



KN Helicopters A/S

John Tranums Vej 60
6705 Esbjerg Ø
CVR No. 35205489

Annual report 2022

The Annual General Meeting adopted the
annual report on 23.05.2023

Niels Peter Kjeldahl

Chairman of the General Meeting

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Entity details

Entity

KN Helicopters A/S
John Tranums Vej 60
6705 Esbjerg Ø

Business Registration No.: 35205489
Registered office: Esbjerg
Financial year: 01.01.2022 - 31.12.2022

Board of Directors

Claus Søgaard-Christensen
Niels Peter Kjeldahl
Karin Granhøj

Executive Board

Niels Peter Kjeldahl

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Dokken 8
6700 Esbjerg

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of KN Helicopters A/S for the financial year 01.01.2022 - 31.12.2022.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2022 and of the results of its operations and cash flows for the financial year 01.01.2022 - 31.12.2022.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Esbjerg, 23.05.2023

Executive Board

Niels Peter Kjeldahl

Board of Directors

Claus Søgaard-Christensen

Niels Peter Kjeldahl

Karin Granhøj

Independent auditor's report

To the shareholders of KN Helicopters A/S

Opinion

We have audited the financial statements of KN Helicopters A/S for the financial year 01.01.2022 - 31.12.2022, which comprise the income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2022 and of the results of its operations and cash flows for the financial year 01.01.2022 - 31.12.2022 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has 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 or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Esbjerg, 23.05.2023

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Lasse Lynggaard Wolff

State Authorised Public Accountant
Identification No (MNE) mne35802

Management commentary

Primary activities

The company's main activity is helicopterflight and thus naturally related business.

Income statement for 2022

	Notes	2022 DKK	2021 DKK
Gross profit/loss		27,023,860	23,633,981
Staff costs	1	(17,260,321)	(14,602,386)
Depreciation, amortisation and impairment losses	2	(1,548,696)	(1,671,083)
Operating profit/loss		8,214,843	7,360,512
Other financial expenses	3	(131,633)	(208,783)
Profit/loss before tax		8,083,210	7,151,729
Tax on profit/loss for the year	4	(1,800,378)	(1,589,222)
Profit/loss for the year		6,282,832	5,562,507
Proposed distribution of profit and loss			
Ordinary dividend for the financial year		8,000,000	0
Retained earnings		(1,717,168)	5,562,507
Proposed distribution of profit and loss		6,282,832	5,562,507

Balance sheet at 31.12.2022

Assets

	Notes	2022 DKK	2021 DKK
Other fixtures and fittings, tools and equipment		3,385,854	2,361,024
Property, plant and equipment	5	3,385,854	2,361,024
Deposits		5,482,937	6,184,163
Financial assets	6	5,482,937	6,184,163
Fixed assets		8,868,791	8,545,187
Raw materials and consumables		2,202,247	977,468
Inventories		2,202,247	977,468
Trade receivables		15,670,730	11,569,751
Receivables from group enterprises		765,254	526,500
Other receivables		58,660	61,077
Prepayments	7	3,728,747	4,527,442
Receivables		20,223,391	16,684,770
Cash		4,991,099	7,201,311
Current assets		27,416,737	24,863,549
Assets		36,285,528	33,408,736

Equity and liabilities

	Notes	2022 DKK	2021 DKK
Contributed capital		1,000,000	1,000,000
Retained earnings		15,312,870	17,030,038
Proposed dividend		8,000,000	0
Equity		24,312,870	18,030,038
Deferred tax		692,000	897,000
Provisions		692,000	897,000
Deposits		2,000,000	2,024,665
Non-current liabilities other than provisions	8	2,000,000	2,024,665
Bank loans		20,558	0
Prepayments received from customers		2,190,514	2,080,681
Trade payables		3,992,805	6,101,158
Payables to group enterprises		126,433	2,523,774
Payables to owners and management		9,515	2,452
Joint taxation contribution payable		2,005,378	783,222
Other payables		935,455	965,746
Current liabilities other than provisions		9,280,658	12,457,033
Liabilities other than provisions		11,280,658	14,481,698
Equity and liabilities		36,285,528	33,408,736
Unrecognised rental and lease commitments	10		
Contingent liabilities	11		
Assets charged and collateral	12		

Statement of changes in equity for 2022

	Contributed capital DKK	Retained earnings DKK	Proposed dividend DKK	Total DKK
Equity beginning of year	1,000,000	17,030,038	0	18,030,038
Profit/loss for the year	0	(1,717,168)	8,000,000	6,282,832
Equity end of year	1,000,000	15,312,870	8,000,000	24,312,870

