

Registered number: 10591250

**AIR INTERNATIONAL THERMAL (UNITED KINGDOM) LIMITED**

**FINANCIAL STATEMENTS**

**INFORMATION FOR FILING WITH THE REGISTRAR**

**FOR THE YEAR ENDED 31 DECEMBER 2021**



**AIR INTERNATIONAL THERMAL (UNITED KINGDOM) LIMITED**  
**REGISTERED NUMBER: 10591250**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	4	144	13,483
Investments	5	15,521,691	15,521,691
		<u>15,521,835</u>	<u>15,535,174</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	6	937,650	1,206,351
Cash at bank and in hand		11,537	16,475
		<u>949,187</u>	<u>1,222,826</u>
Creditors: amounts falling due within one year	7	(2,186,161)	(16,828,152)
<b>Net current liabilities</b>		<u>(1,236,974)</u>	<u>(15,605,326)</u>
<b>Total assets less current liabilities</b>		<u>14,284,861</u>	<u>(70,152)</u>
<b>Net assets/(liabilities)</b>		<u>14,284,861</u>	<u>(70,152)</u>
<b>Capital and reserves</b>			
Called up share capital		1,000	1,000
Capital contributions		13,776,007	-
Profit and loss account		507,854	(71,152)
		<u>14,284,861</u>	<u>(70,152)</u>

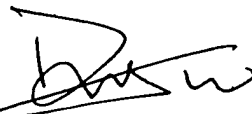
The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

T Ding  
 Director  
 Date:

  
 Date: Sep. 7. 2022

The notes on pages 2 to 9 form part of these financial statements.

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## AIR INTERNATIONAL THERMAL (UNITED KINGDOM) LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 1. General information

Air International Thermal (United Kingdom) Limited is a private company limited by shares, and incorporated in England and Wales. The address of the registered office is 10 Norwich Street, London, EC4A 1BD.

#### 2. Accounting policies

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

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

##### 2.2 Exemption from preparing consolidated financial statements

The Company is a parent Company that is also a subsidiary included in the consolidated financial statements of its immediate parent undertaking established under the law of a non-EEA state and is therefore exempt from the requirement to prepare consolidated financial statements under section 401 of the Companies Act 2006.

##### 2.3 Going concern

The company made a net profit in the year of £579,006 (2020: net loss of £151,884) and has net assets of £14,284,861 (2020: net liabilities of £70,152).

The directors have considered relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their going concern assessment. The directors have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the financial statements on the basis that the parent company has agreed to provide support for the foreseeable future of minimum 12 months from the date of signing these financial statements.

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## AIR INTERNATIONAL THERMAL (UNITED KINGDOM) LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 2. Accounting policies (continued)

##### 2.4 Foreign currency translation

###### Functional and presentation currency

The Company's functional and presentational currency is GBP and these financial statements are rounded to the nearest £.

###### 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 profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

##### 2.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

###### Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Revenue is generated by recharging certain expenses incurred during the year with an agreed mark up to its subsidiary.

##### 2.6 Interest income

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

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## AIR INTERNATIONAL THERMAL (UNITED KINGDOM) LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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## 2. Accounting policies (continued)

### 2.7 Finance costs

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

### 2.8 Pensions

#### Defined contribution pension plan

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

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

### 2.9 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.

### 2.10 Tangible fixed assets

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

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

Depreciation is provided on the following basis:

Office equipment	-	25% Straight line basis
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

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

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## AIR INTERNATIONAL THERMAL (UNITED KINGDOM) LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 2. Accounting policies (continued)

##### 2.11 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Balance sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

##### 2.12 Debtors

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

##### 2.13 Cash and cash equivalents

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

##### 2.14 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

##### 2.15 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Statement of comprehensive income if the shares are publicly traded or their fair value can otherwise be measured reliably;

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**AIR INTERNATIONAL THERMAL (UNITED KINGDOM) LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**2. Accounting policies (continued)**

**2.15 Financial Instruments (continued)**

- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**3. Employees**

The average monthly number of employees, including directors, during the year was 5 (2020 - 5).

