

## **Air Energi Group Limited**

Report and Financial Statements

Year Ended

31 December 2020

Company Number 05509548

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# **Air Energi Group Limited**

**Report and financial statements  
for the year ended 31 December 2020**

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## **Contents**

### **Page:**

1	Strategic Report
4	Report of the directors
6	Independent auditor's report
9	Statement of comprehensive income
10	Statement of financial position
11	Statement of changes in equity
12	Notes forming part of the financial statements

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### **Directors**

J B Marx  
K F McClure  
J R T Allen

### **Registered office**

Delphian House 4th Floor, Riverside New Bailey Street, Manchester, Greater Manchester,

### **Company number**

05509548

### **Auditor**

BDO LLP, 3 Hardman Street, Manchester, M3 3AT

## Air Energi Group Limited

### Strategic Report for the year ended 31 December 2020

The Directors present their Strategic Report together with the audited Financial Statements for the year ended 31 December 2020.

The company has prepared the financial statements in accordance with United Kingdom Accounting Standards, specifically FRS 100 Application of Financial Reporting Requirements and FRS 101 Reduced Disclosure Framework. More information on the preparation of the financial statements is disclosed within note 2 of the financial statements.

#### Principal activity

The principal activity of the company is that of a holding company. The principal activity of the group is the provision of global manpower solutions to the oil and gas industry.

#### Business review and future developments

The company is a holding company. The company did not trade during the year and is not expected to trade in the next financial year.

#### Principal risks and uncertainties

The Company's risks and uncertainties are reviewed as part of the overall group and the Company is therefore affected by the same. The global market in the Oil & Gas Industry remains highly competitive. The Group seeks to manage the risk of losing customers by providing a customised service whilst working in partnership with our clients and maintaining a strong relationship throughout the world. The Directors acknowledge that although we believe the worst of the COVID-19 is behind us we are still in the midst of a global pandemic and therefore still operating in uncertain times. The Group have taken actions to develop protocols for working from home, travel to and from affected areas and ensuring self-isolation where appropriate to protect employees. The directors have reviewed various potential scenarios and their likely impact on the Group and Company for the period of 12 months following the signing of the financial statements. The business has adapted well to home working which has had no noticeable impact on productivity. The board of Directors continue to manage the situation closely to ensure the business can adapt quickly as required. Our term loan matured in July 2021 and this was replaced by a senior secured bond. Proceeds from the bond issued have been used to repay the term loan.

As with any multi currency based group we are sensitive to currency fluctuations however we build this into our forecasts and are confident this will not have an adverse affect on the business.

The group's credit risk is primarily attributable to its trade debtors. Credit risk is managed by running credit checks on new customers and reviewing existing customer's payments against contractual agreements.

The company is dependent on the wider group in order to meet its obligations as they fall due. The group monitors cash flow as part of its day to day operations.

The Board considers cash flow projections constantly and ensures that the appropriate facilities are available to be drawn upon as necessary.

#### Key performance indicators

The company is a holding company. As such there are no key performance indicators for the company.

#### Section 172 Statement

In line with Section 172(1) of the Companies Act 2006, the Directors recognise their responsibility to exercise their duty in a way which promotes the success of the company for the benefit of all its stakeholders. We have evaluated the key stakeholders and explain below how engagement with them has occurred during the year.

Stakeholder Group	Why we engage	How we engage
Employees	Our employees are key to the delivery of the company's services and therefore to the long-term success of the business. It is important to develop our employees and keep them actively engaged and motivated. Our employees rely on us to provide opportunities to realise their potential in a <i>working environment where they can be at their best</i> .	Staff communication and engagement occurs through email communication, team meetings and quarterly all colleague calls. The company also has an annual employee global survey to gauge what we do well and what we could improve on. Findings from the survey are reviewed by the Board. Improvement actions and progress made on these actions are communicated. During the year a new online tool was rolled out across the business to encourage effective performance and development discussions between managers and teams.
Customers	The Directors recognise that the ability to secure new clients and maintain long term client relationships is fundamental to the success of the business. The way the business engages with customers will determind how successful it is at growing and retaining its services with customers.	Our commercial team have regular communication with customers to ensure we are meeting their requirements. This is also done to ensure that a relationship to nurtured and developed before, during and after assignment.

