. On transition from FRS101 to FRS102 the company has applied the guidance and taken advantage of the transitional relief provisions in Section 35 of FRS102.

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 December 2021.

The Company has taken advantage of the following reduced disclosure exemptions under FRS102:

- the requirements of Section 7 'Statement of Cash Flows';
- the requirements of Section 3 'Financial Statement Presentation' paragraph 3.17(d);
- the requirements of Section 11 paragraphs 11.39 to 11.48A and Section 12 paragraphs 12.26 to 12.29 relating to 'Financial Instruments' disclosures; and
- the requirement of Section 33 paragraph 33.7 relating to 'Related Party Transactions' and compensation payments to key management personnel.

The financial statements of the company are consolidated in the financial statements of StandardAero (UK) Holdings Limited. These consolidated financial statements are available from its registered office.

#### Going concern

The directors have carried out an assessment of the going concern position of the Company.

The cashflow forecasts prepared for the going concern assessment period, indicate that the Company will maintain appropriate cash and short-term funding balances in place throughout the period through to December 2023. The Company has carried out scenario analysis on the forecasts which have raised no concerns. In addition to the Company's own cash funds held and generated, the directors have sought and obtained a confirmation of continued financial support from our ultimate parent Company StandardAero Aviation Holdings, Inc.

On the basis of the above assessment, the Company is considered to have appropriate financial resources to manage its business risks successfully. After reviewing the above, the directors have concluded that they have a reasonable expectation that the Company has adequate resources to continue as a going concern through to the period ending 31 December 2023. Accordingly, they continue to adopt the going concern basis in preparing the Report and Financial Statements.

## Notes to the financial statements

at 31 December 2021

### 1.1 Judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in note 1, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make 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.

The items in the financial statements where significant judgements and estimates have been made include: -

Management judgment is required to establish that the carrying value of inventory across the business is appropriate, in particular in relation to determining the appropriate level of stock provisioning against surplus and obsolete items. The judgment reflects the nature of the businesses operations which means that inventory must be held to support aircraft engine overhaul cycles, resulting in inventory which can be held for extended periods of time before utilisation.

Revenue recognised in the business requires management judgment to estimate the stage of completion and profitability of contracts to determine the amount of revenue and profit to be recorded for engine overhauls in progress at the year-end.

Management have not identified any key sources of estimation uncertainty.

### 1.2 Accounting policies

#### **Revenue recognition**

Turnover represents amounts receivable for goods and services provided in the normal course of business, net of trade discounts, VAT and other sales related taxes. Turnover and associated profit arising from engine repair and overhauls are recognised on a percentage completion basis once the terms of the contract have been agreed with the customer and ultimate profitability of the contract can be determined with reasonable certainty. All current contracts are reviewed each period to ensure that there are no indications of a reduction in expected profitability. Loss making contracts are provided for when identified.

#### **Intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on all intangible assets on a straight-line bases over the expected useful life as follows:

Software: 3 years

Licences: 7 to 17 years

#### **Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

## Notes to the financial statements

at 31 December 2021

### 1.2 Accounting policies (continued)

#### *Tangible fixed assets (continued)*

Depreciation is provided on all property, plant and equipment, other than land, on a straight line basis over its expected useful life as follows:

Buildings	- over 5 to 40 years
Plant, machinery and tools	- over 7 to 15 years
Motor vehicles	- over 4 years
Fixtures, fittings and equipment	- over 3 to 10 years

Motor vehicles, fixtures, fittings and equipment have immaterial book value and are therefore presented within Plant and Machinery in Note 12.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

Depreciation is provided on aviation engines to write off the cost less estimated residual value over the engine's remaining flight hours, based on actual hours flown.

Assets under construction are not depreciated until the asset is in service. The assets are then transferred to the appropriate category and depreciated as indicated above.

#### *Revaluation of tangible fixed assets*

Individual freehold properties are carried at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the balance sheet date.

Fair values are determined from market-based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognized in other comprehensive income unless losses exceed the previously recognized gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognized in profit and loss.

