Company Number 10963185

Airborne Capital (UK) Limited

Directors' Report and Audited Financial Statements

For the financial year ended 31 December 2022

Contents

Directors and Other Information

Directors	Anand Ramachandran Ramki Sundaram Walter Brazil (appointed 18 July 2022) Neena Gupta (resigned 14 July 2022) Laurence Binge (resigned 14 July 2022) Paul Anthony Webb (resigned 14 July 2022)
Company Secretary	Vistra Cosec Limited
Company Number	10963185
Registered Office	Suite 1 7th Floor 50 Broadway London United Kingdom
Independent Auditor	KPMG Chartered Accountants, Statutory Audit firm 85 South Mall Cork Ireland
Solicitors	Walkers 5th Floor The Exchange George's Dock IFSC Dublin 1 Ireland
Banks	Barclays Bank plc One 2 Molesworth Place Dublin D02 RF29 Ireland Barclays Bank plc Leicestershire Leicester England

Strategic Report

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

Review of the business
The principal activity of the Company is to provide assistance to the Parent with various advisory and consulting transactions, along with supporting the expansion of the lease servicing and assets servicing, remarketing and other activities of the Group.

Key performance indicators
Revenue (continuing operations): US$4,360,463 (2021: US$3,345,159)

Profit for the financial year after tax: US$94,066 (2021: loss US$27,640)

Principal risks and uncertainties
The activities and performance of the Company are regularly reviewed by the directors. The Company is exposed to risks which arises from the Parent's ability to meet the payments for the subcontracted services which in turn is exposed to credit, market, liquidity, and operational risk.

The Company's approach in respect of mitigation of its risk are laid out in note 15 to the financial statements.

The COVID-19 pandemic adversely impacted the global economies and in particular the aviation industry, and with that the Parent company. However, the landscape has shown different trends in 2022, all geographies have shown marked improvements compared to 2021. There are however still underlying risks in the economies due to the expected inflationary environment, coupled with rising costs and interest rates, which may slowdown the recovery.

In relation to the war in Ukraine, the Company has no direct exposure with no assets or customers in the region. Management will continue to monitor the situation and if necessary, adapt its strategy accordingly.

The Company currently incurs some operating expenses in the UK, denominated in GBP, therefore the Directors continue to review the impact of Brexit on the operations of the Company and have put in place measures to deal with the associated currency risk. The Directors will continue to monitor the impact of Brexit on the activities of the Company more broadly.

Future developments
The Parent is exploring a number of new opportunities for future growth and development, that will impact the Company and expect the level of activity to increase during the foreseeable future.

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

Anand Ramachandran
Director
04 April 2023

Ramki Sundaram
Director
04 April 2023

Suite 1
7th Floor 50 Broadway
London
United Kingdom

Company registered number: 10963185

Directors' Report

The Directors present their report together with the audited financial statements of Airborne Capital (UK) Limited (the "Company") for the financial year ended 31 December 2022. The Company is a subsidiary of Airborne Capital Limited (the "Parent").

Directors
The names of the persons who were Directors at any time during the financial year ended 31 December 2022 and subsequently are set out below:

Anand Ramachandran
Ramki Sundaram
Walter Brazil (appointed 18 July 2022)
Neena Gupta (resigned 14 July 2022)
Laurence Binge (resigned 14 July 2022)
Paul Anthony Webb (resigned 14 July 2022)

Company Secretary
Vistra Cosec Limited was appointed secretary of the Company on 14 November 2017.

Dividend
No dividends have been declared or distributed for the year ended 31 December 2022 (2021: US$Nil).

Post balance sheet events
The Company evaluated subsequent events and there are no other significant events that require disclosure in these financial statements.

Other information
An indication of likely future developments in the business have been included in the Strategic Report on page 4.

Going concern
The directors have prepared the financial statements on the going concern basis on the basis that the Company will continue in operational existence for at least the next twelve months and will have adequate funds available to meet their obligations as they fall due.

The Company meets its day to day working capital requirements from its Parent through payment of the management fee income for support provided to the Parent.

The Company is in a net current asset position. As a result, the Directors expect that the Company will continue to operate and to meet its liabilities as they fall due. Please refer to subsequent events note in this report for further detail.

Political contributions
The Company made no charitable or political donations during the year (2021: US$Nil).