## Air Energi Group Limited

### Strategic Report for the year ended 31 December 2020

Suppliers	The main suppliers to the business are contractors that have specialist skills required by our customers. They are fundamental to our ability to deliver services to our customers on time, safely and to the standards expected by our customers.	Relationships with suppliers are developed through daily business activities and regular meetings. The business ensures that contractors are paid on time. We also ensure that contractors are aware of the company's policies and are required to carry out compliance and safety training.
Environment	Sustainability is quickly becoming a key pillar of modern business and society. The majority of clients we supply to (or wish to engage with) are actively moving towards ethical supply chains, therefore, our objectives need to be aligned with theirs and the global business climate.	The company has a Sustainability Group with representatives made up of employees across the globe. The group is responsible for identifying new initiatives, assessing progress and driving the culture of sustainability within the company.
Shareholders and lenders	It is important that our investors have confidence in the company, how it is managed and in its strategic objectives. The company's long term success is dependent on its good relationship with its lenders and their continued willingness to lend.	Lenders and investors are kept up to date with financial performance and have the opportunity to ask further questions. Communication is carried out mainly via weekly calls. Representatives of shareholders sit on the main Board.
Community and charities	We recognise that by actively supporting our local communities we develop closer ties and trust, bring long term sustainability to the locations we do business and form lasting relationships with local communities.	We recognise our employees are best placed to understand the needs of the local communities and support them with their own fund raising events.

## Air Energi Group Limited

Strategic Report  
for the year ended 31 December 2020

### Section 172 Statement (continued)

The table below shows the key events and decisions made by the Board during the year, the stakeholders they impacted and the associated actions taken by the Directors to engage with the relevant stakeholders. Events and decisions are considered to be key if they are either material to the business or have a significant impact on one or more category of stakeholder.

Key events/decision	Stakeholders affected	Actions and impact
Bank facility amendments	Shareholders and lenders	<ul style="list-style-type: none"><li>- Lenders initially consulted on proposed amendments and rationale outlined.</li><li>- Discussions held involving lenders and lawyers representing shareholders and Airswift.</li></ul>
Restructuring due to business reorganisation and Covid-19	Employees	<ul style="list-style-type: none"><li>- Local managers were initially consulted by Human Resources on proposed restructuring to take place.</li><li>- Legal advice was taken where needed to ensure local requirements and regulations were met and followed.</li><li>- Affected employees were given notice of redundancy and given the opportunities to raise any questions.</li></ul>
Response to Covid-19	Employees, customers	<ul style="list-style-type: none"><li>- Employees were kept informed of developments and the Group's response to Government advice via email and all staff update calls. Employees were consulted during the development of a "Return to workplace" strategy to ensure employees concerns and needs were considered as far as possible.</li><li>- Customers were consulted to ensure that contractors could continue to work safely at their sites.</li></ul>

Approved on behalf of the Board



K F McClure  
Director

14 December 2021

## **Air Energi Group Limited**

### **Report of the directors for the year ended 31 December 2020**

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The directors present their report together with the audited financial statements for the year ended 31 December 2020.

#### **Results and dividends**

The results for the year and financial position of the company are as shown in the attached financial statements and a review is set out in the strategic report.

No dividends were paid or declared during the period (2019 - £Nil).

#### **Going concern**

This going concern assessment has been carried out on the cash flows of the wider Airswift Group, which the company is a member of, as cash is managed by a centralised treasury function who ensure all parts of the Group have sufficient cash to meet their immediate needs. The existing group term loan matured in July 2021. In advance of this the Group secured committed funding via senior secured bond. Proceeds from the bond was used to repay the term loan and as such there was no impact of trading activity or the Group funding. The Directors therefore have a reasonable expectation that the business has sufficient resources to operate for a period of at least 12 months from the date of approval of these financial statements and that it is appropriate for the financial statements to be prepared on a going concern basis.

As at 31 December 2020 the Company had net assets of £625,000 (2019: £625,000) but had net current liabilities of £1,749,000 (2019: £1,749,000). The company's purpose is principally to be a holding company and it does not trade. The directors expect this to continue in the future.

#### **Post balance sheet events**

In June 2021 the Group secured committed funding via a senior secured bond. Proceeds from the bond issued have been used for repayment of the term loan which matured in July 2021. Additionally on 17th June 2021 the Airswift Group merged with Competentia AS. Airswift Global Limited has been incorporated as the ultimate parent company in the new business combination.

