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BDO Statsautoriseret revisionsaktieselskab  
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CVR no. 20 22 26 70

**KN HELICOPTERS A/S**  
**JOHN TRANUMS VEJ 60, 6705 ESBJERG Ø**  
**ANNUAL REPORT**  
**1 JANUARY - 31 DECEMBER 2023**

**The Annual Report has been presented and  
adopted at the Company's Annual General  
Meeting on 20 June 2024**

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**Niels Peter Kjeldahl**

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**COMPANY DETAILS**

<b>Company</b>	KN Helicopters A/S John Tranums Vej 60 6705 Esbjerg Ø
	CVR No.: 35 20 54 89 Established: 21 March 2013 Municipality: Esbjerg Financial Year: 1 January - 31 December
<b>Board of Directors</b>	Karin Granhøj, chairman Niels Peter Kjeldahl Claus Søgaard-Christensen
<b>Executive Board</b>	Niels Peter Kjeldahl
<b>Auditor</b>	BDO Statsautoriseret revisionsaktieselskab Dokken 8 6700 Esbjerg

## MANAGEMENT'S STATEMENT

*Today the Board of Directors and Executive Board have discussed and approved the Annual Report of KN Helicopters A/S for the financial year 1 January - 31 December 2023.*

*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 Company's assets, liabilities and financial position at 31 December 2023 and of the results of the Company's operations and cash flows for the financial year 1 January - 31 December 2023.*

*The Management Commentary includes in our opinion a fair presentation of the matters dealt with in the Commentary.*

*We recommend the Annual Report be approved at the Annual General Meeting.*

Esbjerg, 20 June 2024

Executive Board

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Niels Peter Kjeldahl

Board of Directors

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Karin Granhøj  
Chairman

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Niels Peter Kjeldahl

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Claus Søgaard-Christensen

## INDEPENDENT AUDITOR'S REPORT

### *To the Shareholder of KN Helicopters A/S*

#### **Opinion**

We have audited the Financial Statements of KN Helicopters A/S for the financial year 1 January - 31 December 2023, which comprise income statement, Balance Sheet, statement of changes in equity, cash flows, notes and 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 assets, liabilities and financial position of the Company at 31 December 2023 and of the results of the Company's operations and cash flows for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the 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 our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

#### **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 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 in preparing the Financial Statements unless Management either intends to liquidate the Company 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 judgment and maintain professional skepticism 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 Company's internal control.

## INDEPENDENT AUDITOR'S REPORT

- *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 Company'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 Company to cease to continue as a going concern.*
- *Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, 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 Management Commentary**

*Management is responsible for Management Commentary.*

*Our opinion on the Financial Statements does not cover 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 Management Commentary and, in doing so, consider whether Management Commentary is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.*

*Moreover, it is our responsibility to consider whether Management Commentary provides the information required under the Danish Financial Statements Act.*

*Based on the work we have performed, we conclude that 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 Management Commentary.*

Esbjerg, 20 June 2024

BDO Statsautoriseret revisionsaktieselskab  
CVR no. 20 22 26 70

Dorte Larsen  
State Authorised Public Accountant  
MNE no. mne26694

## MANAGEMENT COMMENTARY

### ***Principal activities***

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

### ***Significant events after the end of the financial year***

*No events have occurred after the end of the financial year of material importance for the Company's financial position.*

**INCOME STATEMENT 1 JANUARY - 31 DECEMBER**

	Note	2023 DKK	2022 DKK
<b>GROSS PROFIT</b> .....		<b>27.517.751</b>	<b>26.719.734</b>
Staff costs.....	1	-19.710.969	-16.956.195
Depreciation, amortisation and impairment losses for tangible and intangible assets.....	2	-1.215.766	-1.548.696
<b>OPERATING PROFIT</b> .....		<b>6.591.016</b>	<b>8.214.843</b>
Other financial income.....		53.065	0
Other financial expenses.....	3	-103.350	-131.633
<b>PROFIT BEFORE TAX</b> .....		<b>6.540.731</b>	<b>8.083.210</b>
Tax on profit/loss for the year.....	4	-1.448.880	-1.800.378
<b>PROFIT FOR THE YEAR</b> .....		<b>5.091.851</b>	<b>6.282.832</b>
<b>PROPOSED DISTRIBUTION OF PROFIT</b>			
Proposed dividend for the year.....		0	8.000.000
Retained earnings.....		5.091.851	-1.717.168
<b>TOTAL</b> .....		<b>5.091.851</b>	<b>6.282.832</b>



