

Falko Regional Aircraft Limited

Strategic report, Directors' report and financial statements
31 December 2016

Registered number 7644196



Falko Regional Aircraft Limited

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Falko Regional Aircraft Limited

Company Information

Directors

C. Dakolias

J. Barnes

N. Fegan

Secretary

S. Dichlian

Auditor

KPMG LLP

58 Clarendon Road

Watford WD17 1DE

Banker

Citibank NA

Citigroup Centre

Canada Square

Canary Wharf

London E14 5LB

Registered office

1 Bishop Square

St Albans Road West

Hatfield

Hertfordshire AL10 9NE

Company Registration Number

7644196 (England and Wales)

Falko Regional Aircraft Limited

Strategic report

The directors present their Strategic report for the year ended 31 December 2016.

Review of the business and principal activities

The principal activity of Falko Regional Aircraft Limited (the “Company”) is aircraft portfolio servicer.

The Company acts as servicer to a number of asset owning companies and is responsible for all asset management activities, including lease management, collections and disbursements, off lease aircraft acceptance and redelivery, aircraft remarketing, administration and accounting.

The Company reported a profit after taxation of £402,113 (2015: £876,416 loss after taxation). No dividend was proposed or paid during the year to the parent company.

Key performance indicators

In managing the Company, the directors use a series of key performance indicators against which the performance of the Company is measured. The principal indicators used include the following:

Lease management and remarketing - lease rates achieved compared to market rates

During 2016 a number of new leases and lease extensions for aircraft owned by the asset owning companies were identified and subsequently contracted. The directors are satisfied that the terms achieved were consistent with market rates.

Lease management and remarketing - number and percentage of aircraft on/off lease

This is continually monitored and reported to the directors of the asset owning companies on a monthly basis. The status of each portfolio is reviewed at quarterly board meetings. Across the total aircraft portfolio serviced, the ratio of on lease aircraft to off lease aircraft has principally remained constant throughout the year.

Credit worthiness of customers and the level of lease income arrears

The credit worthiness of potential customers is investigated prior to entering into any transaction. The customer’s ability to make payments and the level of lease income arrears is regularly reviewed and appropriate action taken where necessary.

Aircraft remarketing - sales prices achieved compared to market rates

During 2016, a number of sales prospects for aircraft owned by the asset owning companies were identified and aircraft sales subsequently contracted. The directors are satisfied that the terms achieved were consistent with market rates.

Falko Regional Aircraft Limited

Strategic report (continued)

Principal risks and uncertainties

The directors continue to monitor the risks and uncertainties facing the Company, these include:

Credit risk

It is Company policy to investigate the credit worthiness of all counterparties prior to entering any transactions and to regularly review the counterparty's ability to make payments.

Cashflow risk

The cash position of the Company is constantly monitored and short, medium and long term cashflow forecasts are regularly reviewed and appropriate action taken where necessary.


Foreign currency risk

The majority of income is received in US dollars, whereas the Company's operating expenses are principally in UK sterling. The directors monitor exchange rate movements and use appropriate foreign exchange instruments when necessary.

Future developments

The directors are satisfied with the Company's progress and no significant changes to the operation of the Company are anticipated in the foreseeable future.

By order of the Board



Nicholas Fegan
Director

5 September 2017

Registered Number: 7644196
1 Bishop Square
St Albans Road West
Hatfield AL10 9NE

Falko Regional Aircraft Limited

Directors' report

The directors present their report and the audited financial statements for the year ended 31 December 2016.

The review of the business and future developments, key performance indicators, and principal risks and uncertainties facing the business have been disclosed in the Strategic report on page 3.

Going concern

The directors have reviewed the current activity, future prospects and resources available to the Company. On the basis of their assessment, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

Directors

The directors who held office during the year and up to the date of signing the report were:

Mr. C. Dakolias
Mr. J. Barnes
Mr. N. Fegan

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the Board



Nicholas Fegan
Director

5 September 2017

Registered Number: 7644196
1 Bishop Square
St Albans Road West
Hatfield AL10 9NE

Falko Regional Aircraft Limited

Statement of Directors' responsibilities in respect of the Strategic report, Directors' report and the financial statements

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent auditor's report to the members of Falko Regional Aircraft Limited

We have audited the financial statements of Falko Regional Aircraft Limited for the year ended 31 December 2016 set out on pages 9 to 24. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on 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 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Strategic report and the Directors' report for the financial year is consistent with the financial statements.

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Strategic report and the Directors' report:

- we have not identified material misstatements in those reports; and
- in our opinion, those reports have been prepared in accordance with the Companies Act 2006.