Cash flow statement for 2022

	Notes	2022 DKK	2021 DKK
Operating profit/loss		8,214,843	7,360,512
Amortisation, depreciation and impairment losses		1,548,696	1,671,083
Working capital changes	9	(9,182,489)	395,966
Cash flows from ordinary operating activities		581,050	9,427,561
Financial expenses paid		(131,633)	(208,783)
Taxes refunded/(paid)		(783,222)	(2,491,859)
Cash flows from operating activities		(333,805)	6,726,919
Acquisition etc. of property, plant and equipment		(2,573,526)	(395,944)
Sale of property, plant and equipment		0	92,500
Acquisition of fixed asset investments		0	(4,461,600)
Sale of fixed asset investments		701,226	0
Cash flows from investing activities		(1,872,300)	(4,765,044)
Free cash flows generated from operations and investments before financing		(2,206,105)	1,961,875
Dividend paid		0	(8,000,000)
Repayment of deposits		(24,665)	0
Cash flows from financing activities		(24,665)	(8,000,000)
Increase/decrease in cash and cash equivalents		(2,230,770)	(6,038,125)
Cash and cash equivalents beginning of year		7,201,311	13,239,436
Cash and cash equivalents end of year		4,970,541	7,201,311
Cash and cash equivalents at year-end are composed of:			
Cash		4,991,099	7,201,311
Short-term debt to banks		(20,558)	0
Cash and cash equivalents end of year		4,970,541	7,201,311

Notes

1 Staff costs

	2022	2021
	DKK	DKK
Wages and salaries	16,142,986	13,506,299
Pension costs	1,044,691	1,032,400
Other social security costs	72,644	63,687
	17,260,321	14,602,386
Average number of full-time employees	21	19

2 Depreciation, amortisation and impairment losses

	2022	2021
	DKK	DKK
Depreciation of property, plant and equipment	1,548,696	1,690,409
Profit/loss from sale of intangible assets and property, plant and equipment	0	(19,326)
	1,548,696	1,671,083

3 Other financial expenses

	2022	2021
	DKK	DKK
Financial expenses from group enterprises	50,662	75,772
Other interest expenses	30,266	84,159
Exchange rate adjustments	50,705	48,787
Other financial expenses	0	65
	131,633	208,783

4 Tax on profit/loss for the year

	2022 DKK	2021 DKK
Current tax	2,005,378	783,222
Change in deferred tax	(205,000)	806,000
	1,800,378	1,589,222

5 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK
Cost beginning of year	8,717,861
Additions	2,573,526
Cost end of year	11,291,387
Depreciation and impairment losses beginning of year	(6,356,837)
Depreciation for the year	(1,548,696)
Depreciation and impairment losses end of year	(7,905,533)
Carrying amount end of year	3,385,854

6 Financial assets

	Deposits DKK
Cost beginning of year	6,184,163
Disposals	(701,226)
Cost end of year	5,482,937
Carrying amount end of year	5,482,937

7 Prepayments

Of the total amount, DKK 3.021k is regarding 2024-2029, with 558k each year from 2023-2028 and 232k in 2029.

8 Non-current liabilities other than provisions

	Due after more than 12 months 2022 DKK
Deposits	2,000,000
	2,000,000

9 Changes in working capital

	2022 DKK	2021 DKK
Increase/decrease in inventories	(1,224,779)	(977,468)
Increase/decrease in receivables	(3,538,621)	(3,419,971)
Increase/decrease in trade payables etc.	(4,419,089)	4,793,405
	(9,182,489)	395,966

10 Unrecognised rental and lease commitments

	2022 DKK	2021 DKK
Liabilities under rental or lease agreements until maturity in total	25,125,944	29,204,989
Of this, liabilities under rental or lease agreements with group enterprises	2,909,200	3,751,200

The company has entered into operating leases in the period 2023-2026.

11 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where Kjeldahl Holding ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

12 Assets charged and collateral

As collateral for bank loans and credit limits, the company has pledged other fixtures and fittings at nominal value dkk 2,000k. The booked value of the assets on the 31st of december 2022 amounts to DKK 363k.

As collateral for bank loans and credit limits, the company has issued a floating company charge at nominal value DKK 2,500k including the following assets, which on the 31st of December 2022 amounts to (DKK k):

Intangible assets = 0
 Property, plant and equipment = 3,386
 Stock inventories = 2,202
 Trade receivables = 15,671
Total = 21,259

The booked value of the bank loans on the 31st of december 2022 amounts to DKK 21k.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, other operating income, cost of sales and external expenses.

Revenue

Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Own work capitalised

Own work capitalised comprises staff costs and other costs incurred in the financial year and recognised in cost for proprietary intangible assets and property, plant and equipment.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of property, plant and equipment.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital losses on transactions in foreign currencies. etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with the parent company and all Danish subsidiaries of the parent company. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet**Property, plant and equipment**

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	Useful life
Other fixtures and fittings, tools and equipment	2-7 years

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Operating leases

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

Joint taxation contributions payable or receivable

Current joint taxation contributions receivable or joint taxation contributions payable are recognised in the balance sheet, calculated as tax computed on the taxable income of the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities, and cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and income taxes paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments, and purchase, development, improvement and sale, etc of intangible assets and property, plant and equipment, including acquisition of assets held under finance leases.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs, and the raising of loans, inception of finance leases, repayments of interest-bearing debt, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash less short-term bank loans.