DORIC NIMROD AIR ONE LIMITED (the "Company")

HALF-YEARLY FINANCIAL REPORT

The Board of the Company is pleased to announce its results for the period from 1 April 2018 to 30 September 2018.

To view the Company's half-yearly financial report please visit the Company's website, http://www.dnairone.com.

In addition, to comply with DTR 6.3.5(1) please find below the full text of the half-yearly financial report.

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E&OE – in transmission

Doric Nimrod Air One Limited

Half-yearly Financial Report

For the period from 1 April 2018 to 30 September 2018

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DORIC NIMROD AIR ONE LIMITED

SUMMARY INFORMATION

Listing	Specialist Fund Segment of the London Stock Exchange's Main Market
Ticker	DNA
Share Price	112.0p (as at 30 September 2018) 113.5p (as at 12 November 2018)
Market Capitalisation	GBP 47.5 million
Current/Future Anticipated Dividend	Current dividends are 2.25p per quarter per share (9p per annum) and it is anticipated this will continue until the aircraft lease terminates in 2022.
Dividend Payment Dates	April, July, October, January
Currency	Sterling
Launch Date/Price	13 December 2010 / 100p
Incorporation and Domicile	Guernsey
Aircraft Registration Number (Lease Expiry Date)	A6-EDC (16.12.2022)
Asset Manager	Doric GmbH
Corporate and Shareholder Advisor	Nimrod Capital LLP
Administrator	JTC Fund Solutions (Guernsey) Ltd
Auditor	Deloitte LLP
Market Makers	Canaccord Genuity Ltd, finnCap Ltd, Jefferies International Ltd, Numis Securities Ltd, Shore Capital Limited, Winterflood Securities Ltd
SEDOL, ISIN	B4MF389, GG00B4MF3899
Year End	31 March
Stocks & Shares ISA	Eligible
Website	www.dnairone.com

DORIC NIMROD AIR ONE LIMITED

COMPANY OVERVIEW

Doric Nimrod Air One Limited

Doric Nimrod Air One Limited (LSE Ticker: DNA) ("**DNA**" or the "**Company**") is a Guernsey company incorporated on 8 October 2010. Its shares were admitted to trading on the Specialist Fund Segment ("**SFS**") of the London Stock Exchange's Main Market ("**LSE**") on 13 December 2010.

The Company's total issued share capital currently consists of 42,450,000 Ordinary Preference Shares (the "**Shares**"). As at 12 November 2018, the latest practicable date prior to publication of this report, the Shares are trading at 113.50 pence per Share.

Investment Objectives and Policy

The Company's investment objective is to obtain income returns and a capital return for its shareholders (the "**Shareholders**") by acquiring, leasing and then selling a single aircraft. The Company purchased one Airbus A380-861 aircraft, manufacturers' serial number 016 (the "**Asset**" or the "**Aircraft**") in December 2010 for 179m US dollars, which it leased (the "**Lease**") for twelve years to Emirates Airline ("**Emirates**"), the national carrier owned by The Investment Corporation of Dubai based in Dubai, United Arab Emirates.

Distribution Policy

The Company aims to provide its Shareholders with an attractive total return comprising income, from distributions through the period of the Company's ownership of the Asset, and capital, upon the sale of the Asset.

The Company receives income from the lease rentals paid by Emirates pursuant to the Lease. It is anticipated that income distributions will be made quarterly, subject to compliance with applicable laws and regulations. The Company currently targets a distribution of 2.25 pence per Share per quarter. Emirates bears all costs (including maintenance, repair and insurance) relating to the Aircraft during the lifetime of the Lease.

There is no guarantee that dividends will be paid to Shareholders, nor is there a guarantee of the timing or amount of any such dividend. There is also no guarantee that the Company will, at all times, satisfy the solvency test required by section 304 of The Companies (Guernsey) Law, 2008, as amended, enabling the Directors to effect the payment of dividends.

Performance Overview

All payments by Emirates, have to date been made in accordance with the terms of the Lease.

During the period under review and in accordance with the Distribution Policy the Company declared two interim dividends of 2.25 pence per Share. One interim dividend of 2.25 pence per Share was declared after the reporting period. Further details of these dividend payments can be found on page 25.

Return of Capital

If and when the Company is wound up (pursuant to a shareholder resolution, including the liquidation resolution) the Company intends to return to Shareholders the net capital proceeds upon the eventual sale of the Asset subject to compliance with the Company's Articles of Incorporation (the "**Articles**") and the applicable laws (including any applicable requirements of the solvency test contained therein).

Liquidation Resolution

Although the Company does not have a fixed life, the Articles require that the Directors convene a General Meeting of the Company six months before the end of the term of the Lease where an ordinary resolution will be proposed that the Company proceed to an orderly wind-up at the end of the term of the Lease and the Directors will consider (and if necessary, propose to Shareholders) alternatives for the future of the Company, including re-leasing the Asset, or selling the Asset and reinvesting the capital received from the sale of the Asset in another aircraft.

