

Registered number: 9864011

## **AWAS 7014 UK LIMITED**

### **DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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**AWAS 7014 UK LIMITED**

**CONTENTS**

|  | <i>Page</i> |
|--|-------------|
| <b>Company Information</b>               | 1           |
| <b>Directors' Report</b>                 | 2 - 4       |
| <b>Independent Auditor's Report</b>      | 5 - 7       |
| <b>Statement of Comprehensive Income</b> | 8           |
| <b>Balance Sheet</b>                     | 9           |
| <b>Statement of Changes in Equity</b>    | 10          |
| <b>Notes to the Financial Statements</b> | 11 - 20     |

**AWAS 7014 UK LIMITED**

**COMPANY INFORMATION**

|                            |  |
|----------------------------|--|
| <b>Directors</b>           | Mark Elgar<br>Nita Savjani<br>Orla Gillen  |
| <b>Company secretary</b>   | TMF Corporate Administration Services Limited  |
| <b>Registered number</b>   | 9864011  |
| <b>Registered office</b>   | C/O TMF Group<br>13th Floor<br>One Angel Court<br>London<br>United Kingdom<br>EC2R 7HJ           |
| <b>Independent auditor</b> | PricewaterhouseCoopers<br>One Spencer Dock<br>North Wall Quay<br>Dublin 1<br>Ireland<br>D01 x9R7 |

## **AWAS 7014 UK LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022**

*The Directors present their annual report and the financial statements for the year ended 31 December 2022.*

#### **Principal activities**

The principal activity of AWAS 7014 UK Limited (the "Company") is the leasing of commercial jet aircraft. The Company leased one aircraft from a related party and subleased the aircraft to an airline in Europe.

It is the intention of the Directors to develop the activities of the Company and to seek out opportunities for the continued success of the Company.

#### **Results and dividends**

The profit for the year, after taxation, is shown in the statement of comprehensive income.

The Directors do not recommend the payment of a dividend (2021:nil).

#### **Directors**

The Directors who served during the financial year were as follows:

Mark Elgar  
Nita Savjani  
Orla Gillen

On 19 August 2022 Conor Nolan resigned as a Director of the Company and Orla Gillen was appointed as a Director of the Company.

Nita Savjani, Director of the Company, is an employee of TMF Global Services (UK) Limited which provides services to the Company and other related parties.

The Directors and secretary who held office at 31 December 2022 had no interests in the shares of the Company, or the Group to disclose. No Director has or has had any interest in any transaction with the Company or other Group companies which is or was unusual in its nature or conditions or significant to the business of the Company or the Group during the year.

#### **Qualifying third-party and pension scheme indemnity provisions**

The Directors confirm that no qualifying third-party indemnity provision and/or qualifying pension scheme indemnity provision has been in place for one or more directors of the Company or of an associated company at any time during the financial year or at the date of approval of the Directors' Report.

#### **Political contributions**

*The Company made no political donations or incurred any political expenditure during the year (2021: nil).*

## **AWAS 7014 UK LIMITED**

### **DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **Principal risks and uncertainties**

The Company's board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company complies with risk management policies which are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks. The Company's principal risks and uncertainties are described below:

##### **Credit risk**

The Company is subject to the credit risk of its lessees as to collection of rental payments under its operating leases. Credit risk is defined as the unexpected loss in cash and earnings if the counterparty is unable to pay its obligations in due time. The Company acts as an intermediate lessor and seeks to mitigate the risk through limited recourse clauses within the head lease agreements, where appropriate.

The effective monitoring and controlling of airline customer credit risk is a competency of a dedicated DAE Group Risk Management team. The Directors, in conjunction with the Risk Management Team, continue to monitor the performance of the lessees on an on-going basis.

##### **Interest rate and foreign exchange risk**

The Company may be exposed to interest rate volatility through its financial liabilities. The Company manages interest rate volatility and uncertainty by entering into interest rate hedging strategies, where appropriate. The Company has a minimum exposure to foreign exchange risk as the majority of transactions are denominated in US dollars.

##### **Operational risk**

*Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the Company's processes and infrastructure, and from external factors other than credit, markets and liquidity issued such as those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Management and administration functions have been outsourced to a related group Company who manage these risks.*

#### **Key performance indicators**

The principal key performance indicators used by management to monitor performance are as follows:

- Operating profit; and
- Net assets.

#### **Accounting records**

The measures taken by the Directors to ensure compliance with the requirements of the Companies Act 2006 with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The Company's accounting records are maintained at 4th Floor Block B, Riverside IV, Sir John Rogerson's Quay, Dublin 2, Ireland.