#### **Directors**

The directors of the company during the year were as follows:

J B Marx  
P W Searle (resigned 4 May 2020)  
J R T Allen (appointed 4 May 2020)

## **Air Energi Group Limited**

### **Report of the directors for the year ended 31 December 2020**

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

#### **Greenhouse gas emissions, energy consumption and energy efficiency action**

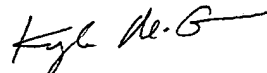
The Company has taken the exemption available to subsidiary companies not to disclose information in respect of greenhouse gas emissions, energy consumption and energy efficiency action given this is disclosed in the consolidated financial statements of the ultimate parent company, Airswift Holdings Limited.

#### **Auditor**

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditor is unaware.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them as auditors will be proposed at the next annual general meeting.

#### **By order of the Board**



**K F McClure**  
Director

Date 14 December 2021

## Air Energi Group Limited

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AIR ENERGI GROUP LIMITED for the year ended 31 December 2020

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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 Company's affairs as at 31 December 2020 and of the results for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Air Energi Group Limited ("the Company") for the year ended 31 December 2020 which comprise the Statement of Comprehensive income, the statement of financial position, the 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 101 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 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 directors are responsible for the other information. The other information comprises the information included in the annual report 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:



## Air Energi Group Limited

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AIR ENERGI GROUP LIMITED for the year ended 31 December 2020

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#### Opinion on the financial statements

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

#### *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:

Based on our understanding and accumulated knowledge of the Company and the sector in which it operates we considered the risks of acts by the Company which were contrary to applicable laws and regulations, including fraud, and whether such actions or non-compliance might have a material effect on the non-statutory financial statements. These included but are not limited to those that relate to the form and content of the financial statements, such as accounting policies, UK GAAP, the Companies Act 2006, relevant taxation legislation, Health and Safety and the Bribery Act 2010.

We determined that the principal risks were related to posting inappropriate journal entries and management bias in accounting estimates. Our audit procedures included, but were not limited to:

- Agreement of the financial statement disclosures to underlying supporting documentation;
- Challenging assumptions and judgements made by management in their significant accounting estimates in particular relation to carrying value of investments;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations or including specific keywords;

## Air Energi Group Limited

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AIR ENERGI GROUP LIMITED for the year ended 31 December 2020

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#### Opinion on the financial statements

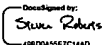
- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
  - Review of minutes of Board meetings throughout the period; and
  - Obtaining an understanding of the control environment in monitoring compliance with laws and regulation

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 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.

Steven Roberts   
(Senior Statutory Auditor)  
For and on behalf of BDO LLP, statutory auditor  
Manchester, UK 15 December 2021

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

## **Air Energi Group Limited**

### **Statement of comprehensive income for the year ended 31 December 2020**

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The company has not traded during the year or the preceding financial year. During these periods the company received no income and incurred no expenditure and therefore made neither profit or loss.

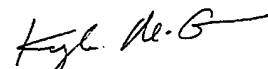
## Air Energi Group Limited

Statement of financial position  
at 31 December 2020

<i>Company Number 05509548</i>	<b>Note</b>	<b>2020 £000</b>	<b>2019 £000</b>
<b>Fixed assets</b>			
Investments	5	2,374	2,374
		2,374	2,374
<b>Total assets</b>		<b>2,374</b>	<b>2,374</b>
<b>Current liabilities</b>			
Trade and other payables	6	(1,749)	(1,749)
		(1,749)	(1,749)
<b>Net current liabilities</b>		<b>(1,749)</b>	<b>(1,749)</b>
<b>Total liabilities</b>		<b>(1,749)</b>	<b>(1,749)</b>
<b>Total assets less current liabilities</b>		<b>625</b>	<b>625</b>
<b>Net assets</b>		<b>625</b>	<b>625</b>
<b>Capital and reserves</b>			
Called up share capital	7	1	1
Capital contribution reserve	8	32	32
Retained earnings	8	592	592
<b>Total equity</b>		<b>625</b>	<b>625</b>

Notes 1 to 12 form part of these financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on



**K F McClure**  
Director

14 December 2021

## Air Energi Group Limited

### Statement of changes in equity for the year ended 31 December 2020

	Share Capital	Capital contribution reserve	Profit & Loss Reserve	Total Equity
	£000	£000	£000	£000
<b>Balance as at 1 January 2019</b>	<b>1</b>	<b>32</b>	<b>592</b>	<b>625</b>
Total comprehensive income for the year	-	-	-	-
<b>Balance as at 31 December 2019</b>	<b>1</b>	<b>32</b>	<b>592</b>	<b>625</b>
Total comprehensive income for the year	-	-	-	-
<b>Balance as at 31 December 2020</b>	<b>1</b>	<b>32</b>	<b>592</b>	<b>625</b>

Notes 1 to 12 form part of these financial statements.