**BALANCE SHEET AT 31 DECEMBER**

<b>ASSETS</b>	<b>Note</b>	<b>2023 DKK</b>	<b>2022 DKK</b>
Other plant, fixtures and equipment.....		2.509.194	3.385.854
Leasehold improvements.....		28.349	0
<b>Property, plant and equipment.....</b>	<b>5</b>	<b>2.537.543</b>	<b>3.385.854</b>
Rent deposit and other receivables.....		5.482.937	5.482.937
<b>Financial non-current assets.....</b>	<b>6</b>	<b>5.482.937</b>	<b>5.482.937</b>
<b>NON-CURRENT ASSETS.....</b>		<b>8.020.480</b>	<b>8.868.791</b>
Raw materials and consumables.....		2.363.630	2.202.247
<b>Inventories.....</b>		<b>2.363.630</b>	<b>2.202.247</b>
Trade receivables.....		13.436.618	15.670.730
Receivables from group enterprises.....		0	765.254
Other receivables.....		58.000	58.660
Prepayments.....	7	3.552.735	3.728.747
<b>Receivables.....</b>		<b>17.047.353</b>	<b>20.223.391</b>
<b>Cash and cash equivalents.....</b>		<b>5.004.730</b>	<b>4.991.099</b>
<b>CURRENT ASSETS.....</b>		<b>24.415.713</b>	<b>27.416.737</b>
<b>ASSETS.....</b>		<b>32.436.193</b>	<b>36.285.528</b>

**BALANCE SHEET AT 31 DECEMBER**

<b>EQUITY AND LIABILITIES</b>	<b>Note</b>	<b>2023</b> DKK	<b>2022</b> DKK
Share Capital.....		1.000.000	1.000.000
Retained earnings.....		20.404.721	15.312.870
Proposed dividend.....		0	8.000.000
<b>EQUITY.....</b>		<b>21.404.721</b>	<b>24.312.870</b>
Provisions for deferred tax.....		618.000	692.000
<b>PROVISIONS.....</b>		<b>618.000</b>	<b>692.000</b>
Deposits.....		491.809	2.000.000
<b>Non-current liabilities.....</b>	<b>8</b>	<b>491.809</b>	<b>2.000.000</b>
Bank debt.....		0	20.558
Prepayments from customers.....		2.617.379	2.190.514
Trade payables.....		2.333.641	3.992.805
Debt to Group companies.....		574.000	126.433
Debt to associated enterprises.....		1.023.333	0
Debt to owners and Management.....		10.170	9.515
Corporation tax payable.....		1.522.880	2.005.378
Other liabilities.....		1.840.260	935.455
<b>Current liabilities.....</b>		<b>9.921.663</b>	<b>9.280.658</b>
<b>LIABILITIES.....</b>		<b>10.413.472</b>	<b>11.280.658</b>
<b>EQUITY AND LIABILITIES.....</b>		<b>32.436.193</b>	<b>36.285.528</b>
Contingencies etc.	9		
Charges and securities	10		

## EQUITY

DKK	Share Capital	Retained earnings	Proposed dividend	Total
Equity at 1 January 2023.....	1.000.000	15.312.870	8.000.000	24.312.870
Proposed profit allocation.....		5.091.851		5.091.851
<b>Transactions with owners</b>				
Dividend paid.....			-8.000.000	-8.000.000
Equity at 31 December 2023.....	1.000.000	20.404.721	0	21.404.721