#### *Stocks*

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out actual cost basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

#### *Provision for liabilities*

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the balance sheet.

## Notes to the financial statements

at 31 December 2021

### 1.2 Accounting policies (continued)

#### **Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

#### **Foreign currency**

The Company financial statements are presented in USA dollars, which is also the Company's functional currency.

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

#### **Operating leases**

Rentals paid under operating leases are charged to the Income Statement on a straight line basis over the lease term.

#### **Finance costs**

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

#### **Borrowing costs**

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

#### **Exceptional items**

The Company presents as exceptional items those material items of income and expense which, because of the nature and expected infrequency of the events giving rise to them, merit separate presentation to allow users of the financial statements to understand better the elements of financial performance in the year, so as to facilitate comparison with prior periods and to assess better trends in financial performance.

#### **Current and deferred taxation**

The charge for taxation is based on the profit for the year and comprises current and deferred taxation. Current tax is calculated at tax rates which have been enacted or substantively enacted as at the balance sheet date.

Deferred taxation takes into account taxation deferred due to temporary differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is accounted for using the balance sheet liability method and is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases in the computation of taxable profit.

No provision is made for temporary differences on unremitted earnings of foreign subsidiaries, joint ventures or associates where the Company has control, and the reversal of the temporary difference is not foreseeable.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

## Notes to the financial statements

at 31 December 2021

### 1.2 Accounting policies (continued)

#### *Current and deferred taxation (continued)*

Deferred tax is calculated at tax rates which have been enacted or substantively enacted at the balance sheet date and that are expected to apply in the period when the liability is settled, or the asset is realised. Deferred tax is charged or credited in the Income Statement, except when it relates to items charged or credited to the Statement of Comprehensive Income, in which case the deferred tax is also dealt with in the Statement of Comprehensive Income.

#### *Trade and other debtors*

Short term debtors are measured at transaction price, less any impairment. Loan's receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

#### *Cash and cash equivalents*

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

#### *Creditors*

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

#### *Pensions*

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the profit and loss account when they fall due, and the cost is shown in Note 6. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

## Notes to the financial statements

at 31 December 2021

### 2. Turnover

An analysis of turnover by geographical market is given below:

	2021 U\$000's	2020 U\$000's
United Kingdom	5,852	7,872
Europe	23,298	22,212
Rest of the World	35,817	44,036
	<u>64,967</u>	<u>74,120</u>

### 3. Other operating income

	2021 U\$000's	2020 U\$000's
Sundry income	23	23
	<u>23</u>	<u>23</u>

### 4. Operating profit

This is stated after charging / (crediting):

	2021 U\$000's	2020 U\$000's
Auditors' remuneration – audit services	90	76
Operating lease rentals – land and buildings	185	182
– other	10	10
Depreciation of tangible fixed assets	1,432	614
Amortisation of intangible assets	537	467
Foreign exchange gains/losses	1,402	1,107
Defined contribution pension cost	762	693
Coronavirus Job Retention Scheme grant	(760)	(686)

## Notes to the financial statements

at 31 December 2021

### 5. Directors' remuneration

	2021 US\$000's	2020 US\$000's
Aggregate remuneration in respect of qualifying services	122	295
Aggregate amounts payable in respect of defined contributions pension scheme	6	6
Highest paid director:		
Aggregate remuneration in respect of qualifying services	64	164
Aggregate amounts payable in respect of defined contributions pension scheme	3	5
	2021 No.	2020 No.
Number of directors accruing benefits under defined contribution schemes	2	2

Directors residing in the UK are remunerated through the Company and provide all their services to the Company. Other overseas based directors, who do not provide qualifying services to the Company, are remunerated by other companies within the wider group.