Independent auditor's report to the members of Falko Regional Aircraft Limited
(continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you 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.



Kelly Dunn (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
58 Clarendon Road
Watford
WD17 1DE

12 September 2017

Falko Regional Aircraft Limited

Statement of income and retained earnings for the year ended 31 December 2016

		Year ended 31 December 2016 £	Year ended 31 December 2015 £
	Note		
Turnover	2	11,339,238	9,241,496
Cost of sales		<u>(520,375)</u>	<u>(457,113)</u>
Gross profit		10,818,863	8,784,383
Administrative expenses		<u>(10,203,603)</u>	<u>(9,656,763)</u>
Operating profit/(loss)		615,260	(872,380)
Tax on profit/(loss) on ordinary activities	6	<u>(213,147)</u>	<u>(4,036)</u>
Profit/(loss) for the financial year and total comprehensive income		<u>402,113</u>	<u>(876,416)</u>
Retained earnings at the start of the year		(356,033)	520,383
Retained earnings at the end of the year		<u>46,080</u>	<u>(356,033)</u>

All of the results arise from continuing operations.

The notes on pages 11 to 24 form part of these financial statements.

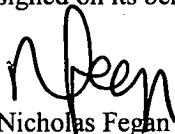
Falko Regional Aircraft Limited

Balance Sheet

as at 31 December 2016

		Year ended 31 December 2016 £	Year ended 31 December 2015 £
	Note		
Fixed assets			
Intangible assets	7	-	(5,827)
Tangible assets	8	-	5,833
Investments	9	56,333	56,333
		<u>56,333</u>	<u>56,339</u>
Current assets			
Stock	10	51,372	65,995
Debtors	11	5,343,752	4,829,358
Cash at bank and in hand	13	2,159,792	2,571,885
		<u>7,554,916</u>	<u>7,467,238</u>
Current liabilities			
Creditors: amounts falling due within one year	14	(7,565,168)	(7,879,609)
Net current liabilities		<u>(10,252)</u>	<u>(412,371)</u>
Net assets/(liabilities)		<u>46,081</u>	<u>(356,032)</u>
Capital and reserves			
Called up share capital	15	1	1
Profit and loss account		46,080	(356,033)
Shareholder's funds		<u>46,081</u>	<u>(356,032)</u>

These financial statements were approved by the board of directors on 5 September 2017 and were signed on its behalf by:



Nicholas Fegan
Director

Company registration number: 7644196

The notes on pages 11 to 24 form part of these financial statements.

Falko Regional Aircraft Limited

Notes to the financial statements

Forming part of the financial statements

1. Accounting policies

The Company is limited by shares and incorporated and domiciled in the UK.

These financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") as issued in August 2014. The amendments to FRS 102 issued in July 2015 and effective immediately have been applied. The presentational currency of these financial statements is sterling.

The Company's parent undertaking, Triangle Aviation (UK) Holdings Limited includes the Company in its consolidated financial statements. The consolidated financial statements of Triangle Aviation (UK) Holdings Limited are available to the public and may be obtained from Companies House, Crown Way, Cardiff CF14 3UZ. In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Cash flow statement and related notes;
- Transactions or balances with other wholly owned subsidiaries of Triangle Aviation (UK) Holdings Limited;
- Key management personnel compensation.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Measurement convention

The financial statements are prepared on the historical cost basis.

Going concern

Notwithstanding the Company's net current liabilities of £10,252 (2015: £412,371) the financial statements have been prepared on a going concern basis. The directors have received written confirmation from the parent undertaking that it will provide financial and other support as may be required to permit the Company to continue to meet its obligations as they fall due. This will continue for the foreseeable future, and for a period of at least 12 months from the signing of these financial statements. The directors therefore consider use of the going concern assumption to be appropriate.

Falko Regional Aircraft Limited

Notes to the financial statements *(continued)*

1. Accounting policies *(continued)*

Turnover

Turnover represents the value, net of value added tax, of services provided to customers. It principally relates to fees received in respect of servicing of aircraft portfolios and is recognised in the period in which the service was provided. In addition turnover is also generated through the sale of aircraft spare parts. The sale of aircraft spares are recognised when the goods are physically delivered to the customer.

Tangible fixed assets and depreciation

Aircraft are stated at the lower of depreciated cost and their recoverable amount.

Depreciation is charged to the profit and loss account on a straight-line basis over the useful life of the asset. The estimated useful lives are as follows:

- Plant and Machinery 5 years
- Bespoke Computer Software 2 years

The individual parts of the asset are determined to have the same useful life.