**CASH FLOW STATEMENT 1 JANUARY - 31 DECEMBER**

	<b>2023</b> DKK	<b>2022</b> DKK
Profit/loss for the year.....	5.091.851	6.282.832
Depreciation and amortisation, reversed.....	1.215.766	1.548.696
Tax on profit/loss, reversed.....	1.448.880	1.800.378
Corporation tax paid.....	-2.005.378	-783.222
Change in inventories.....	-161.383	-1.224.779
Change in receivables (ex tax).....	3.176.038	-3.538.621
Change in current liabilities (ex bank, tax, instalments payable and overdraft facility).....	1.144.061	-4.419.089
<b>CASH FLOWS FROM OPERATING ACTIVITY.....</b>	<b>9.909.835</b>	<b>-333.805</b>
Purchase of property, plant and equipment.....	-367.455	-2.573.526
Sale of property, plant and equipment.....	0	701.226
<b>CASH FLOWS FROM INVESTING ACTIVITY.....</b>	<b>-367.455</b>	<b>-1.872.300</b>
Dividends paid in the financial year.....	-8.000.000	0
Repayment of deposits.....	-1.508.191	-24.665
<b>CASH FLOWS FROM FINANCING ACTIVITY.....</b>	<b>-9.508.191</b>	<b>-24.665</b>
<b>CHANGE IN CASH AND CASH EQUIVALENTS.....</b>	<b>34.189</b>	<b>-2.230.770</b>
Cash and cash equivalents at 1. januar.....	4.970.541	7.201.311
<b>CASH AND CASH EQUIVALENTS AT 31. DECEMBER.....</b>	<b>5.004.730</b>	<b>4.970.541</b>
Cash and cash equivalents at 31 December comprise:		
Cash and cash equivalents.....	5.004.730	4.991.099
Bank debt.....	0	-20.558
<b>CASH AND CASH EQUIVALENTS.....</b>	<b>5.004.730</b>	<b>4.970.541</b>

## NOTES

	2023 DKK	2022 DKK	Note
<b>Staff costs</b>			<b>1</b>
Average number of full time employees	24	21	
Wages and salaries.....	18.392.107	15.838.860	
Pensions.....	1.237.729	1.044.691	
Social security costs.....	81.133	72.644	
	<b>19.710.969</b>	<b>16.956.195</b>	
<b>Depreciation, amortisation and impairment losses for tangible and intangible assets</b>			<b>2</b>
Leasehold improvements.....	2.577	0	
Other plants, tools and equipment.....	1.213.189	1.548.696	
	<b>1.215.766</b>	<b>1.548.696</b>	
<b>Other financial expenses</b>			<b>3</b>
Interest expenses to group enterprises.....	0	50.662	
Other interest expenses.....	103.350	80.971	
	<b>103.350</b>	<b>131.633</b>	
<b>Tax on profit/loss for the year</b>			<b>4</b>
Calculated tax on taxable income of the year.....	1.522.880	2.005.378	
Adjustment of deferred tax.....	-74.000	-205.000	
	<b>1.448.880</b>	<b>1.800.378</b>	
<b>Property, plant and equipment</b>			<b>5</b>
	DKK	Other plant, fixtures and equipment	Leasehold improvements
Cost at 1 January 2023.....		11.291.387	0
Additions.....		336.529	30.926
Cost at 31 December 2023.....		<b>11.627.916</b>	<b>30.926</b>
Depreciation and impairment losses at 1 January 2023.....		7.905.533	0
Depreciation for the year.....		1.213.189	2.577
Depreciation and impairment losses at 31 December 2023....		<b>9.118.722</b>	<b>2.577</b>
Carrying amount at 31 December 2023.....		<b>2.509.194</b>	<b>28.349</b>

NOTES

				<b>Note</b>
<b>Financial non-current assets</b>				<b>6</b>
DKK			Rent deposit and other receivables	
Cost at 1 January 2023.....			5.482.937	
Cost at 31 December 2023.....			<b>5.482.937</b>	
Carrying amount at 31 December 2023.....			<b>5.482.937</b>	
<b>Prepayments</b>				<b>7</b>
Of the total amount, DKK 2.464 k is regarding 2025-2029, with 558k each year from 2025-2028 and 232k in 2029.				
<b>Long-term liabilities</b>				<b>8</b>
DKK	31/12 2023 total liabilities	Repayment next year	Debt outstanding after 5 years	31/12 2022 total liabilities
Deposits.....	491.809	0	0	2.000.000
	<b>491.809</b>	<b>0</b>	<b>0</b>	<b>2.000.000</b>
<b>Contingencies etc.</b>				<b>9</b>
The company has entered into operating leases in the period 2024-2026.				
			<b>2023</b> DKK	<b>2022</b> DKK
Unrecognised rental and lease commitments:				
Liabilities under rental or lease agreements until maturity.....		13.717.714		25.125.944
Of this, rental or lease agreements with group enterprises is.....		1.975.600		2.909.200
<b>Joint liabilities</b>				
The Company is jointly and severally liable together with the Parent Company and the other group companies in the joint taxable group for tax on the group's joint taxable income and for certain possible withholding taxes, such as dividend tax, etc.				
Tax payable on the Group's joint taxable income is stated in the annual report of KJELDAHL HOLDING ApS, which serves as management Company for the joint taxation.				