## Air Energi Group Limited

Notes forming part of the financial statements  
for the year ended 31 December 2020

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### 1 General Information

Air Energi Group Limited is a Company incorporated in the United Kingdom under the Companies Act 2006. The address of the registered office is given on the contents page. The nature of the Company's operations and its principal activities are set out in the strategic report and the directors' report. These financial statements are presented in sterling because that is the currency of the primary economic environment in which the company operates. All values are rounded to the nearest thousand pounds (£'000) except where otherwise indicated.

### 2 Significant accounting policies

The principal accounting policies adopted are set out below.

#### *Basis of accounting*

The financial statements have been prepared in accordance with Financial Reporting Standard 100 Application of Financial Reporting Requirements and Financial Reporting Standard 101 Reduced Disclosure Framework. The principal accounting policies adopted in the preparation of the financial statements are set out below.

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for the assets.

#### *Consolidated accounts*

The company is exempt from the requirement to prepare consolidated financial statements by virtue of section 400 of the Companies Act 2006 as the company is included in the consolidated financial statements of Airswift Holdings Limited, a company incorporated in the United Kingdom. These financial statements therefore present information about the company as an individual undertaking and not about its group.

#### *Disclosure exemptions adopted*

In preparing these financial statements the Company has taken advantage of all disclosure exemptions conferred by FRS 101. Therefore these financial statements do not include:

- certain comparative information as otherwise required by EU endorsed IFRS;
- certain disclosures regarding the company's capital;
- a statement of cash flows;
- the effect of future accounting standards not yet adopted;
- the disclosure of the remuneration of key management personnel; and
- disclosure of related party transactions with other wholly owned members of the group headed by Airswift Holdings Limited.

In addition, and in accordance with FRS 101 further disclosure exemptions have been adopted because equivalent disclosures are included in the consolidated financial statements of Airswift Holdings Limited. These financial statements do not include certain disclosures in respect of:

- Financial Instruments (other than certain disclosures required as a result of recording financial instruments at fair value);
- Fair value measurement (other than certain disclosures required as a result of recording financial instruments at fair value); and
- Impairment of assets.

The financial statements of Airswift Holdings Limited can be obtained from the registered office given on the contents page.

## Air Energi Group Limited

Notes forming part of the financial statements  
for the year ended 31 December 2020

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### 2 Significant accounting policies (continued)

#### *Going concern*

This going concern assessment has been carried out on the cash flows of the wider Airswift Group, which the company is a member of, as cash is managed by a centralised treasury function who ensure all parts of the Group have sufficient cash to meet their immediate needs. The existing group term loan matured in July 2021. In advance of this the Group secured committed funding via senior secured bond. Proceeds from the bond was used to repay the term loan and as such there was no impact of trading activity or the Group funding. The Directors therefore have a reasonable expectation that the business has sufficient resources to operate for a period of at least 12 months from the date of approval of these financial statements and that it is appropriate for the financial statements to be prepared on a going concern basis.

As at 31 December 2020 the Company had net assets of £625,000 (2019: £625,000) but had net current liabilities of £1,749,000 (2019: £1,749,000). The company's purpose is principally to be a holding company and it does not trade. The directors expect this to continue in the future.

#### *Borrowing costs*

Directly attributable costs of a new debt instrument are capitalised and spread over the term of the instrument. All other borrowing costs are recognised in profit or loss in the year in which they are incurred.

#### *Taxation*

The tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

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

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

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

## Air Energi Group Limited

Notes forming part of the financial statements  
for the year ended 31 December 2020

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### 2 Significant accounting policies (continued)

#### *Financial instruments*

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

#### *Financial assets*

All financial assets are recognised and derecognised on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL), 'held-to-maturity' investments, 'available-for-sale' (AFS) financial assets and 'loans and receivables'.

The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

#### *Investments*

Investments are initially recorded at cost and are reviewed for impairment on an annual basis.