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
KPMG are the appointed auditors and have expressed their willingness to continue in office in accordance with Section 487 of the Companies Act 2006.

By order of the board

Anand Ramachandran	**Ramki Sundaram**
Director	Director
04 April 2023	04 April 2023

Statement of directors' responsibilities in respect of the annual report, the directors' report and the financial statements

The Directors are responsible for preparing the directors' report, strategic 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 International Financial Reporting Standards (IFRS) as adopted by the EU 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 affairs of the Company and of the profit or loss of the Company for that year. In preparing the 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;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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.

On behalf of the board:

Anand Ramachandran	**Ramki Sundaram**
Director	Director
04 April 2023	04 April 2023

KPMG
Audit
85 South Mall
Cork
T12 A3XN
Ireland

Independent auditor's report to the Members of Airborne Capital (UK) Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Airborne Capital (UK) Limited ('the Company') for the year ended 31 December 2022 set out on pages 12 to 28, which comprise the Statement of Profit and Loss and Other Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows, and related notes, including the summary of significant accounting policies set out in note 3. The financial reporting framework that has been applied in their preparation is UK Law and UK adopted international accounting standards.

In our opinion:

- the financial statements give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with UK adopted international accounting standards; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

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 ethical requirements that are relevant to our audit of financial statements in the UK, including the Financial Reporting Council (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

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

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.

Independent auditor's report to the Members of Airborne Capital (UK) Limited
(continued)

Report on the audit of the financial statements *(continued)*

Conclusions relating to going concern *(continued)*

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 the date 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.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Company will continue in operation.

Detecting irregularities including fraud

We identified the areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and risks of material misstatement due to fraud, using our understanding of the entity's industry, regulatory environment and other external factors and inquiry with the directors. In addition, our risk assessment procedures included: inquiring with the directors as to the Company's policies and procedures regarding compliance with laws and regulations and prevention and detection of fraud; inquiring whether the directors have knowledge of any actual or suspected non-compliance with laws or regulations or alleged fraud; inspecting the Company's regulatory and legal correspondence; and reading Board minutes.

We discussed identified laws and regulations, fraud risk factors and the need to remain alert among the audit team.

The Company is subject to laws and regulations that directly affect the financial statements including companies and financial reporting legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items, including assessing the financial statement disclosures and agreeing them to supporting documentation when necessary.

The Company is not subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.

Auditing standards limit the required audit procedures to identify non-compliance with these non-direct laws and regulations to inquiry of the directors and inspection of regulatory and legal correspondence, if any. These limited procedures did not identify actual or suspected non-compliance.

We assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. As required by auditing standards, we performed procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition.

KPMG

Independent auditor's report to the Members of Airborne Capital (UK) Limited
(continued)

Report on the audit of the financial statements *(continued)*

Detecting irregularities including fraud *(continued)*

In response to risk of fraud, we also performed procedures including: identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation; evaluating the business purpose of significant unusual transactions; assessing significant accounting estimates for bias; and assessing the disclosures in the financial statements.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the strategic and directors' report. The financial statements and our auditor's report thereon do not comprise part of 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 as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Opinions on other matters prescribed by the Companies Act 2006

Based solely on our work on the other information undertaken during the course of the audit:

- we have not identified material misstatements in the directors' report or the strategic report;

- in our opinion, the information given in the directors' report and the strategic report is consistent with the financial statements; and

- in our opinion, the directors' report and the strategic report have been prepared in accordance with the Companies Act 2006.

KPMG

Independent auditor's report to the Members of Airborne Capital (UK) Limited
(continued)

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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;

- the financial statements are not in agreement with the accounting records and returns;

- certain disclosures of directors' remuneration specified by law are not made; or

- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Respective responsibilities and restrictions on use

Responsibilities of directors for the financial statements

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 including being satisfied that they give a true and fair view; 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; 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 they 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, other irregularities or error, and to issue an opinion in an auditor's report. 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, other irregularities or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A fuller description of our responsibilities is provided on the FRC's website at https://www.frc.org.uk/auditorsresponsibilities..

KPMG

Independent auditor's report to the Members of Airborne Capital (UK) Limited
(continued)

Respective responsibilities and restrictions on use *(continued)*

Responsibilities of directors for the financial statements *(continued)*

The purpose of our audit work and to whom we owe our responsibilities

Our 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.