DORIC NIMROD AIR ONE LIMITED

CHAIRMAN'S STATEMENT

I am pleased to present shareholders ("**Shareholders**") with the Company's half-yearly financial report, covering the period from 1 April 2018 until 30 September 2018 (the **"Period").**

I am happy to report that during the Period the Company has performed as anticipated and has declared and paid two quarterly dividends of 2.25 pence per share, as expected, equivalent to 9 pence per share per annum.

The Company owns one Airbus A380 (the "**Asset**"), leased to Emirates. The lease payments received by the Company from Emirates cover repayment of the debt as well as income to pay operating expenses and dividends to Shareholders. Emirates bears all costs (including maintenance, repair and insurance) relating to the aircraft during the lifetime of the lease and all payments thus far by Emirates have been made in accordance with the terms of the lease.

The Company's Asset Manager, Doric GmbH ("**Doric**"), continues to monitor the lease and to report regularly to the Board. Nimrod Capital LLP ("**Nimrod**"), the Company's Corporate and Shareholder Adviser, continues to liaise between the Board and Shareholders, and also communicates with Shareholders regularly regarding relevant news flow and the Company's quarterly fact sheets.

The Airbus A380 has enjoyed significant press coverage over the Period following the first secondary market re-lease of the model to Hi Fly for a period of almost six years. The Board remain cognisant of the future outlook for the A380. Doric, in its role as the Company's Asset Manager, is in regular contact with Emirates and is charged with remarketing the Asset ahead of the expiry of the lease period if Emirates do not exercise their option to purchase the aircraft. Alongside Doric's discussions with Emirates and following discussion with the Board Nimrod will consult with shareholders about the potential options to otherwise sell or re-lease the Asset. All these discussions will be relayed to the Board to inform its deliberations. The Board take some comfort from the recent success and experience gained by Doric as a result of executing the first re-lease on an A380 to Hi Fly. The recent news from Dr Peters Group that they intend to part-out two of the first A380s entered into service has also been noted, with Dr Peters estimating proceeds from the process of around $80m per aircraft, which would provide a profitable result for the German fund investors. Both of these events have given rise to increased interest in the Company's shares and investment strategy. Shareholders should also consider the Emirates publicly stated reliance on the A380 as well as comments earlier this year by both Emirates President Tim Clark and Chief Executive His Highness Sheikh Ahmed bin Saeed Al Maktoum highlighting the vital role the aircraft performs within its network and the success the airline has experienced operating it. The secondary market for the A380 is not yet fully developed so it is still too early to make predictions and uncertainty over future residual values remain. However, some foundations have been laid following the Hi Fly transaction and we hope to report further progress on this in due course.Shareholders should note there is still some four years to run until the lease term expires in December 2022.

Finally, it is worthy of note that August 2018 marked the tenth anniversary of Emirates' first ever A380 flight. Over the last decade the airline has carried more than 105 million passengers on 115,000 A380 flights, clocking the equivalent to 39,000 trips around the globe. Further details on Emirates as well as the continued growth in air passenger traffic around the globe can be found in the Asset Manager's Report.

In economic reality and in cash flow terms, the Company has performed well, and as expected.

However, the financial statements do not, in the Board's view, properly convey this economic reality due to the accounting treatments for foreign exchange, rental income and finance costs, as required by International Financial Reporting Standards ("**IFRS**").

IFRS require that transactions denominated in currencies other than the presentation currency, (including, most importantly, the cost of the aircraft) are translated into the presentation currency at the exchange rate ruling at the date of the transaction whilst monetary items (principally the outstanding borrowings) are translated at the rate prevailing on the reporting date. The result is that the figures sometimes show very large mismatches which are reported as unrealised foreign exchange differences.

On an on-going basis and assuming the lease and loan payments are made as anticipated, such exchange differences do not reflect the commercial substance of the situation in the sense that the key transactions denominated in US dollars are in fact closely matched. Rental income received in US dollars is used to pay loan repayments due which are likewise denominated in US dollars. US dollar lease rentals and loan repayments are furthermore fixed at the outset of the Company's life and are very similar in amount and timing.

In addition to this, lease rental income receivable is credited evenly to the Statement of Comprehensive Income over the planned life of the lease. Conversely, the methodology for accounting for interest cost means that the proportion of the loan repayments which is treated as interest, and is debited to the Statement of Comprehensive Income, varies over the course of the loan with a higher proportion of interest expense recognised in earlier periods, so that the differential between rental income and interest cost (as reported in the Statement of Comprehensive Income) reduces. In reality however, the amount of rental income is fixed so as to closely match the interest and principal components of each loan repayment instalment and allow for payments of operating costs and dividends.