#### *Loans and receivables*

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

#### *Impairment of financial assets*

Loans and receivables are assessed for indicators of impairment at each balance sheet date. They are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

#### *Impairment of financial assets (continued)*

Objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For trade receivables, assets that are assessed not to be, impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, as well as observable changes in national or local economic conditions that correlate with impairment for a portfolio of receivables could include the default on receivables.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

Impairment provisions for receivables from and to group undertakings are recognised based on a forward looking expected credit loss model. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

#### *Derecognition of financial assets*

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.



## Air Energi Group Limited

Notes forming part of the financial statements  
for the year ended 31 December 2020

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### 2 Significant accounting policies (continued)

#### *Financial liabilities and equity*

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

#### *Equity instruments*

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

#### *Financial liabilities*

The Company holds no financial liabilities classified as 'at FVTPL' and hence all of its financial liabilities are classified as 'other financial liabilities'.

#### *Other financial liabilities*

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

#### *Derecognition of financial liabilities*

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

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

In the application of the Company'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.

The key assumptions concerning the future and other key sources of estimation uncertainty at the statement of financial position date that have a significant risk of causing material adjustment to the carrying value of assets and liabilities within the next financial year are: Estimation of the recoverable value of the company's investments. The directors do not believe that there is any impairment of its investment in its subsidiary undertakings as these entities have either net assets or expected future profits that supports the carrying value of the investment.

## Air Energi Group Limited

Notes forming part of the financial statements  
for the year ended 31 December 2020

### 3 Operating profit

Fees for audit services of £2,000 (2019 - £2,000) in the current year and prior year have been borne by another group

### 4 Staff costs

The company has no employees other than directors. The directors' costs were borne by another group entity. The amount recharged to the company was £nil (2019: £nil).

### 5 Investments

Investments in subsidiary undertakings

	2020 £000	2019 £000
At 31 December	2,374	2,374

*Subsidiary undertakings, associated undertakings and other investments*

The principal undertakings are as follows:

Name	Country of incorporation or registration	Proportion of voting rights and ordinary share capital held	Nature of business
<i>Subsidiary undertakings</i>			
Air Resources Limited	England	100%	Provision of global manpower solutions to the Oil & Gas Industry ("PGMS")
Air Resources Americas LLC	USA	100%	PGMS
Airswift Canada Limited	Canada	100%	PGMS
Air Energi Group Singapore Pte Limited	Singapore	100%	PGMS
Agensi Pekerjaan Air Energy (Malaysia) Sdn Bhd	Malaysia	100% **	PGMS
Pt Air Energy Indonesia Limited	Indonesia	51% **	PGMS
Air Consulting Company Limited	Thailand *	48.5% **	PGMS
Air Consulting Australia Pty Limited	Australia	100% **	PGMS
Air Energi Pacifica Limited	Papua New Guinea	100%	PGMS
Air Energi Norway AS	Norway	100%	PGMS
Air Resources Qatar WLL	Qatar *	49% **	PGMS
Air Energi Caspian LLP	Kazakhstan	100%	PGMS
Air Energi KSA	Saudi Arabia *	49% **	PGMS
Air Energi UAE LLC	United Arab Emirates *	49% **	PGMS
Air Energi France SAS	France	100%	PGMS
Air Energi Executive SAS	France	100%	PGMS
Hawa'a Al-Iraq for Management Services Limited	Iraq	100%	PGMS
Air Energi Kitco Limited	South Korea	100%	PGMS
Inspirec Limited	New Zealand	100%	PGMS
Marchfield Holdings Limited	England	100%	Dormant
Bellevue Resources Limited	England	100%	Dormant

\* is treated as a subsidiary undertaking because the company has the contractual power to exercise dominant influence and control over it.

\*\* held indirectly by the company

For all undertakings listed above, the country of operation is the same as the country of incorporation or registration.

## Air Energi Group Limited

Notes forming part of the financial statements  
for the year ended 31 December 2020

### 6 Trade and other payables

	2020 £000	2019 £000
Amounts owed to group undertakings	1,749	1,749
	<u>1,749</u>	<u>1,749</u>

The amounts due to subsidiaries are payable within 30 days, should the subsidiary demand payment.

### 7 Called-up share capital

	2020 £000	2019 £000
Authorised, allotted, called up and fully paid		
123,333 Ordinary shares of £0.01	1	1
	<u>1</u>	<u>1</u>

### 8 Reserves

The capital contribution reserve arises from the waiver of an intercompany loan payable by a parent company.