John Arnold

04 April 2023

John Arnold
for and on behalf of
KPMG Statutory Auditor
85 South Mall
Cork
T12 AXN

Statement of Profit and Loss and Other Comprehensive Income

For the financial year ended 31 December 2022

	Note	Financial year ended 31-Dec-22 US$	Financial year ended 31-Dec-21 US$
Operating income			
Revenue	4	4,360,463	3,345,159
Gross profit		4,360,463	3,345,159
Administrative expenses	5	(3,862,566)	(3,145,230)
Depreciation charge	12 & 13	(326,099)	(326,899)
Operating profit/(loss)		171,798	(126,970)
Tax (charge)/credit on profit /(loss) for the financial year	7	(77,732)	99,330
Profit/(loss) for the financial year		94,066	(27,640)
Total comprehensive profit/(loss) for the financial year		94,066	(27,640)

The notes to the financial statements on pages 16 to 28 form an integral part of the financial statements.

Statement of Financial Position

As at 31 December 2022

	Note	31-Dec-22 US$	31-Dec-21 US$
Non-current assets			
Right of use asset	12	258,651	579,766
Property, plant and equipment	13	10,930	11,431
Total non-current assets		269,581	591,197
Current assets			
Cash and cash equivalents	8	270,831	627,736
Deferred tax	7	128,605	156,459
Trade and other receivables	9	2,515,345	2,957,132
Total assets		3,184,362	4,332,524
Creditors: due within one financial year			
Trade and other payables	10	928,559	1,647,916
Amounts owed to group undertaking	16	-	178,685
Lease liability	12	251,377	313,813
Total current liabilities		1,179,936	2,140,414
Creditors: due after more than one financial year			
Lease liability	12	-	281,750
Total liabilities		1,179,936	2,422,164
Equity			
Called up share capital	11	1	1
Capital contribution	16	698,010	698,010
Retained earnings		1,306,415	1,212,349
Total equity		2,004,426	1,910,360
Total equity and liabilities		3,184,362	4,332,524

The notes to the financial statements on pages 16 to 28 form an integral part of the financial statements.

On behalf of the Board

Anand Ramachandran
Director
04 April 2023

Ramki Sundaram
Director
04 April 2023

Statement of Cash Flows

For the financial year ended 31 December 2022

	Note	Financial year 31-Dec-22 US$	Financial year 31-Dec-21 US$
Cash flows from operating activities			
Total comprehensive profit/(loss) for the financial year		94,066	(27,640)
Adjustments for:			
Effect of movement in exchange rates on cash held	5	(66,031)	4,693
Tax charge	7	77,732	(99,330)
Acquisition of right of use asset	12	-	(641,349)
Write off of right of use asset	12	-	3,476
Acquisition of lease liability	12	-	641,349
Effect of movement in exchange rates		(44,556)	(9,833)
Depreciation charge ROU asset	12	321,115	325,640
Depreciation charge fixed asset	13	4,984	1,259
Lease liability interest expense	12	13,404	31,300
Decrease in Trade and other receivables		391,909	1,204,953
Decrease in Trade and other payables		(719,357)	(406,033)
Decrease in Amounts owed to group undertaking	16	(178,685)	152,216
Cash generated from operating activities		(105,419)	1,180,701
Lease interest paid		(13,404)	(31,300)
Tax paid		-	(346,025)
Net cash from operating activities		(118,823)	803,376
Cash flows from investing activities			
Acquisition of Property, plant and equipment	13	(4,483)	(12,690)
Net cash used in investment activities		(4,483)	(12,690)
Cash flows from financing activities			
Payment of lease liabilities		(299,630)	(364,107)
Net cash generated from financing activities		(299,630)	(364,107)
Net (decrease)/increase in cash and cash equivalents		(422,936)	426,579
Cash and cash equivalents at beginning of the financial year		627,736	205,850
Effect of movement in exchange rates on cash held		66,031	(4,693)
Cash and cash equivalents at end of the financial year		270,831	627,736

The notes to the financial statements on pages 16 to 28 form an integral part of the financial statements.