### 6. Staff costs

	2021 US\$000's	2020 US\$000's
Wages and salaries	17,035	15,692
Social security costs	1,709	1,428
Defined contribution pension costs	762	693
	19,506	17,813

The average monthly number of employees, including the directors, during the period was as follows:

	2021 No.	2020 No.
Administration	129	137
Production	147	154
	276	291

## Notes to the financial statements

at 31 December 2021

### 7. Exceptional items

	2021 U\$000's	2020 U\$000's
Licence impairment	10,134	-
Additional inventory provisioning	4,442	-
Middle East engine write-down	406	-
Restructuring costs	1,203	-
Total exceptional expense	16,185	-

### 8. Interest payable/(receivable) and similar charges

	2021 U\$000's	2020 U\$000's (Restated)
Group interest payable	3	-
Other interest payable		162
Other interest receivable	-	(173)
Net interest payable/(receivable)	3	(11)



## Notes to the financial statements

at 31 December 2021

### 9. Taxation

(a) Tax on profit on ordinary activities

	2021 U\$000's	2020 U\$000's
Current tax:		
UK corporation tax at 19.00% (2020 – 19.00%)	-	-
Adjustment to tax in respect of previous periods	-	-
Total current tax	-	-
Deferred tax		
Origination and reversal of timing differences	(3,768)	22
Adjustment to tax in respect of previous periods	(121)	-
Adjustment for rate change to 25%	124	-
Taxation on (loss)/profit on ordinary activities	(3,765)	22

	2021 U\$000's	2020 U\$000's
--	------------------	------------------

(b) Factors affecting total tax charge

The tax assessed on the profit on ordinary activities differs from the standard rate of corporation tax in the UK as follows:

(Loss)/profit on ordinary activities before tax	(17,122)	1,812
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.00% (2020 – 19.00%)	(3,253)	344
Net expenses not deductible/(income not taxable) for tax purposes	149	(224)
Fixed asset differences	44	-
Chargeable gains	1,765	-
Group tax relief	162	(95)
Adjustment to tax in respect of previous periods	(121)	-
Deferred tax charged to other comprehensive income	(2,196)	-
Remeasurement of deferred tax for tax rate changes	(253)	-
Other differences	(62)	(3)
Total tax (credit)/charge for the year (note 9(a))	(3,765)	22

## Notes to the financial statements

at 31 December 2021

### 9. Taxation (continued)

(c) Deferred tax recognised at year end:

	2021 U\$000's	2020 U\$000's
Deferred tax assets in respect of:		
Short term timing differences (including tax losses)	4,165	-
Adjustment for rate change to 25%	-	-
Deferred tax asset recognised (note 14)	<u>4,165</u>	<u>-</u>
Deferred tax liabilities in respect of:		
Land and building revaluation	(2,322)	-
Accelerated capital allowances and other timing differences	(787)	(542)
Cash flow hedges	-	126
Other	-	32
Deferred tax liability recognised (note 17)	<u>(3,109)</u>	<u>(384)</u>

The UK Budget 2021 announcements on 3 March 2021 included measures to support economic recovery as a result of the ongoing COVID-19 pandemic. These included an increase to the UK's main corporation tax rate to 25% which is due to be effective from 1 April 2023. These changes were enacted at the balance sheet date and so have been reflected in the measurement of deferred tax balances at year end.

### 10. Dividends and other appropriation

An interim dividend of \$56,841,369 was paid (2020: \$nil). No final dividend was paid in 2021 (2020: \$nil).

## Notes to the financial statements

at 31 December 2021

### 11. Intangible fixed assets

	<i>Licence fees and software US\$000's</i>
Cost:	
At 1 January 2021	8,555
Additions	10,520
Disposals	(38)
Foreign exchange adjustment	123
At 31 December 2021	19,160
Amortisation:	
At 1 January 2021	8,411
Provided during the year	537
Disposals	(38)
Impairment adjustment	10,134
Foreign exchange adjustment	116
At 31 December 2021	19,160
Net book value:	
At 31 December 2021	-
At 1 January 2021	144

The licences relate to payments to aircraft engine manufacturers to become authorised maintenance facilities. The amounts are amortised on a straight line basis over the remaining life of the licence.