#### **Disclosure of information to 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.

**AWAS 7014 UK LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**Directors' responsibilities statement**

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable laws 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework', and applicable law. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the Company and of the profit or loss of the Company for that year.

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;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a 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 to 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.

**Post balance sheet events**

Details of significant events affecting the Company which have taken place since the end of the reporting period are disclosed in note 12 to the financial statements.

**Auditor**

The auditor, PricewaterhouseCoopers, were appointed during the period and have expressed their willingness to continue in office.

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

*Mark Elgar*

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Mark Elgar  
Director

Date: 26 September 2023



## ***Independent auditors' report to the members of AWAS 7014 UK Limited***

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

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#### **Opinion**

In our opinion, AWAS 7014 UK Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its result for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Directors' report and financial statements, which comprise:

- the Balance sheet as at 31 December 2022;
  - the Statement of comprehensive income for the period then ended;
  - the Statement of changes in equity for the period then ended; and
  - the notes to the financial statements, which include a description of the significant accounting policies.
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#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Independence*

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

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.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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#### **Reporting on other information**

The other information comprises all of the information in the Directors' report and financial statements other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.



Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

#### *Directors' Report*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the period ended 31 December 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

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### **Responsibilities for the financial statements and the audit**

#### *Responsibilities of the directors for the financial statements*

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

#### *Auditors' 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 auditors' 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.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

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 of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006 and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements and determined that the principal risks were related to the management override of control. The audit procedures performed included:

- review Board minutes and discussions with the management and those charged with governance, in respect of risk of fraud and any known or suspected instances of non-compliance with laws and regulation and fraud;
- responding to the risk identified by designing appropriate audit procedures including testing of journal entries posted throughout the period;
- maintaining professional scepticism throughout the audit.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, 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 or intentional misrepresentations, or through collusion.

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 auditors' report.





*Use of this report*

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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**Other required reporting**

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**Companies Act 2006 exception reporting**

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Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- 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
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

A handwritten signature in dark ink, appearing to read 'Ronan Doyle', with a horizontal line extending to the right.

Ronan Doyle (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers  
Chartered Accountants and Statutory Auditors  
Dublin  
26 September 2023

**AWAS 7014 UK LIMITED****STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2022**

|  | <b>Note</b> | <b>2022<br/>USD000</b> | <b>2021<br/>USD000</b> |
|--|-------------|------------------------|------------------------|
| Turnover   | 4           | <b>34</b>              | 34                     |
| Operating expenses                                       | 5           | -                      | (10)                   |
| <b>Operating profit</b>                                  |             | <b>34</b>              | 24                     |
| Interest receivable and similar income                   |             | (1)                    | -                      |
| <b>Profit before taxation</b>                            |             | <b>33</b>              | 24                     |
| Tax on profit  | 7           | (6)                    | (4)                    |
| <b>Profit for the financial year</b>                     |             | <b>27</b>              | 20                     |
| Other comprehensive income                               |             | -                      | -                      |
| <b>Total comprehensive income for the financial year</b> |             | <b>27</b>              | 20                     |

There were no recognised gains and losses other than those included in the statement of comprehensive income.

The above results were derived from continuing operations. All results are attributable to the owners of the Company.

The notes form part of these financial statements.

**AWAS 7014 UK LIMITED****BALANCE SHEET  
AS AT 31 DECEMBER 2022**

|  | <b>Note</b> | <b>2022<br/>USD000</b> | <b>2021<br/>USD000</b> |
|--|-------------|------------------------|------------------------|
| <b>Current assets</b>                          |             |                        |                        |
| Debtors: amounts falling due within one year   | 8           | <b>1,002</b>           | <i>108</i>             |
|  |             | <b>1,002</b>           | <i>108</i>             |
| Creditors: amounts falling due within one year | 9           | <b>(878)</b>           | <i>(11)</i>            |
| <b>Net current assets</b>                      |             | <b>124</b>             | <i>97</i>              |
| <b>Total assets less current liabilities</b>   |             | <b>124</b>             | <i>97</i>              |
| <b>Net assets</b>                              |             | <b>124</b>             | <i>97</i>              |
| <b>Capital and reserves</b>                    |             |                        |                        |
| Called up share capital                        | 10          | -                      | -                      |
| Profit and loss account                        |             | <b>124</b>             | <i>97</i>              |
| <b>Shareholders' funds</b>                     |             | <b>124</b>             | <i>97</i>              |

The financial statements were approved and authorised for issue by the board:

*Mark Elgar*

Mark Elgar  
Director

Date: 26 September 2023

The notes form part of these financial statements.