Statement of Changes in Equity

For the financial year ended 31 December 2022

	Share capital US$	Retained earnings US$	Capital Contribution US$	Total equity US$
Opening Balance as at 1 January 2022	1	1,212,349	698,010	1,910,360
Total comprehensive income for the financial year				
Profit for the financial year	-	94,066	-	94,066
Other comprehensive income	-	-	-	-
Balance as at 31 December 2022	1	1,306,415	698,010	2,004,426

In respect of the prior financial year:

	Share capital US$	Retained earnings US$	Capital Contribution US$	Total equity US$
Opening Balance as at 1 January 2021	1	1,239,989	698,010	1,938,000
Total comprehensive income for the financial year				
Loss for the financial year	-	(27,640)	-	(27,640)
Other comprehensive income	-	-	-	-
Balance as at 31 December 2021	1	1,212,349	698,010	1,910,360

The notes to the financial statements on pages 16 to 28 form an integral part of the financial statements.

Notes to the financial statements

1. General information

The Company was incorporated and registered in the United Kingdom on 14 September 2017 with registration number 10963185. The principal activity of the Company is to provide lease servicing and sub-contracted lease services to its Parent.

2. Basis of preparation

(a) Statement of compliance
The Company financial statements have been prepared and approved by the Directors in accordance with International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs") as issued by the International Accounting Standards Board ("IASB").

(b) Going concern
The Directors have performed a going concern assessment, comprising a review of the Company's financial position, future operations and forecasts for a period of at least 12 months from the date of approval of the financial statements, which demonstrates that the Company will be in a position to meet its liabilities as they fall due.

The Directors have prepared the financial statements on the going concern basis on the basis that the Company will continue in operational existence for the foreseeable future and will have adequate funds available to meet their obligations as they fall due.

The Company meets its day to day working capital requirements from its lease servicing activities. The current geopolitical conditions have not impacted the income streams from the Parent and the operating margin has remained the same. The Company is in a net current asset position. As a result, the Directors expect that the Company will continue to operate and to meet its liabilities as they fall due. Please refer to subsequent events note in this report for further detail.

(c) Basis of measurement
The financial statements have been prepared on the historical cost basis.

(d) Functional and presentation currency
These financial statements are presented in United States Dollar (US$) which is the Company's functional currency. Functional currency is the currency of the primary economic environment in which the entity operates. The Directors of the Company believe that the US$ most faithfully represents the economic effects of the underlying transactions, events and conditions of the Company. The Directors have held a board meeting and confirmed approval of the Company's functional currency. The Company operates in the aviation sector within which most global operations are transacted in US$.

(e) Use of estimates and judgements
The preparation of financial statements requires management to make judgements, estimates and assumptions that may affect the application of accounting 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.

Estimates
These include estimates of expected credit losses as outlined in note 15(a). The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the financial year in which the estimate is revised if the revision affects only that financial year or in the financial year of the revision and future financial years if the revision affects both current and future financial years.

Judgements
Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

2. Basis of preparation (continued)

(e) Use of estimates and judgements (continued)

- Note 2(b) – Going concern: whether the Company can continue to operate on a going concern basis.
- Note 2(d) – "Functional and presentation currency": whether the currency determined to be the functional currency of the Company is the currency that mainly influences the transactions of the Company.
- Note 3(e) and Note 4 – Revenue recognition: whether revenue from services provided is recognised at a point in time or over time.
- Note 12 – "Leases" – whether the discount rate used for calculating the Right of Use asset is appropriate.

3. Significant accounting policies

(a) Adoption of new and revised accounting standards

A brief outline of the IFRSs which were issued by the IASB effective for financial periods beginning on or after 1 January 2022 and which were adopted by the Company in the financial statements is as follows:

- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37) - effective 1 January 2022
- Reference to the Conceptual Framework (Amendments to IFRS 3) - effective 1 January 2022
- Annual Improvements to IFRS Standards 2018–2020 – effective 1 January 2022
- Amendments to IAS 16 Property, Plant and Equipment—Proceeds before Intended Use – effective 1 January 2022

The Company has reviewed the initial impact of amendments to the standard and determined that there is no impact on the financial statements as a result of the amendments.

Standards and interpretations issued but not yet adopted

A brief outline of the likely impact on future financial statements of IFRSs which is issued by the IASB but not yet effective and have not been adopted in the financial statements is as follows:

- IFRS 17 Insurance Contracts – effective 1 January 2023
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) – effective 1 January 2023
- Definition of Accounting Estimate (Amendments to IAS 8) – effective 1 January 2023
- Classification of liabilities as current or non-current (Amendments to IAS 1) – effective 1 January 2023
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12 – effective 1 January 2023
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28) – effective 1 January 2023
- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)
- Non-current Liabilities with Covenants (Amendments to IAS 1)

3. Significant accounting policies (continued)

(b) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL").