Accumulated losses/retained earnings represent retained profits/(losses) for the current and prior reporting periods.

### 9 Related party transactions

The company has taken advantage of the exemption conferred by FRS 101 paragraph 8(j) and 8(k) not to disclose key management personnel compensation or transactions and amounts due to and from fellow group companies that are wholly owned by the ultimate parent company.

### 10 Ultimate parent company and ultimate controlling party

The immediate parent company is Airswift Holdings Limited, a company registered in England and Wales. After Legal and General Group PLC sold its entire shareholding in January 2018 there is no ultimate controlling party.

The largest group in which the results of the company are consolidated is that headed by Air Energi Group Holdings Limited. Copies of the consolidated accounts are available on Companies House. The smallest such group is headed by Airswift Holdings Limited

### 11 Events after the balance sheet date

Post year end the Group of which the company is part of secured commitment funding via senior secured bond. Proceeds from the bond issue was used to repay the term loan which matured in July 2021

## Air Energi Group Limited

Notes forming part of the financial statements  
for the year ended 31 December 2020

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## Air Energi Group Limited

Notes forming part of the financial statements  
for the year ended 31 December 2020

### 12 Registered addresses of subsidiary undertakings

Subsidiary undertakings	Registered address
Air Resources Limited	Delphian House, 4th Floor, Riverside, New Bailey Street, Salford, England, M3 5FS
Air Resources Americas LLC	Suite 340, 6002 Rogerdale Road, Houston, TX 77072, USA
Airswift Canada Limited	Suite 200, Petro Fina Building, 736- 8th Avenue SW, Calgary, Alberta, T2P 1H4, Canada
Air Energi Group Singapore Pte Limited	1 Raffles Place, Tower 1 #39-03, Singapore, 048616 Singapore
Agensi Pekerjaan Air Energy (Malaysia) Sdn Bhd	16th Floor, Menara MIDF, 82 Jalan Raja Chulan, 50200 Kuala Lumpur
Pt Air Energy Indonesia Limited	Alamanda Tower, 18th Floor, Unit B-C, Jl. TB Simatupang Kav 23-24, Jakarta 12430, Indonesia
Air Consulting Company Limited	399 Interchange 21, Level 33, Sukhumvit Road, North Klongtoey, Wattana, Bangkok 10110, Thailand
Air Consulting Australia Pty Limited	Level 8, 100 Edward Street, Brisbane, QLD 4000, Australia
Air Energi Pacifica Limited	Level 5, Cuthbertson House, Cuthbertson Street, Downtown Port Moresby, Port Moresby, Papua New Guinea
Air Energi Norway AS	Postboks 164, 4065, Stavanger
Air Resources Qatar WLL	3rd Floor, Qatar First Investment Bank, Al Jazeera Finance Building, Ring Road C, Doha, Qatar
Air Energi Caspian LLP	203 Office, 2nd Floor, 12A Abay St. 060002 Atyrau, Kazakhstan
Air Energi KSA	King Abdullah Road, Dhahran Street, Middle East Commercial Center, Al Khobar 31952, Saudi Arabia
Air Energi UAE LLC	Office 903, 9th Floor, Al Falah Exchange Building, Electra Street, Abu Dhabi, United Arab Emirates
Air Energi France SAS	Tour Ariane, La Defense 9, 5 Place De La Pyramide Puteaux, 92088, Paris La Defense Cedex, France
Air Energi Executive SAS	Tour Ariane, La Defense 9, 5 Place De La Pyramide Puteaux, 92088, Paris La Defense Cedex, France
Hawa'a Al-Iraq for Management Services Limited	Suite 7, First Floor, Street 7, Section 925, Arassat Al-Hindeeya, Baghdad, Iraq
Air Energi Kitco Limited	Lotte Castle Sky Complex Bldg. 3F-308, 255-1, Seongnam-dong, Jung-gu, Ulsan, 681-822, Korea
Inspirec Limited	Unit 2, 28 Currie Street, New Plymouth, 4342
Marchfield Holdings Limited	Delphian House, 4th Floor, Riverside, New Bailey Street, Salford, England, M3 5FS
Bellevue Resources Limited	Delphian House, 4th Floor, Riverside, New Bailey Street, Salford, England, M3 5FS