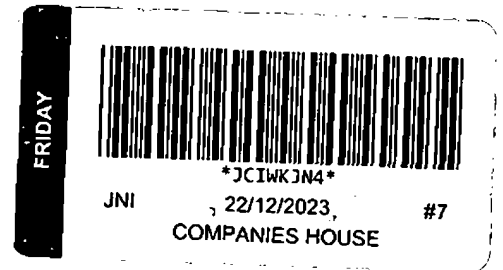


Company registration number NI014175 (England and Wales)

**KING AND FOWLER UK LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**  
**PAGES FOR FILING WITH REGISTRAR**



# KING AND FOWLER UK LIMITED

## BALANCE SHEET

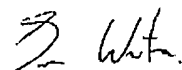
AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
<b>Fixed assets</b>					
Tangible assets	4		667,466		427,353
<b>Current assets</b>					
Stocks		325,489		117,131	
Debtors	5	1,454,093		985,807	
Cash at bank and in hand		136,461		26,353	
		<u>1,916,043</u>		<u>1,129,291</u>	
<b>Creditors: amounts falling due within one year</b>	6	<u>(3,235,607)</u>		<u>(2,309,342)</u>	
<b>Net current liabilities</b>			<u>(1,319,564)</u>		<u>(1,180,051)</u>
<b>Total assets less current liabilities</b>			<u>(652,098)</u>		<u>(752,698)</u>
<b>Provisions for liabilities</b>			<u>(107,903)</u>		<u>-</u>
<b>Net liabilities</b>			<u>(760,001)</u>		<u>(752,698)</u>
<b>Capital and reserves</b>					
Called up share capital	7		191,000		191,000
Profit and loss reserves			<u>(951,001)</u>		<u>(943,698)</u>
<b>Total equity</b>			<u>(760,001)</u>		<u>(752,698)</u>

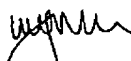
The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

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

The financial statements were approved by the board of directors and authorised for issue on 21 December 2023 and are signed on its behalf by:



Mr S C Weston  
Director



Mr W R J Rawkins  
Director

Company Registration No. NI014175

# KING AND FOWLER UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

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### 1 Accounting policies

#### Company information

King and Fowler UK Limited is a private company limited by shares incorporated in England and Wales. The registered office is 2-14 East Bridge Street, Belfast, Northern Ireland, BT1 3NQ.

#### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The financial statements of the company are consolidated in the financial statements of Aero Services Global Group Limited. These consolidated financial statements are available from its registered office, c/o A2e Industries, No. 1 Marsden Street, Manchester, England, M2 1HW.

#### 1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### 1.4 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

#### 1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

# KING AND FOWLER UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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### 1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	Over the life of the lease
Plant and equipment	15% straight line
Office equipment	33% straight line
Motor Vehicles	33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### 1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

Work in progress is valued at 30% of the monthly sales orders for the month.

#### 1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand and deposits held at call with banks.

#### 1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

# KING AND FOWLER UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

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#### 1 Accounting policies

(Continued)

##### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

#### 1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### 1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

# KING AND FOWLER UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

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#### 1 Accounting policies

(Continued)

##### *Current tax*

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

##### *Deferred tax*

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### 1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

#### 1.15 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

#### 1.16 Exceptional items

Exceptional items are unusual or non-recurring in nature and are recognised as incurred.

# KING AND FOWLER UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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### 2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2023 Number	2022 Number
Total	57	50

### 3 Intangible fixed assets

	Goodwill £
<b>Cost</b>	
At 1 April 2022	437,500
Disposals	(437,500)
At 31 March 2023	-
<b>Amortisation and impairment</b>	
At 1 April 2022	437,500
Disposals	(437,500)
At 31 March 2023	-
<b>Carrying amount</b>	
At 31 March 2023	-
At 31 March 2022	-

# KING AND FOWLER UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 4 Tangible fixed assets

	Leasehold improvements	Plant and equipment	Office equipment	Motor Vehicles	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 April 2022	98,132	1,703,534	112,692	68,114	1,982,472
Additions	-	283,398	118,785	-	402,183
Disposals	-	(401,061)	(67,967)	(45,278)	(514,306)
At 31 March 2023	98,132	1,585,871	163,510	22,836	1,870,349
<b>Depreciation and impairment</b>					
At 1 April 2022	98,132	1,302,961	85,912	68,114	1,555,119
Depreciation charged in the year	-	141,047	21,023	-	162,070
Eliminated in respect of disposals	-	(401,061)	(67,967)	(45,278)	(514,306)
At 31 March 2023	98,132	1,042,947	38,968	22,836	1,202,883
<b>Carrying amount</b>					
At 31 March 2023	-	542,924	124,542	-	667,466
At 31 March 2022	-	400,573	26,780	-	427,353

### 5 Debtors

	2023	2022
	£	£
<b>Amounts falling due within one year:</b>		
Trade debtors	1,289,227	780,225
Amounts owed by group undertakings	54,178	71,239
Other debtors	110,688	134,343
	1,454,093	985,807

### 6 Creditors: amounts falling due within one year

	2023	2022
	£	£
Invoice financing	1,019,483	656,633
Trade creditors	255,465	374,710
Amounts owed to group undertakings	1,091,567	852,804
Taxation and social security	710,298	190,291
Other creditors	20,229	327
Accruals and deferred income	138,565	234,577
	3,235,607	2,309,342

Invoice financing facility is secured by a fixed and floating charge over the company's assets.

Amounts owed to group undertakings are repayable on demand and non-interest bearing.

# KING AND FOWLER UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 7 Called up share capital

	2023	2022	2023	2022
Ordinary share capital Issued and fully paid	Number	Number	£	£
Ordinary shares of £1 each	191,000	191,000	191,000	191,000

### 8 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The senior statutory auditor was Helen Davies and the auditor was Azets Audit Services.

### 9 Financial commitments, guarantees and contingent liabilities

The company has provided an unlimited guarantee along with fellow group companies under common control regarding the investment made by Realta Investments Ireland DAC relating to Project Zephyr. This security given contains fixed and floating charges and a negative pledge.

The company has in place a debenture with Close Brothers Limited, by way of fixed and floating charges over all the property or undertaking of the company and contains a negative pledge.

### 10 Operating lease commitments

#### Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

2023	2022
£	£
1,373,172	1,472,737

### 11 Related party transactions

#### Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Management charges 2023 £	Management charges 2022 £
Directors	-	22,680

The company has taken advantage of the exemption permitted under Section 33 'Related Party Disclosures' paragraph 33.1A from disclosing transactions with the ultimate parent company, parent company and other 100% subsidiary companies.

# **KING AND FOWLER UK LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 31 MARCH 2023***

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### **12 Ultimate controlling party**

The company's immediate parent company is K&F Industries Limited. The ultimate parent company of King and Fowler UK Limited Limited is Pasargad 1 Limited.

Copies of the consolidated financial statements of Aero Services Global Group Limited, which is both the smallest and largest group for which consolidated financial statements are prepared, may be obtained from No.1 Marsden Street, Manchester, England, M2 1HW.

The ultimate controlling party of King and Fowler UK Limited is Said Amin Amiri, who is the sole shareholder of Pasargad 1 Limited, the General Partner of Amiri Assets III LP, which has the majority of the voting rights of Aero Services Global Group Limited.