**AWAS 7014 UK LIMITED****STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2022**

|  | <b>Called up<br/>share capital<br/>USD000</b> | <b>Profit and<br/>loss account<br/>USD000</b> | <b>Total equity<br/>USD000</b> |
|--|---|---|--------------------------------|
| At 1 January 2022                        | -   | 97  | 97                             |
| <b>Comprehensive income for the year</b> |   |   |                                |
| Profit for the year                      | -   | 27  | 27                             |
| Dividends                                | -   | -   | -                              |
| <b>Total transactions with owners</b>    | -   | -   | -                              |
| <b>At 31 December 2022</b>               | -   | 124   | 124                            |

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2021**

|  | <b>Called up<br/>share capital<br/>USD000</b> | <b>Profit and<br/>loss account<br/>USD000</b> | <b>Total equity<br/>USD000</b> |
|--|---|---|--------------------------------|
| At 1 January 2021                        | -   | 77  | 77                             |
| <b>Comprehensive income for the year</b> |   |   |                                |
| Profit for the year                      | -   | 20  | 20                             |
| Dividends                                | -   | -   | -                              |
| <b>Total transactions with owners</b>    | -   | -   | -                              |
| <b>At 31 December 2021</b>               | -   | 97  | 97                             |

The notes form part of these financial statements.

All equity is attributable to the owners of the Company.

## **AWAS 7014 UK LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **1. General information**

The Company is a private company limited by share capital, incorporated and domiciled in United Kingdom. The registered address of the Company is 13th Floor One Angel Court, London, United Kingdom with a Company registration number 9864011.

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' ("FRS 101").

In preparing these financial statements, the Company applies the recognition measurement and disclosure requirements of International Financial Reporting Standards as adopted by the UK in conformity with the requirements of the Companies Act 2006 ("UK-adopted IFRS"), but make amendments where necessary in order to comply with the Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

Due to the nature of the Company's business and the type of transactions the Company is engaged in the Directors have adapted the Statement of Comprehensive Income to suit the circumstances of the business.

The Company is a wholly owned subsidiary of AWAS Aviation Trading Designated Activity Company "AATD", a company incorporated in Ireland.

The following principal accounting policies have been applied:

##### **2.2 Financial Reporting Standard 101 - reduced disclosure exemptions**

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

This information is included in the consolidated financial statements of Dubai Aerospace Enterprise (DAE) Ltd as at 31 December 2022 and these financial statements may be obtained from Dubai Aerospace Enterprise (DAE) Ltd, PO BOX 506592, L20-00, Level 20, ICD Brookfield Place, Dubai International Financial Centre, Dubai, United Arab Emirates.

**AWAS 7014 UK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**2. Accounting policies (continued)**

**2.3 Impact of new international reporting standards, amendments and interpretations**

The following amendments became effective and have been adopted by the Company during the financial year. The impact of the adoption of these amendments has not had a material impact on the Company's financial statements.

- Onerous Contracts - Cost of Fulfilling a Contract - Amendments to IAS 37
- Annual Improvements to IFRS standards 2018-2020; and
- Reference to the Conceptual Framework - Amendments to IFRS

**2.4 Measurement convention**

The financial statements are prepared on the historical cost basis.

**2.5 Going concern**

The Directors have considered the obligations of the Company falling due for a period of at least twelve months from the date of approval of these financial statements and are satisfied that the Company will have sufficient resources available (comprising principally of realisation of debtors and contracted rental receipts due under lease arrangements), to meet its obligations as they fall due.

Based on these considerations and the continued support of its immediate parent DAE to continue to meet its obligations as they fall due, the Directors have a reasonable expectation that the Company has adequate liquidity and financial resources to continue in operation for at least the next twelve months from the date of approval of these financial statements and that the going concern basis of preparation remains appropriate.

**2.6 Foreign currency translation**

**Functional and presentation currency**

The Company's functional and presentational currency is United States Dollars ("USD"). All financial information presented in USD has been rounded to the nearest thousand unless otherwise stated.

**Transactions and balances**

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 the Statement of Comprehensive Income.

All foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'Operating expenses'.

**AWAS 7014 UK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**2. Accounting policies (continued)**

**2.7 Turnover**

The Company, as intermediate lessor, leases in aircraft from related parties (the aircraft owners) and leases them to third parties principally under operating leases. Turnover comprises net operating lease income derived from the Company's leasing activity. Lease income and operating lease expense are recognised net in the statement of a comprehensive income on a straight line basis.