**AIR INTERNATIONAL THERMAL (UNITED KINGDOM) LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**4. Tangible fixed assets**

	Office equipment £	D&D in progress £	Total £
<b>Cost or valuation</b>			
At 1 January 2021	38,976	5,840	44,816
Disposals	-	(5,840)	(5,840)
At 31 December 2021	<u>38,976</u>	<u>-</u>	<u>38,976</u>
<b>Depreciation</b>			
At 1 January 2021	31,333	-	31,333
Charge for the year on owned assets	7,499	-	7,499
At 31 December 2021	<u>38,832</u>	<u>-</u>	<u>38,832</u>
<b>Net book value</b>			
At 31 December 2021	<u>144</u>	<u>-</u>	<u>144</u>
At 31 December 2020	<u>7,643</u>	<u>5,840</u>	<u>13,483</u>

**5. Fixed asset investments**

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
At 1 January 2021	15,521,691
At 31 December 2021	<u>15,521,691</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**5. Fixed asset investments (continued)**

**Subsidiary undertaking**

The following was a subsidiary undertaking of the Company:

<b>Name</b>	<b>Registered office</b>	<b>Class of shares</b>	<b>Holding</b>
Air International Thermal (Slovakia) s.r.o.	AC Diplomat, Pallsady 29/A, 811 06, Bratislava, Slovakia	Ordinary	99%

**6. Debtors**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Amounts owed by group undertakings	<b>923,321</b>	<b>1,139,670</b>
Other debtors	<b>10,341</b>	<b>63,528</b>
Prepayments and accrued income	<b>3,988</b>	<b>3,153</b>
	<b>937,650</b>	<b>1,206,351</b>

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

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Trade creditors	<b>971</b>	<b>383</b>
Corporation tax	<b>101,447</b>	<b>-</b>
Other taxation and social security	<b>35,503</b>	<b>-</b>
Other creditors	<b>655</b>	<b>638</b>
Accruals and deferred income	<b>134,454</b>	<b>217,428</b>
Amounts owed to group undertakings	<b>1,913,131</b>	<b>16,609,703</b>
	<b>2,186,161</b>	<b>16,828,152</b>

**8. Pension commitments**

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represent contributions payable by the company to the fund and amounted to £4,339 (2020: £4,984). At the year end, £655 (2020: £638) was outstanding to the fund.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**9. Commitments under operating leases**

At 31 December 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021 £	2020 £
Not later than 1 year	-	3,243
	<u>-</u>	<u>3,243</u>

**10. Related party transactions**

The company is a wholly owned subsidiary of Aotecar New Energy Technology Co., Ltd, and as such the company has taken advantage of the exemption permitted by FRS 102 1A section 33 "Related party disclosures" not to provide disclosures of transactions entered into with other wholly owned members of the group. The company and its subsidiary undertakings are included within the consolidated financial statements of Aotecar New Energy Technology Co. Ltd, the ultimate parent undertaking, which are publicly available and can be obtained from 103 Daming Road Qinhua District, Nanjing, 210022, China.

**11. Controlling party**

The immediate parent undertaking is Hong Kong Aotecar Investment Co., Limited, a company registered in Hong Kong. The ultimate parent undertaking is Aotecar New Energy Technology Co. Ltd., a company registered in China.

Aotecar New Energy Technology Co. Ltd. is the parent undertaking of the smallest and the largest group which consolidates the financial information of the company. Copies of the Group's financial statements may be obtained from 103 Daming Road Qinhua District, Nanjing, 210022, China.

**12. Auditors' information**

The auditors' report on the financial statements for the year ended 31 December 2021 was unqualified.

The audit report was signed on 12 September 2022 by Rajeev Shaunak (FCA) (Senior statutory auditor) on behalf of MHA MacIntyre Hudson.