

Heli Twin Squirrel-1 Limited's financial information

Prospective financial information

- 1.1 This document contains prospective financial information, which is based on the Company's assessment of events and conditions existing at the date of the PDS (dated 29 September 2021) and have been prepared in accordance with NZ Financial Reporting Standard FRS-42. You should read the information in light of the assumptions that accompany the prospective financial information.
- 1.2 The Company was incorporated on 8 September 2021 and has not yet commenced business operations. The Company will purchase the Vessel from Helico Limited (which is an asset), however there has been no business acquisition. Accordingly, no financial statements for the Company have been prepared or registered under the Companies Act 1993 and the Financial Reporting Act 2013.
- 1.3 The table below provides key prospective financial information about the Company on the basis that it purchases the Helicopter by 1 October 2021. If you do not understand the financial information, you can seek advice from a financial advisor or an accountant.

Heli Twin Squirrel Limited

Prospective Statement of Cashflows

For the periods ending

31 March 2022
(6 months)

31 March 2023
(12 months)

31 March 2024
(12 months)

Operating Activities

Cash to be provided from
Shareholder management charge

61,918	123,835	123,835
61,918	123,835	123,835

Cash to be distributed to
Management Fees and
Direct Operating Costs to Orbit Helicopters

(61,918)	(123,835)	(123,835)
(61,918)	(123,835)	(123,835)

Net forecast cashflows from operating activities

- - -

Investment Activities

Cash to be distributed to

(1,485,000)

Purchase of AS355 Twin Squirrel helicopter

-

Net forecast cashflows from investment
activities

(1,485,000)

-

Financing Activities

Cash to be provided from	1,500,000		
Shareholder ordinary shares subscription			-
	1,500,000		-
Cash to be distributed to			
Payment of share issue costs	(15,000)		-
Net forecast cashflows from financing activities	1,485,000		-
Net Increase(Decrease) in cash held	-	-	-
Cash and cash equivalents at beginning of period	-	-	-
Cash and cash equivalents at end of period	-	-	-

Heli Twin Squirrel-1 Limited**Prospective Statement of Profit or Loss****For the periods ending**

	31 March 2022 (6 months)	31 March 2023 (12 months)	31 March 2024 (12 months)
Income			
Shareholder management charge	61,918	123,835	123,835
	61,918	123,835	123,835
Expenses			
Management Fees and Direct operating costs to Orbit Helicopters	(61,918)		
		(123,835)	(123,385)
Depreciation	(74,250)	(141,075)	(129,968)
	(136,168)	(264,910)	(250,803)
Net Total Comprehensive Income (Loss)	(74,250)	(141,075)	(129,968)

Heli Twin Squirrel-1 Limited**Prospective Statement of Changes in Equity****For the periods ending**

Opening Balance		1,410,750	1,269,675
Shareholder ordinary shares subscription	1,500,000		
Payment of share issue costs	(15,000)		
Net Profit(Loss)	(74,250)	(141,075)	(129,968)
Closing Balance	1,410,750	1,269,675	1,142,707

Heli Twin Squirrel-1 Limited
Prospective Statement of Financial Position
As at

	31 March 2022	31 March 2023	31 March 2024
Current Assets		-	-
Non-Current Assets			
AS355 Twin Squirrel helicopter	1,410,750	1,269,675	1,142,707
TOTAL ASSETS	<u>1,410,750</u>	<u>1,269,675</u>	<u>1,142,707</u>
Current Liabilities	-	-	-
Non-Current Liabilities	-	-	-
NET ASSETS	<u>1,410,750</u>	<u>1,269,675</u>	<u>1,142,707</u>
Equity			
Share Capital	1,500,000	1,500,000	1,500,000
Accumulative Deficit	(89,250)	(230,325)	(357,293)
TOTAL EQUITY	<u>1,410,750</u>	<u>1,269,675</u>	<u>1,142,707</u>

Heli Twin Squirrel-1 Limited
Statement of Accounting Policies
For the six months ending 31 March 2022 and year ended 31 March 2023

Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial positions on a historical basis are followed by the Company and complies with Generally Accepted Accounting Practice in New Zealand

Specific accounting policies

I. Revenue recognition

Income shown in the Prospective Statement of Profit and Loss and Comprehensive Income comprises the amounts expected to be received by the Company in the ordinary course of business from shareholders and is accounted for on an accruals basis but it is assumed that all income is "paid" within the financial year.

II. Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation. Depreciation is calculated at maximum rates allowed by the Inland Revenue Department at 10% on a diminishing value basis over the estimated useful life of the asset being 20 years.

III. GST

The financial statements have been prepared on a GST inclusive basis.

The financial statements above have been prepared in accordance with the requirements of Financial Reporting Standard No 42: Prospective Financial Statements.

The actual financial statements for the six month period ending 31 March 2022 and year ended 31 March 2023 are likely to vary from the Prospective Financial Statements. Such variations may be material.

Key Assumptions:

- It is assumed all 4 shares are sold prior to 31 March 2022
- Costs of \$15,000 will be incurred in relation to the issue of shares in the Company
- Helicopter is operational from 1 October 2021
- The prospective financial information is based upon the following assumptions:

Purchase of AS355 Twin Squirrel helicopter

The cost of the purchase of the AS355 Twin Squirrel helicopter is based on the price agreed with Helico Limited (with settlement occurring on 1 October 2021) being \$1,485,000 including GST.

Shareholder Management and Insurance Charges

Shareholders' Management Charges are based on 4 charges of \$7,932.50 for the 6-month period ending 31 March 2022, 4 charges of \$15,865 for the 12 months ended 31 March 2023, and 4 charges of \$15,865 for the 12 months ended 31 March 2024. Shareholders' insurance payments are based on 4 charges of \$7,546.87 for the 6-month period ending 31 March 2022, 4 charges of \$15,093.75 for the 12 months ended 31 March 2023, and 4 charges of \$15,093.75 for the 12 months ended 31 March 2024.

Management and Direct Operating Costs for the 6 months ended 31 March 2022 include the following:

- a. An pro-rated allowance of \$1,250 for legal, companies office and accounting fees, made on the assumption that Orbit Helicopters Limited will undertake the day to day accounting work, with minimal end of year costs for statements of accounts and tax returns, and minor legal fees for the Company's transactions with new Shareholders. Major legal costs relating to the form and content of the various agreements involved have already been absorbed by Orbit Helicopters Limited.
- b. An prorated allowance of \$22,500 for Hangarage. Storage of this Helicopter will be at Orbit Helicopters Limited based at the North Shore Airport, Auckland.
- c. An prorated allowance of \$30,187.50 for general aviation insurance based on a quotation provided by an insurance broker, assuming a value of \$1,500,000 at a rate of 3.5% (rounded).
- d. An pro - rated allowance of \$3,750 for maintenance control services.
- e. An pro - rated allowance of \$4,230 for management services which includes oversight and general administration of most aspects of helicopter ownership including insurance and pilot gaciation, scheduling, booking management and cleaning.

It is assumed that there are no additional management charges.

Management and Direct Operating Costs for the year ended 31 March 2023 include the following:

- a. An annual allowance of \$2,500 for legal, companies office and accounting fees, made on the assumption that Orbit Helicopters Limited will undertake the day to day accounting work, with minimal end of year costs for statements of accounts and tax returns, and minor legal fees for the Company's transactions with new Shareholders. Major legal costs relating to the form and content of the various agreements involved have already been absorbed by Orbit Helicopters Limited

- b. An annual allowance of \$45,000 for Hangarage. Storage of this Helicopter will be at Orbit Helicopters Limited based at the North Shore Airport, Auckland;
- c. An annual allowance of \$60,375 for general aviation insurance based on a quotation provided by an insurance broker, assuming a value of \$1,500,000 at a rate of 3.5% (rounded);
- d. An annual allowance of \$7,500 for maintenance control services
- e. An annual allowance of \$8,460 for management services which includes oversight and general administration of most aspects of helicopter ownership including insurance and pilot licensing, scheduling, booking management and cleaning.

It is assumed that there are no additional management charges.