The Company assesses at each reporting date whether tangible fixed assets are impaired.

Foreign currency

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined.

Foreign exchange differences arising on translation are recognised in the profit and loss account.

Negative goodwill

Purchased goodwill arising on the acquisition of a business represents the excess of the acquisition cost over the fair value of the identifiable net assets when they were acquired. Any excess of the aggregate of the fair value of the identifiable net assets acquired over the fair value of the acquisition cost is negative goodwill.

Negative goodwill arising on business combinations in respect of acquisitions is included on the balance sheet and released to the profit and loss account in the periods in which the non-monetary assets arising on the same acquisition are recovered. Any excess exceeding the fair value of non-monetary assets acquired shall be recognised in profit or loss in the periods expected to benefit.

Falko Regional Aircraft Limited

Notes to the financial statements *(continued)*

1. Accounting policies *(continued)*

Pensions

The Company operates a defined contribution pension plan. A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

Stock

Stock is stated at the lower of cost or net realisable value.

Taxation

Tax on the profit or loss for the year comprises current and deferred tax.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Investments in subsidiaries

These are the separate financial statements of the Company. Investments in subsidiaries are carried at cost less impairment.

Falko Regional Aircraft Limited

Notes to the financial statements *(continued)*

2. Turnover

	Year ended 31 December 2016 £	Year ended 31 December 2015 £
Portfolio servicer fees	9,877,583	8,541,605
Sale of aircraft spare parts	115,394	32,686
Other servicer fees	1,346,261	667,205
	<u>11,339,238</u>	<u>9,241,496</u>

The analysis of turnover by segment and geographical area as required by the Companies Act 2006 is not included as the directors consider that such disclosure would be seriously prejudicial to the interests of the Company.

3. Expenses and auditor's remuneration

The operating profit is stated after charging/(crediting):

	Year ended 31 December 2016 £	Year ended 31 December 2015 £
Depreciation of tangible fixed assets	5,833	10,000
Amortisation of negative goodwill	(5,827)	(10,000)
Servicer fee payable to overseas subsidiary	511,869	452,913
Auditor's remuneration	6,500	5,000
	<u>511,869</u>	<u>452,913</u>

Falko Regional Aircraft Limited

Notes to the financial statements *(continued)*

4. Directors' remuneration

	Year ended 31 December 2016 £	Year ended 31 December 2015 £
Directors' remuneration	602,340	401,560
Company contributions to defined contribution plan	20,078	20,078
	<u>622,418</u>	<u>421,638</u>

The actual remuneration of the highest paid director was £602,340 (2015: £401,560), and company pension contributions of £20,078 (2015: £20,078) were made to a defined contribution plan on their behalf.

	Number of directors 2016	Number of directors 2015
Retirement benefits are accruing to the following number of directors under:		
<i>Defined contribution plans</i>	1	1

Two of the Company directors are not directly remunerated by the Company. The notional allocation of the cost to the Company for their services was £10,000 (2015: £10,000).

5. Staff numbers and costs

	Year ended 31 December 2016 £	Year ended 31 December 2015 £
Wages and salaries	6,416,897	4,351,401
Social security costs	711,529	541,109
Contributions to defined contribution plans	379,951	341,133
	<u>7,508,377</u>	<u>5,233,643</u>

Falko Regional Aircraft Limited

Notes to the financial statements *(continued)*

5. Staff numbers and costs *(continued)*

The average number of persons employed by the Company during the year, analysed by category, was as follows:

	Year ended 31 December 2016	Year ended 31 December 2015
Sales and marketing	8	8
Portfolio development	6	5
Technical operations	8	8
Legal and commercial	11	11
Support (including Finance and IT)	18	17
	<hr/> 51	<hr/> 49

Falko Regional Aircraft Limited

Notes to the financial statements (continued)

6. Taxation

Total tax recognised in the profit and loss account

	Year ended 31 December 2016 £	Year ended 31 December 2015 £
<i>UK corporation tax</i>		
Current tax on income for the year	120,107	-
Adjustments in respect of previous years	89,257	-
Total current tax	209,364	-
<i>Deferred tax (see note 12)</i>		
Reversal of timing differences	3,783	4,086
Effect of decreased tax rate	-	(50)
Total deferred tax	3,783	4,036
Total tax	213,147	4,036

Reconciliation of effective tax rate

	Year ended 31 December 2016 £	Year ended 31 December 2015 £
Profit/(loss) for the year	402,113	(876,416)
Total tax charge	213,147	4,036
Profit/(loss) excluding taxation	615,260	(872,380)
Tax using the UK corporation tax rate of 20.00% (2015: 20.25%)	123,052	(176,657)
Group relief surrendered	-	172,378
Impact of tax rates changes	-	(50)
Non-taxable income	(1,611)	(2,025)
Non-deductible expenses	2,449	10,390
Adjustments in respect of previous years	89,257	-
Total tax charge included in profit and loss	213,147	4,036

Falko Regional Aircraft Limited

Notes to the financial statements (continued)

6. Taxation (continued)

Factors that may affect future current and total tax charges

A reduction in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) was substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the Company's future current tax charge accordingly. The deferred tax asset at 31 December 2016 has been calculated based on these rates.