**NOTES****Note****Charges and securities****10**

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 2023 amounts to DKK 0.

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 2023 amounts to (DKK k):

Intangible assets = 0  
Property, plant and equipment = 2.509  
Stock inventories = 2.364  
Trade receivables = 13.437  
Total = 18.310

The booked value of the bank loans on the 31st of december 2023 amounts to DKK 0.

## ACCOUNTING POLICIES

*The Annual Report of KN Helicopters A/S for 2023 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B and certain provisions applying to reporting class C.*

*The Annual Report is prepared consistently with the accounting principles applied last year.*

### **Changes due to changed classification.**

*In the annual report of 2022 certain costs for the employees were classified as "other staff costs" which was not in accordance with Danish GAAP. These costs were to be classified as "Other external expenses".*

*The changed classification has been incorporated into the comparative figures in the annual report for 2023. This causes "Other external expenses" in the income statement to increase by DKK 304 thousand and "Staff Costs" to be reduced by the same amount. The changed classification has no impact on the result of 2022, and the equity, balancesheet total, and tax for the year has not been affected.*

## INCOME STATEMENT

### **Gross profit or loss**

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

### **Revenue**

*Net revenue from the sale of services is recognised in the Income Statement if supply and risk transfer to purchaser has taken place before the end of the year and if the income can be measured reliably and is expected to be received.*

### **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.*

### **Cost of sales**

*Cost of sales comprise costs incurred to achieve the net revenue for the year, including direct and indirect costs of raw materials and consumables.*

### **Other operating income**

*Other operating income includes items of a secondary nature in relation to the enterprises' principal activities, including profit from sale of intangible and tangible assets, operating loss and conflict compensations, as well as salary refunds. Compensations are recognised when the income is estimated to be realisable.*

### **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 external expenses**

*Other external expenses include expenses for premises, stationery and office supplies, marketing costs, etc*

### **Staff costs**

*Staff costs comprise wages and salaries, including holiday pay and pensions, and other costs of social security etc., for the Company's employees.*

### **Financial income and expenses**

*Financial income and expenses include interest income and expenses, financial expenses of finance leases, realised and unrealised gains and losses arising from securities, debt and transactions in foreign currencies, as well as charges and allowances under the tax-on-account scheme, etc. Financial income and expenses are recognised by the amounts that relate to the financial year. Interest income and expenses are calculated on amortised cost prices.*



## ACCOUNTING POLICIES

### **Tax**

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the Income Statement by the share that may be attributed to the profit for the year, and is recognised directly in equity by the share that may be attributed to entries directly to equity.

## BALANCE SHEET

### **Tangible fixed assets**

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

The depreciation base is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

	<i>Useful life</i>
Other plant, fixtures and equipment.....	2-7 years
Leasehold improvements.....	3 years

Profit or loss on sale of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the date of sale. Profit or loss is recognised in the Income Statement as other operating income or other operating expenses.

### **Operating leases**

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

### **Financial non-current assets**

Deposits are recognised and measured at cost. Deposits are not depreciated.

### **Impairment of fixed assets**

The carrying amount of tangible assets together with fixed assets, which are not measured at fair value, are assessed annually for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the recoverable amount is lower than the carrying amount, the asset is written down to the recoverable amount.