The impairment review of licences was carried out in the year following the acquisition of the company by StandardAero Aviation Holdings, Inc., and the uncertainty over the levels of future revenues and related margins that would arise from the products on which the licences related. The impairment review resulted in the \$10,134,000 net book value of the licences being fully impaired.

## Notes to the financial statements

at 31 December 2021

### 12. Tangible fixed assets

	<i>Buildings</i> <i>U\$000's</i>	<i>Plant and machinery</i> <i>U\$000's</i>	<i>Total</i> <i>U\$000's</i>
Cost:			
At 1 January 2021 (Restated)	8,933	31,677	40,610
Additions	-	668	668
Disposals	-	(1,002)	(1,002)
Surplus on revaluation	3,311	-	3,311
Foreign exchange adjustment	153	420	573
At 31 December 2021	12,397	31,763	44,160
Depreciation:			
At 1 January 2021 (Restated)	5,611	26,963	32,574
Provided during the year	331	1,101	1,432
Disposals	-	(1,002)	(1,002)
Impairment adjustment	(44)	92	48
Accumulated depreciation written back on revaluation	(5,978)	-	(5,978)
Foreign exchange adjustment	80	383	463
At 31 December 2021	-	27,537	27,537
Net book value:			
At 31 December 2021	12,397	4,226	16,623
At 1 January 2021 (Restated)	3,322	4,714	8,036

The buildings were last fully valued on the basis of open market value by an independent valuer (Gesvalt S.A.) with a recognised and relevant professional qualification, as at 31 December 2021, in accordance with the Appraisal and Valuation Manual of the Royal Institution of Chartered Surveyors. A revaluation gain of US\$9,289,000 was recorded in 2021.

The comparable amounts for buildings determined according to the historical cost accounting rules are as follows:

	<i>U\$000's</i>
At 31 December 2021	3,107
At 1 January 2021	3,322

## Notes to the financial statements

at 31 December 2021

### 13. Stocks

	2021 U\$000's	2020 U\$000's
Raw materials and consumables	16,327	21,971
	<u>16,327</u>	<u>21,971</u>

### 14. Receivables

#### Amounts falling due within one year:

	2021 U\$000's	2020 U\$000's
Trade receivables	23,970	23,417
Amounts owed by group undertakings	1,222	54,903
Other receivables	1,496	137
Prepayments and accrued income	1,733	3,264
Financial instruments	-	665
	<u>28,421</u>	<u>82,386</u>

Amounts owed by group companies are interest free and payable on demand.

#### Amounts falling due after more than one year:

	2021 U\$000's	2020 U\$000's
Deferred tax asset (see Note 9c)	4,165	-
Other receivables	132	-
	<u>4,297</u>	<u>-</u>

### 15. Cash at bank and in hand

	2021 U\$000's	2020 U\$000's
Cash at bank and in hand	3,134	230
	<u>3,134</u>	<u>230</u>

## Notes to the financial statements

at 31 December 2021

### 16. Payables: amounts falling due within one year

	2021 US\$000's	2020 US\$000's (Restated)
Bank overdrafts	-	12
Trade payables	6,288	4,800
Amounts owed to group undertakings	13,949	2,229
Other taxes and social security costs	371	392
Other payables	157	250
Accruals and deferred income	6,957	5,493
	<u>27,722</u>	<u>13,176</u>

Amounts owed to group companies are interest free and payable on demand.

### 17. Provisions for liabilities

	Deferred tax US\$000's	Warranties US\$000's	Total US\$000's
At 1 January 2021	384	-	384
Net charge in the year	2,725	68	2,793
At 31 December 2021	<u>3,109</u>	<u>68</u>	<u>3,177</u>

Deferred tax: see note 9 for analysis of net deferred tax liability.

Warranties: A provision is recognised for potential warranty claims. It is expected that these costs will normally be incurred within two years of the balance sheet date.