**2.8 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

**2.9 Finance costs**

Finance costs are charged to the Statement of Comprehensive Income 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 debt.

**2.10 Taxation**

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

**AWAS 7014 UK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**2. Accounting policies (continued)**

**2.11 Financial instruments**

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below:

Financial assets and financial liabilities are initially measured at fair value.

**Financial assets**

All recognised financial assets are subsequently measured in their entirety at either fair value or amortised cost, depending on the classification of the financial assets.

**Fair value through profit or loss**

*All of the Company's financial assets other than those which meet the criteria to be measured at amortised cost are subsequently measured at fair value at the end of each reporting period, with any fair value gains or losses being recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset.*

**Debt instruments at amortised cost**

Debt instruments are subsequently measured at amortised cost where they are financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and selling the financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Amortised cost is calculated using the effective interest method and represents the amount measured at initial recognition less repayments of principal plus the cumulative amortisation using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

**Impairment of financial assets**

*The Company recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.*

The Company always recognises lifetime ECL for trade receivables and amounts due on contracts with customers. The expected credit losses on these financial assets are estimated based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.



## **AWAS 7014 UK LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **2. Accounting policies (continued)**

##### **Financial instruments (continued)**

##### **Financial liabilities**

##### **At amortised cost**

Financial liabilities which are neither contingent consideration of an acquirer in a business combination, held for trading, nor designated as at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. This 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, to the amortised cost of a financial liability.

#### **2.12 Leases**

On the inception of each new lease, a detailed assessment is carried out to classify the lease as an operating or finance lease. The assessment examines whether the lease is for the major part of the economic life of the asset and/or if there are any purchase options available to the lessee at the end of the lease term. Where the specific criteria are met, the Company will classify the lease as an operating or finance lease accordingly.

#### **2.13 Debtors**

Short term debtors are measured at fair value, less any impairment.

#### **2.14 Creditors**

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

#### **2.15 Share Capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

# AWAS 7014 UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### 3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies. The preparation of the financial statements in conformity with FRS 101 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. 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 year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future years if the revision affects both current and future years.

### 4. Turnover

|                                   | 2022<br>USD000 | 2021<br>USD000 |
|-----------------------------------|----------------|----------------|
| Lease rental income               | 3,390          | 3,390          |
| Operating lease expense           | (3,356)        | (3,356)        |
| <b>Net operating lease income</b> | <b>34</b>      | <b>34</b>      |

Turnover comprises net operating lease income derived from the Company's leasing activity. Only the amount of lease rental income retained by the Company has been recorded as income.

The Company's entire turnover for the year was generated from the leasing of commercial aircraft to an operator based in Europe.

At 31 December 2022, the Company had contracted to receive the following net minimum cash lease rentals under non-cancellable operating leases:

|                      | 2022<br>USD000 | 2021<br>USD000 |
|----------------------|----------------|----------------|
| Less than one year   | 34             | 34             |
| One to two years     | 6              | 34             |
| Two to three years   | -              | 6              |
| Three to four years  | -              | -              |
| Four to five years   | -              | -              |
| More than five years | -              | -              |
|                      | <b>40</b>      | <b>74</b>      |

**AWAS 7014 UK LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022****5. Operating expenses**

|                        | <b>2022</b><br><b>USD000</b> | <i>2021</i><br><i>USD000</i> |
|------------------------|------------------------------|------------------------------|
| Legal and professional | -                            | 10                           |
|                        | <u>-</u>                     | <u>10</u>                    |
|                        | <u>-</u>                     | <u>10</u>                    |

The Company has no persons in employment during the year ended December 31, 2022 (2021: nil).

The management and administration of the Company are outsourced to related parties.

**6. Statutory Information**

|                               | <b>2022</b><br><b>USD000</b> | <i>2021</i><br><i>USD000</i> |
|-------------------------------|------------------------------|------------------------------|
| Audit remuneration            |                              |                              |
| Audit of financial statements | 3                            | 3                            |
| Professional fees             | 9                            | 9                            |
| <b>Total</b>                  | <u>12</u>                    | <u>12</u>                    |

Auditor's remuneration relates to the statutory audit of the Company and is borne by a related group company. Auditor's remuneration in the prior year relates to the predecessor auditors. No other amounts were paid to the statutory auditors other than those disclosed above.