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. The only financial assets held by the Company are cash and cash equivalents and trade and other receivables, consequently no business model assessment has been performed due to the low credit risk and short term nature of these assets. With the exception of trade receivables that do not contain a significant financing component, the transaction costs are included in the initial carrying value of financial assets and liabilities unless they are carried at fair value through profit or loss when the transaction costs are recognised in the income statement. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under IFRS 15.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified as financial assets at amortised cost.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily de-recognised (i.e. removed from the Statement of Financial Position) when:

- the rights to receive cash flows from the asset have expired; or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to pay.

Impairment of financial assets

The Company recognises an allowance for Expected Credit Losses ("ECLs") for all debt instruments not held at fair value through profit or loss.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

The expected cash flows will include cash flows from the sale of collateral held or credit enhancements that are integral to the contractual terms.

ECLs are recognised under either a simplified or general approach, dependent on the nature of the related financial asset.

Under the general approach, ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit

3. Significant accounting policies (*continued*)

(b) Financial assets (continued)

losses that result from default events that are possible within the next 12 months (a 12 month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Loss allowances, if any, are deducted from the gross carrying amount of the assets.

Given the short-term maturities and low credit risk of financial assets, cash and cash equivalents and trade and other receivables, the Company has measured the loss allowance for the financial year ends presented on a 12-month expected loss basis.

(c) Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position comprise cash at banks and in hand and short-term deposits with a maturity date of three months or less, which are subject to an insignificant risk of changes in value. Cash and cash equivalents are carried at amortised cost.

(d) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. The estimated useful lives are as follows:

- IT equipment - 3 years
- Fixtures and fittings - 3 years
- Leasehold improvements – 5 years

Depreciation methods and useful lives are reviewed at each balance sheet date. The Directors have considered the reasonableness of the assumptions and are satisfied that these are in line with the market.

(e) Revenue from contracts with customers

IFRS 15 has been adopted by the Company. IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. Under IFRS 15, revenue is recognised when a customer obtains control over the goods or services. Determining the timing of the transfer of control – at a point in time or over time – requires judgement. Revenue for ongoing service contracts is recognised on the performance of service obligations over the year in which the service is provided based on time lapsed or stage of completion.

Certain service offerings of the Company involve a point in time service delivery, in which case revenue is recognised immediately on performance of the underlying service obligation. Information about the Company's accounting policies relating to contracts with customers is provided in Note 4. The Directors have reviewed the revenue recognition process and are in agreement with the treatment.

3. Significant accounting policies (*continued*)

(f) Trade and other receivables/Trade and other payables

Debtors are recognised initially at transaction price less associated transaction costs. Creditors are recognised initially at transaction price plus associated transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors.

If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

Under IFRS 9 an entity may use practical expedients when measuring the expected credit losses of certain financial assets including trade receivables, contract assets and lease receivables. This simplified approach has been applied to the financial assets of the Company held at amortised cost. We have therefore developed a provision matrix based on available data and credit loss experience.

(g) Operating income and expenses

All operating expenses are accounted for on an accruals basis.

(h) Taxation

Income tax expense comprises current tax. Income tax expense is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the financial year, using tax rates applicable to the Company's activities enacted or substantively enacted at the reporting date, and adjustments to tax payable in respect of previous financial years.

Deferred tax is provided on all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

Timing differences are differences between profits as computed for tax purposes and profits as stated in the financial statements which arise because certain items of income and expenditure in the financial statements are dealt with in different financial years for tax purposes.

Deferred tax is measured at the tax rates that are expected to apply in the financial years in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax is not discounted.

(i) Foreign currency transactions

Foreign currency transactions during the financial year are translated into US$ at the exchange rates ruling at the transaction dates. Monetary items denominated in foreign currencies are retranslated at rates prevailing at each reporting date. Non-monetary assets and liabilities that are measured at fair

(i) Foreign currency transactions (continued)

value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in the profit and loss account.

(j) Share capital

Shares are classified as equity when there is no obligation to transfer cash or other assets. Incremental costs directly attributable to the issue of equity instruments are shown in equity as deduction from the proceeds, net of tax.