7. Intangible fixed assets – negative goodwill

	Year ended 31 December 2016 £	Year ended 31 December 2015 £
Cost		
At beginning of year	1,419,269	1,419,269
At end of year	<u>1,419,269</u>	<u>1,419,269</u>
Amortisation		
At beginning of year	1,413,442	1,403,442
Credited in year	5,827	10,000
At end of year	<u>1,419,269</u>	<u>1,413,442</u>
Net book value		
At end of year	<u>-</u>	<u>5,827</u>

Recognition of negative goodwill

On 15 July 2011 Falko Regional Aircraft Limited acquired various assets and assumed liabilities from BAE Systems (Operations) Limited as part of the acquisition by Triangle Holdings LP of the aircraft leasing business of BAE Systems Plc. The total cash consideration allocated to these net assets was US\$11, although the fair value of the assets was significantly higher.

The difference between the fair value of the acquired net assets and the consideration has been reflected as negative goodwill and shown on the balance sheet.

Negative goodwill up to the fair value of the net assets is being recognised in the profit and loss account in the period in which the assets and liabilities are recovered/paid, whether through depreciation or sale. The amortisation of negative goodwill is recognised within administrative expenses in the profit and loss account.

Falko Regional Aircraft Limited

Notes to the financial statements *(continued)*

8. Tangible fixed assets

	Plant & Machinery 2016 £	Software 2016 £	Total 2016 £
Cost:			
At beginning of year	50,000	255,957	305,957
At end of year	<u>50,000</u>	<u>255,957</u>	<u>305,957</u>
Depreciation:			
At beginning of year	44,167	255,957	300,124
Charge for year	5,833	-	5,833
At end of year	<u>50,000</u>	<u>255,957</u>	<u>305,957</u>
Net book value beginning of year	<u>5,833</u>	<u>-</u>	<u>5,833</u>
Net book value at end of year	<u>-</u>	<u>-</u>	<u>-</u>

Falko Regional Aircraft Limited

Notes to the financial statements (continued)

9. Fixed asset investments

	Shares in group undertakings £	Total £
Cost		
At beginning of year	56,333	56,333
Additions	-	-
At end of year	<u>56,333</u>	<u>56,333</u>
Provisions		
At beginning of year	-	-
At end of year	<u>-</u>	<u>-</u>
Net book value at beginning of year	<u>56,333</u>	<u>56,333</u>
Net book value at end of year	<u>56,333</u>	<u>56,333</u>

The Company has the following investments in subsidiaries:

	Aggregate of capital and reserves £	Profit/(loss) for the year £	Country of incorporation	Class of shares held	Ownership 2016 %	Ownership 2015 %
Falko Regional Aircraft Pte Limited	158,145	39,577	Singapore	Ordinary	100%	100%
Falko RAOF GP Limited	(26,234)	(18,862)	Jersey	Ordinary	100%	100%

Falko RAOF GP Limited was incorporated on 19 February 2015. Its registered address is 13 Castle Street, St. Helier, Jersey JE4 5UT.

The registered address of Falko Regional Aircraft Pte Limited is 1 Fullerton Road, #02-01 One Fullerton, Singapore 049213.

Falko Regional Aircraft Limited

Notes to the financial statements *(continued)*

10. Stock

	Year ended 31 December 2016 £	Year ended 31 December 2015 £
Finished goods and goods for resale		
Aircraft spares	51,372	65,995
	<hr/>	<hr/>

11. Debtors

	Year ended 31 December 2016 £	Year ended 31 December 2015 £
Trade debtors	80,462	101,148
Amounts due from group companies	4,132,199	4,056,046
VAT	229,785	494,236
Other debtors	782,622	9,351
Deferred tax (see note 12)	22,548	26,331
Prepayments and accrued income	96,136	142,246
	<hr/>	<hr/>
	5,343,752	4,829,358
	<hr/>	<hr/>

12. Deferred taxation

Deferred tax assets are attributable to the following:

	Year ended 31 December 2016 £	Year ended 31 December 2015 £
Difference between accumulated depreciation and capital allowances	22,548	26,331
	<hr/>	<hr/>
	22,548	26,331
	<hr/>	<hr/>

Falko Regional Aircraft Limited

Notes to the financial statements *(continued)*

13. Cash at bank and in hand

	Year ended 31 December 2016 £	Year ended 31 December 2015 £
Cash at bank and in hand	2,159,792	2,571,885
	<u>2,159,792</u>	<u>2,571,885</u>

14. Creditors

Creditors: amounts falling due within one year

	Year ended 31 December 2016 £	Year ended 31 December 2015 £
Trade creditors	230,848	368,616
Amounts due to group companies	4,636,265	5,778,325
Other taxes and social security costs	124,020	117,768
Corporation tax	120,107	-
Other creditors	38,963	4,521
Accruals and deferred income	2,414,965	1,610,379
	<u>7,565,168</u>	<u>7,879,609</u>

15. Called up share capital

	Year ended 31 December 2016 £	Year ended 31 December 2015 £
<i>Authorised</i>		
1 Ordinary shares of £1 each	<u>1</u>	<u>1</u>
<i>Allotted, called up and fully paid</i>		
1 Ordinary shares of £1 each	<u>1</u>	<u>1</u>
Shares classified in shareholder's funds	<u>1</u>	<u>1</u>

Falko Regional Aircraft Limited

Notes to the financial statements *(continued)*

16. Related party transactions

The directors have availed of the exemption in FRS 102 for wholly owned subsidiary undertakings from the requirement to provide details of transactions with fellow group companies where group financial statements are prepared and made available to the public. This exemption applies between Falko Regional Aircraft Limited and fellow subsidiaries of its immediate parent company – Triangle Aviation (UK) Holdings Limited.

	Income received from related party		Expenses charged by related party	
	2016 £	2015 £	2016 £	2015 £
Trident Aviation Leasing Services (Jersey) Limited	3,043,058	2,836,046	-	-
Trident Jet (Jersey) Limited	1,384,211	3,493,738	-	-
Trident Jet Leasing (Ireland) DAC	222,213	165,900	-	-
Trident Jet (Dublin) DAC	413,796	147,850	-	-
Trident Turboprop (Dublin) DAC	1,402,833	4,657,945	-	-
Trident Aviation Leasing Services (Ireland) DAC	451,509	740,321	-	-
Triangle Aviation Q4300 DAC	103,908	65,223	-	-
Triangle Aviation Q4301 DAC	106,744	55,433	-	-
Triangle Aviation 415 DAC	414,837	1,324,210	-	-
Triangle 415 Leasing LLC	1,512,477	1,607,879	-	-
Trident Aviation Ireland DAC	7,718	12,392	-	-
Trident Aviation Jersey Limited	78,747	181,673	-	-
Triangle Holdings LP	97,304	-	-	-
	<u>9,239,355</u>	<u>15,288,610</u>	<u>-</u>	<u>-</u>

Falko Regional Aircraft Limited

Notes to the financial statements *(continued)*

16. Related party transactions *(continued)*

	Receivable outstanding from related party		Creditors outstanding to related party	
	2016	2015	2016	2015
	£	£	£	£
Trident Aviation Leasing Services (Jersey) Limited	528,491	-	-	740,777
Trident Jet (Jersey) Limited	2,953,303	2,858,429	-	-
Trident Jet Leasing (Ireland) DAC	-	367,607	-	-
Trident Jet (Dublin) DAC	318,927	165,911	-	-
Trident Turboprop (Dublin) DAC	-	-	280,530	1,265,612
Trident Aviation Leasing Services (Ireland) DAC	-	-	-	253,896
Triangle Aviation Q4300 DAC	-	-	248,162	1,025
Triangle Aviation Q4301 DAC	-	-	266,538	16,084
Triangle Aviation 415 DAC	-	-	788	499
Triangle 415 Leasing LLC	196,100	17,356	-	-
	<u>3,996,821</u>	<u>3,409,303</u>	<u>796,018</u>	<u>2,277,893</u>

17. Ultimate parent company

Triangle Aviation (UK) Holdings Limited, a company registered in the United Kingdom is the immediate corporate parent undertaking. The smallest group in which the results of the Company are consolidated is that headed by Triangle Aviation (UK) Holdings Limited. The consolidated financial statements of Triangle Aviation (UK) Holdings Limited are available to the public and may be obtained from Companies House, Crown Way, Cardiff CF14 3UZ.

The ultimate parent undertaking is Triangle Holdings LP, a limited partnership registered in the Cayman Islands.