The Company has not paid any fees or other remuneration to the Directors of the Company, who are employees of the DAE Group, related to the directorship role they provide as part of their group-wide executive management role. The amounts disclosed above are an estimate allocation of the fee paid by DAE (Ireland) Limited for management services which include the provision of Directors to the Company. The allocation is based on an estimate of the qualifying services they provided to the Company.

## AWAS 7014 UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022

## 7. Taxation

|  | 2022<br>USD000 | 2021<br>USD000 |
|--|----------------|----------------|
| <b>Corporation tax</b>                           |                |                |
| Current tax on profits for the year              | 6              | 4              |
| Adjustments in respect of previous periods       | -              | -              |
| <b>Deferred tax</b>                              |                |                |
| Origination and reversal of timing differences   | -              | -              |
| Adjustments in respect of previous periods       | -              | -              |
| <b>Taxation on profit on ordinary activities</b> | <b>6</b>       | <b>4</b>       |

**Factors affecting tax charge for the year**

The tax assessed for the year is the same as (2021 - the same as) the standard rate of corporation tax in the UK of 19% (2021 - 19%) as set out below:

|  | 2022<br>USD000 | 2021<br>USD000 |
|--|----------------|----------------|
| Profit on ordinary activities before tax   | 33             | 24             |
| Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%) | 6              | 4              |
| <b>Effects of:</b>   |                |                |
| Adjustments in respect of previous periods   | -              | -              |
| <b>Total tax charge for the year</b>   | <b>6</b>       | <b>4</b>       |

**Factors that may affect future tax charges**

The tax charge in future periods will be affected by any changes to the corporation tax rates in force in the United Kingdom.

**AWAS 7014 UK LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022****8. Debtors**

|                                    | <b>2022</b><br><b>USD000</b> | <i>2021</i><br><i>USD000</i> |
|------------------------------------|------------------------------|------------------------------|
| Amounts owed by group undertakings | <b>1,002</b>                 | <i>108</i>                   |
|                                    | <b>1,002</b>                 | <i>108</i>                   |

Amounts owed by group undertakings are unsecured, interest free and repayable on demand and are shown net of expected credit losses of USD nil (2021: USD nil).

**9. Creditors: Amounts falling due within one year**

|                                    | <b>2022</b><br><b>USD000</b> | <i>2021</i><br><i>USD000</i> |
|------------------------------------|------------------------------|------------------------------|
| Amounts owed to group undertakings | <b>872</b>                   | <i>-</i>                     |
| Trade creditors                    | <b>-</b>                     | <i>7</i>                     |
| Corporation tax                    | <b>6</b>                     | <i>4</i>                     |
|                                    | <b>878</b>                   | <i>11</i>                    |

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

**10. Share capital**

|   | <b>2022</b><br><b>USD000</b> | <i>2021</i><br><i>USD000</i> |
|---|------------------------------|------------------------------|
| <b>Authorised, allotted, called up and fully paid</b> |                              |                              |
| 1 (2021 - 1) Ordinary share of £1                     | <b>-</b>                     | <i>-</i>                     |

The holders of ordinary shares are entitled to receive dividends as declared from time to time.

The sole shareholder has all powers and full voting rights as permitted under the applicable company laws.

**AWAS 7014 UK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**11. Related party transactions**

The Company is availing of the exemption available under FRS 101 from disclosing transactions entered into between two or more members of a group, provided that any subsidiary party to the transaction is wholly owned by such a member. Details of the availability of the group consolidated financial statements are given in note 13 to these financial statements.

**12. Post balance sheet events**

Subsequent to year end, the Company agreed a lease extension with the existing lessee for a period of 48 months.

There have been no other significant events affecting the Company since the year end.

**13. Parent and ultimate parent undertaking**

The Company is a wholly-owned subsidiary of AWAS Aviation Trading Designated Activity Company "AATD" which is a subsidiary of the Company's immediate parent Dubai Aerospace Enterprise (DAE) Ltd ("DAE"). DAE is owned by DAE Aviation Group Ltd ("DAG"), and the ultimate beneficial owner is Investment Corporation of Dubai.

During the year the shareholder of DAE exchanged their shares in DAE for shares in DAG.

The consolidated financial statements of DAE may be obtained by writing to The Secretary, Dubai Aerospace Enterprise (DAE) Ltd, PO BOX 506592, L20-00, Level 20, ICD Brookfield Place, Dubai International Financial Centre, Dubai, United Arab Emirates.

**14. Approval of financial statements**

The board of approved these financial statements for issue on September 26, 2023