3. Significant accounting policies (continued)

(k) Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a year of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in IFRS 16.This policy is applied to contracts entered into, on or after 1 January 2019.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component. The Company recognises a right-of-use asset and a lease liability at the lease commencement date.

The right-of-use asset ("ROU") is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Further detail on the discount rate applied by the Company is contained within Note 12 "Leases".

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased. Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The carrying amount of the right-of-use asset and lease liability are presented in the Company's Statement of Financial Position.

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

4. Revenue

	Financial year ended 31-Dec-22 US$	Financial year ended 31-Dec-21 US$
Management fee income	4,360,463	3,345,159
	4,360,463	3,345,159

Revenue is measured based on the terms specified in the delegation and outsourcing agreement.

The following table provides information about the nature and timing of the satisfaction of performance obligations to the Parent.

Type of product/service	Nature and timing of performance obligations, including significant payment terms	Revenue recognition under IFRS 15
Management fee income	Revenue is recognised on particular Company monthly costs (excluding taxes and FX gains/losses) plus 8%, in line with the Amended Delegation and Outsourcing agreement.	To recognise revenue the Company applies the following steps: • identify the contracts • identify the performance obligations • determine the transaction price • allocate the transaction price to each performance obligation • recognise revenue when a performance obligation is satisfied

Revenue for the year is for the provision of various services to the Parent.

5. Administrative expenses

The Company is administered by Vistra Cosec Limited and has six employees (2021: eight).

	Financial year ended 31-Dec-22 US$	Financial year ended 31-Dec-21 US$
Compensation and benefit expenses	(3,029,331)	(2,616,355)
Administrative expenses	(668,285)	(477,350)
FX (Loss)/Gain	(110,588)	5,140
Legal and professional fees	(54,362)	(56,665)
	(3,862,566)	(3,145,230)

The compensation and benefit breakdown are as follows:

	Financial year ended 31-Dec-22 US$	Financial year ended 31-Dec-21 US$
Salaries and wages	(2,065,600)	(1,693,008)
Payroll taxes	(771,376)	(727,299)
Pension costs and health insurance	(192,355)	(196,048)
	(3,029,331)	(2,616,355)

The Company has expensed an amount of US$18,164 (2021: US$20,472) to be paid to its auditors in respect of the audit of the financial statements. There were no tax, assurance or other non-audit services provided by the auditors in respect of the Company during the year or prior year.

6. Directors and employees

The Company has six employees (2021: eight). Anand Ramachandran and Ramki Sundaram, Directors of the Company are also employees of the Company. The total gross emoluments paid and payable to these Directors during the financial year ended 31 December 2022 was US$1,737,607 (2021: US$ 808,740). The total amounts paid to pension schemes on the Directors behalf during the financial year ended 31 December 2022 was US$33,822(2021: US$40,437). The Directors received no further remuneration from the Company in respect of qualifying services rendered during the financial year.

7. Taxation

	Financial year ended 31-Dec-22 US$	Financial year ended 31-Dec-21 US$
Current tax (charge) / credit	(77,732)	99,330
	(77,732)	99,330

Reconciliation of effective tax rate

	Financial year ended 31-Dec-22 US$	Financial year ended 31-Dec-21 US$
Profit/(loss) for the financial year	171,798	(27,640)
Total tax charge / (credit)	77,732	(99,330)
Operating profit/(loss) before taxation	171,798	(126,970)
Tax using the UK corporation tax rate of 19 %	(32,642)	24,124
Effects of:		
Depreciation adjustment	(947)	(239)
Prior year adjustment	(49,878)	(57,129)
Capital allowances adjustment	1,107	940
Bonus provision loss relief	132,297	132,297
Net deferred tax asset	(128,605)	-
Effect of difference in tax rate	936	(663)
Total tax (charge) / credit	(77,732)	99,330

The Directors through review of forecasted profits of the Company have exercised judgement over the decision as to whether a deferred tax asset should be recognised for the year ended 31 December 2022 and concluded that it should be recognised at this point in time. The deferred tax asset amount recognised is US$128,605 (2021:US$156,459), which arises due to movements in deferred tax not previously recognised, deferred tax losses and temporary differences and is available to offset against future taxable income of the Company.