The recoverable amount is calculated at the higher of the capital value and the sales value less expected costs of a sale. The capital value is determined as the Company's share in the current value of the net cash flows which the subsidiary is expected to generate through its activities and from sale of assets after the end of their useful lives. A discount rate is used which reflects the risk-free market rate and the owners' minimum return on interest requirements for similar assets. The growth rate in the terminal period is determined in accordance with the standards within the industry.

## ACCOUNTING POLICIES

### **Inventories**

*Inventories are measured at cost using the FIFO-principle. If the net realisable amount is lower than cost, the inventories are written down to the lower amount.*

*The cost of merchandise as well as raw materials and consumables is calculated at acquisition price with addition of transportation and similar costs.*

*The net realisable value of inventories is stated at the expected sales price less direct completion costs and costs incurred to execute the sale and is determined with due regard to marketability, obsolescence and development in expected sales price of the inventories.*

### **Receivables**

*Receivables are measured at amortised cost which usually corresponds to nominal value. The value is written down to meet expected losses.*

*Write-off is performed to provide for losses when an objective indication has been assessed to have incurred that a receivable or a portfolio of receivables are impaired. If there is an objective indication that an individual receivable is impaired, the write-off is performed at individual level.*

*Receivables for which there are no objective indication of impairment at individual level are assessed at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' registered office and credit rating in accordance with the Company's policy for credit risk management. The objective indicators, which are applied for portfolios, are determined based on the historical loss experiences.*

*Write-off is determined as the difference between the carrying amount of receivables and the present value of the expected cash flows, including realisable value of any received collaterals. The effective interest rate is used as discount rate for the single receivable or portfolio.*

### **Accruals, assets**

*Accruals recognised as assets include costs incurred relating to the subsequent financial year.*

### **Cash and cash equivalents**

*Cash and cash equivalents include cash at bank.*

### **Tax payable and deferred tax**

*Current tax liabilities and receivable current tax are recognised in the Balance Sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.*

*The Company is subject to joint taxation with Danish Group companies. The current corporation tax is distributed among the joint taxable companies in proportion to their taxable income and with full allocation and refund related to tax losses. The joint taxable companies are included in the tax-on-account scheme. Joint taxation contributions receivable and payable are recognised in the Balance Sheet under current assets and liabilities, respectively.*

*Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.*

*Deferred tax assets, including the tax value of tax loss carryforwards, are measured at the amount at which the asset is expected to be used within a reasonable number of years, either by setoff against tax on future earnings or by setoff against deferred tax liabilities within the same legal tax entity.*

*Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the Balance Sheet date will be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.*

## ACCOUNTING POLICIES

### **Liabilities**

*Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less transaction costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the Income Statement over the loan period.*

*The amortised cost of current liabilities corresponds usually to the nominal value.*

### **Foreign currency translation**

*Transactions in foreign currencies are translated at the rate of exchange on the transaction date. Exchange differences arising between the rate on the transaction date and the rate on the payment date are recognised in the Income Statement as a financial income or expense.*

*Receivables, payables and other monetary items in foreign currencies that are not settled on the Balance Sheet date are translated at the exchange rate on the Balance Sheet date. The difference between the exchange rate on the Balance Sheet date and the exchange rate at the date when the receivables or payables come into existence recognised in the Income Statement as financial income or expenses.*

*Fixed assets acquired in foreign currencies are translated at the rate of exchange on the transaction date.*

## CASH FLOW STATEMENT

*The cash flow statement shows the Company's cash flows for the year for operating activities, investing activities and financing activities in the year, the change in cash and cash equivalents of the year and cash and cash equivalents at beginning and end of the year.*

### **Cash flows from operating activities:**

*Cash flows from operating activities are computed as the results for the year adjusted for non-cash operating items, changes in net working capital and corporation tax paid.*

### **Cash flows from investing activities:**

*Cash flows from investing activities include payments in connection with purchase and sale of intangible and tangible fixed asset and fixed asset investments.*

### **Cash flows from financing activities:**

*Cash flows from financing activities include changes in the size or composition of share capital and related costs, and borrowings and repayment of interest-bearing debt and payment of dividend to shareholders.*

### **Cash and cash equivalents:**

*Cash and cash equivalents include cash at bank and in hand and short-term securities, for which there is only negligible risk of changes in value, and which are readily negotiable for cash at bank and in hand.*