### 18. Called-up share capital

	Allotted, called up and fully paid	
	2021 US\$000's	2020 US\$000's
7,500,000 ordinary shares of £1 each (2020: 7,500,000 shares)	9,855	9,855
	<u>9,855</u>	<u>9,855</u>

## Notes to the financial statements

at 31 December 2021

### 19. Obligations under leases and hire purchase contracts

#### *Operating lease agreements:*

The Company has entered into commercial leases on certain property, motor vehicle and equipment. These average lease term remaining was 77 financial years for property, less than one financial year for motor vehicles and one financial year for equipment.

There are no restrictions placed upon the lessee be entering into these leases.

Future minimum lease payments under operating leases are as follows:

	<i>Land and buildings 2021 U\$000's</i>	<i>Other 2021 U\$000's</i>	<i>Land and buildings 2020 U\$000's</i>	<i>Other 2020 U\$000's</i>
Operating leases future minimum lease payments due:				
Within one year	184	11	185	10
Within two to five years	705	-	711	11
Over five years	11,127	-	11,397	-
	<u>12,016</u>	<u>11</u>	<u>12,293</u>	<u>21</u>

### 20. Contingent liabilities

At 31st December 2021 the company had contingent liabilities, in the form of bank guarantees, arising in the ordinary course of business of \$717k (2020: \$331k)

### 21. Related Party Transactions

The Company has taken advantage of the FRS102 exemption not to disclose transactions between wholly owned subsidiaries and other group companies within the same group.

### 22. Financial guarantees

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

## Notes to the financial statements

at 31 December 2021

### 23. Basis of preparation changed from FRS101 to FRS102

Following the change of ownership on 1 July 2021, the financial statements for the year ended 31 December 2021 have been prepared in accordance with FRS102.

As a consequence the 2020 results have been adjusted to remove the IFRS16 Leases entries. Leases that were previously held on the Balance sheet under IFRS are treated as operating leases under FRS102 with the cost of the lease recognised on a straight line basis over the contract term. This was the only required change identified on transition from FRS101 to FRS102.

The impact of the prior year adjustment on the comparative figures is detailed below:

#### Reconciliation of equity:

	As previously reported	Effect of transition	As restated at 31 Dec 2020
	US\$000's	US\$000's	US\$000's
Fixed Assets	10,689	(2,653)	8,036
Creditors: amounts falling due within one year	(13,189)	13	(13,176)
Creditors: amounts falling due after one year	(2,871)	2,871	-
<b>Capital and reserves</b>			
Total Equity	98,976	231	99,207

#### Reconciliation of profit or loss:

	As previously report	Effect of transition	As restated at 31 Dec 2020
	US\$000's	US\$000's	US\$000's
Admin expenses	19,274	135	19,409
Interest payable and similar charges	162	(173)	(11)
Profit after taxation and for the financial year	1,752	38	1,790



## Notes to the financial statements

at 31 December 2021

### 24. Controlling party

On 1 July 2021 Standard Aero Aviation Holdings, Inc., a portfolio company of The Carlyle Group, completed the purchase of the Global Engine Services businesses, including the Company, from Signature Aviation Limited (previously Signature Aviation Plc).

The directors consider the ultimate parent company and controlling party to have changed from Signature Aviation Limited (previously Signature Aviation Plc) to The Carlyle Group with effect from that date.

Prior to 1 July 2021 Signature Aviation Plc (now Signature Aviation Limited) is the only company which prepares group financial statements incorporating the financial statements of the Company. These group financial statements are available to the public from the Company Secretary of Signature Aviation Plc (now Signature Aviation Limited) at 3rd Floor, 105 Wigmore Street, London, W1U 1QY, its registered address. This is both the largest group and the smallest group that the Company was a member of, for which group accounts are drawn up for.

StandardAero (UK) Holdings Limited is the company's immediate holding company. Copies of the financial statements of this company, which are the largest and smallest group that has included the company in its 31 December 2021 group financial statements, may be obtained from its registered address being C/O Legalinx Limited, Tallis House, 2 Tallis Street, Temple, London, EC4Y 0AB.