The reconciliation of the net deferred tax asset recognised for the financial year is as follows:

	Deferred tax asset USD	Deferred tax liability USD	Net deferred tax asset USD
At 1st January 2022	159,317	(2,858)	156,459
Movement during the period	(27,979)	125	(27,854)
At 31st December 2022	131,338	(2,733)	128,605

7. Taxation (continued)

Movements in deferred tax	Year ended 31 December 2022 USD	Year ended 31 December 2021 USD
Opening balance	156,459	-
Deferred tax charge	(27,854)	156,459
Closing balance	**128,605**	**156,459**

In the March 2021 Budget, it was announced that the UK tax rate will increase to 25% (currently 19%) from 1 April 2023. This will have a consequential effect on the company's future tax charge.

8. Cash and cash equivalents

	31-Dec-22 US$	31-Dec-21 US$
Cash and cash equivalents	270,831	627,736
	270,831	627,736

The Company's cash balances are held with Barclays Bank plc, which are rated A1 based on long-term Moody's ratings.

9. Trade and other receivables

	31-Dec-22 US$	31-Dec-21 US$
Amounts owed by group undertakings	2,298,385	2,624,512
Corporation tax receivable	92,761	142,639
Deposits receivable	72,155	83,269
Other receivables	32,797	41,797
Prepaid expenses	19,247	64,915
	2,515,345	2,957,132

10. Trade and other payables

	31-Dec-22 US$	31-Dec-21 US$
Payroll payables	855,772	1,585,230
Accruals	51,557	62,686
Accounts payable	21,230	-
Corporation tax payables	-	-
	928,559	1,647,916

Current payables of US$928,559 (2021 US$ 1,647,916) include emoluments payable to Directors, refer to note 6.

11. Called up share capital and reserves

	31-Dec-22	31-Dec-21
Authorised called up share capital	**US$**	**US$**
100 shares of GBP 1 each	133	133
Issued and fully paid		
1 shares of GBP 1 each	1	1
	1	1

12. Leases

Lease liability

	31-Dec-22	31-Dec-21
Maturity analysis - contractual undiscounted cash flows	**US$**	**US$**
Less than one year	251,377	313,813
One to five years	-	281,750
More than 5 years	-	-
Total undiscounted lease liabilities at 31 December	251,377	595,563

	31-Dec-22	31-Dec-21
	US$	US$
Balance as at 1 January	595,563	328,154
Acquisition of lease liability	-	641,349
Amortisation of lease liabilities	(286,231)	(350,130)
FX revaluation	(57,955)	(23,810)
Closing balance as at 31 December	251,377	595,563
Current	251,377	313,813
Non-current	-	281,750

Judgement was applied in deciding on the discount rate of 5.5% to be used in measuring the Company's lease liability. Directors have satisfied themselves that the process used in determining the discount rate meets their expectations and is reasonable.

Right-of-use assets

	31-Dec-22	31-Dec-21
	US$	US$
Balance at 1 January	579,766	267,533
Additions during the year	-	641,349
Write offs during the year	-	(3,476)
Depreciation charge ROU	(321,115)	(325,640)
Closing balance as at 31 December	258,651	579,766

13. Property Plant and Equipment

	31-Dec-22	31-Dec-21
	US$	US$
Balance at 1 January	11,431	-
Additions during the year	4,483	12,690
Depreciation	(4,984)	(1,259)
	10,930	11,431

14. Ownership of the Company

The Company's Parent undertaking is Airborne Capital Limited ("Airborne"), a company incorporated in the Republic of Ireland. Airwayy Partnership LLP ("Airwayy") is the controlling party with a majority shareholding of 90%.

Airwayy having their registered office at 7th Floor, Minster House, 42 Mincing Lane, London, United Kingdom.

15. Financial risk management

The principal risks arising from the Company's financial instruments are credit, market, liquidity and operational risk. The Company has established policies for managing these risks as outlined below.

(a) Credit risk

Credit risk is the risk of financial loss to the Company if the Parent fails to meet its contractual obligations, arises principally from the Company's management fee debtors/Parent. The Company operates as a provider of various services to the Parent. Its ability to succeed is dependent upon the financial strength of the Parent. If the Parent experiences financial difficulties this may result in a default. The Directors mitigate this risk by putting in place appropriate settlement conditions in the event of a default.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	31-Dec-22	31-Dec-21
	US$	US$
Amounts owed by group undertakings	2,298,385	2,624,512
Cash and cash equivalents	270,831	627,736
Deposit receivable	72,155	83,269
Other receivables (a)	32,797	41,797
Loan to related party	6,915	12,833
	2,681,083	3,390,147

(a) Other receivables are non-interest bearing and are repayable as per the terms on the individual contracts.

Expected credit loss assessment

When assessing the need to recognise an allowance for ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information. The board of Directors consider factors such as length of maturity of the exposures, current credit risk from Parent and the liquidity of the Parent. On the monthly basis the Parent will remit the Company an amount that its considered to be sufficient to meet some or all of its outstanding balances.

Loss allowances, if any, are deducted from the gross carrying amount of the assets. Given the short-term maturities and low credit risk of cash and cash equivalents and other assets, the Company has measured the loss allowance for the financial year ends presented on a 12-month expected loss basis. For the financial year ended presented in the financial statement the Company has calculated an immaterial ECL for financial reporting purposes.

(b) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income.

Currency risk

The Company has exposure to foreign exchange risk, the majority of its operating costs are paid in GBP£ with the reporting being denominated in US$. The Parent manages this exposure through spot and forward foreign exchange trades.

Interest rate risk

Interest rate risk is the risk of variability in value of an interest-bearing financial instrument such as a loan or a bond due to variability of interest rates.

15. Financial risk management (continued)

(c) Liquidity risk (continued)

The Company does not have any interest-bearing financial liabilities. Interest on cash and cash equivalents is not considered material. As such the Company is not exposed to significant interest rate risk.

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's liquidity risk is low as the Company is essentially funded by the Parent and the majority of financial liabilities are payable to the Parent;

2022	**US$ Carrying Amount**	**US$ Contractual Cash flows**	**US$ Within 1 year**	**US$ Over 5 years**
Other payables	928,559	(928,559)	(928,559)	-
Lease liability	251,377	(251,377)	(251,377)	-
Total	1,179,936	(1,179,936)	(1,179,936)	-

2021	**US$ Carrying Amount**	**US$ Contractual Cash flows**	**US$ Within 1 year**	**US$ Over 5 years**
Other payables	1,647,916	(1,647,916)	(1,647,916)	-
Payable to related parties	178,685	(178,685)	(178,685)	-
Lease liability	595,563	(595,563)	(313,813)	(281,750)
Total	2,442,164	(2,422,164)	(2,140,414)	(281,750)

(d) Operational risk

Operational risk is the risk of indirect or direct loss arising from a wide variety of causes associated with the Company's operations. The Company's objective is to manage operational risk and does so primarily by outsourcing all servicing and administration functions corporate service providers.

The Company was incorporated with the purpose of engaging in those activities outlined in the directors' Report. All servicer and administrative functions are outsourced to Vistra (UK) Limited and Fexco Aviation Services Limited, respectively. During 2022, the administrative functions transitioned from Canyon Corporate and Trust Solutions Limited to Fexco Aviation Services Limited.

16. Related party transactions

Please see details below of the related party transactions entered into during the financial year:

	31-Dec-22 US$	31-Dec-21 US$
Amounts owed to group undertaking	-	178,685
	-	178,685

Capital Contribution	31-Dec-22 US$	31-Dec-21 US$
Opening balance	698,010	698,010
Closing balance 31 Dec	698,010	698,010

The Company also provides support to Airborne Capital Limited. During the financial year the Company earned management fee income of US$4,358,135 (2021: US$3,345,159). At the end of the financial year an amount of US$2,161,995 (2021: US$2,624,512) fee was receivable from the Parent for these services.

Employee loan

	31-Dec-22 US$	31-Dec-21 US$
Employee loan	6,915	12,833
	6,915	12,833

During 2019 Airborne Capital UK Limited provided a non-interest-bearing employee loan of £10,000 to an employee. This is being repaid in agreed instalments per the agreement terms which were updated in 2022.

17. Post balance sheet events

The Company evaluated subsequent events and there are no other significant events that require disclosure in these financial statements.

18. Commitments and Contingent Liabilities

The Directors were not aware of any other commitments or contingent liabilities. The members of the Company have no long-term contracts other than those with their service providers.

19. Approval of the financial statements

The financial statements were approved by the Board and authorised for issue on 04 April 2023.