The Board encourages Shareholders to read the Company's quarterly fact sheets which we believe provide a great deal of interesting information and we hope these regular reports, in addition to the communication you receive from Nimrod, are useful and informative. We welcome Shareholder engagement and feedback and encourage you to contact Nimrod to request a meeting.

On behalf of the Board, I would like to thank our service providers for all their help and Shareholders for their continuing support of the Company. I look forward to keeping all Shareholders up to date with further progress.

Charles Wilkinson
Chairman
13 November 2018

DORIC NIMROD AIR ONE LIMITED

ASSET MANAGER'S REPORT

At the request of the Directors of the Company, this commentary has been provided by the Asset Manager of the Company.

1. The Doric Nimrod Air One Airbus A380

The Airbus A380 is registered in the United Arab Emirates under the registration mark A6-EDC. For the period from original delivery of the aircraft to Emirates in November 2008 until the end of September 2018, a total of 5,228 flight cycles were logged. Total flight hours were 43,369. This equates to an average flight duration of around eight hours and 20 minutes.

The A380 owned by the Company recently visited Bangkok, Melbourne, Milan, Munich, Sydney and Tokyo.

Maintenance Status

Emirates maintains its A380 aircraft fleet based on a maintenance programme according to which minor maintenance checks are performed every 1,500 flight hours, and more significant maintenance checks (C checks) at 36 month or 18,000 flight hour intervals, whichever occurs first. The increased C check interval allows for a higher aircraft availability due to lower downtime.

Emirates bears all costs (including for maintenance, repairs and insurance) relating to the aircraft during the lifetime of the lease.

2. Market Overview

Growth in passenger traffic, measured in global revenue passenger kilometres ("**RPKs**"), has remained in line with the forecast of the International Air Transport Association ("**IATA**"). The industry body expected the pace of RPK growth to slow slightly during this calendar year relative to that of last year. This is largely due to upward pressure on airline input costs, particularly from higher fuel prices, which has translated into a reduced boost to demand from lower airfares. Nevertheless, RPKs increased by 6.9 per cent over the first seven months of 2018 compared to the same period in 2017, continuing the above-trend RPK growth.

Industry-wide capacity, measured in available seat kilometres ("**ASK**"), increased by 6.1 per cent during the first seven months of this year, resulting in a 0.7 percentage point increase in worldwide passenger load factors ("**PLFs**") to 81.9 per cent compared to the same period last year. Between January and July 2018, passenger load factors of Middle East based carriers remained unchanged at 74.7 per cent.

RPK growth in the Middle East has increased by 4.7 per cent since the beginning of the year. While the region has been adversely impacted by a number of policy measures in recent years, including the temporary ban on portable electronic devices and travel restrictions for certain categories of passengers, IATA notes that there are tentative signs of a pick-up in the upward trend in passenger volumes, which could develop in the coming months.

Asia/Pacific-based operators remain the top performers in overall market demand. Through July 2018, RPKs increased by 9.7 per cent compared to the previous period. Latin America ranked second with 6.4 per cent followed closely by Europe with 6.3 per cent. North America saw an increase of 5.1 per cent. Africa experienced the slowest growth at a rate of 2.8 per cent.

In 2018, IATA forecasts that airlines' fuel bill will increase to 188 billion US dollars representing 24.2 per cent of average operating costs. IATA expects an average price of 84 US dollars per barrel for jet fuel for this year, according to its mid-year report released in June, as jet fuel prices continue to rise with oil prices.

3. Lessee – Emirates Key Financials

In the 2017/18 financial year ending on 31 March 2018, Emirates recorded its 30th consecutive year of profit with a net result of AED 2.8 billion (762 million US dollars), an improvement of 124 per cent compared to the previous financial year, leading to a profit margin of 3.0 per cent. Despite continuing political challenges impacting traveller demand and fare adjustments due to a highly competitive business environment, Emirates increased its revenue to AED 92.3 billion (25.2 billion US dollars). This was aided by the decline of the US dollar against currencies in most of Emirates' key markets, which had an AED 661 million (180 million US dollars) positive impact on the airline's bottom line.

Emirates' overall passenger traffic continued to grow during the 2017/18 financial year. The airline carried a record 58.5 million passengers (a 4 per cent increase over last financial year) and achieved a passenger load factor of 77.5 per cent compared to last year's 75.1 per cent. The increase in the passenger load factor was the result of capacity management in response to political uncertainty and strong competition in many markets despite a moderate 2 per cent increase in seat capacity.

Total operating costs increased by 7 per cent over the previous financial year, largely due to the 15 per cent increase in the average price of jet fuel during the financial year. Including a 3 per cent uplift in line with capacity expansion, the airline's fuel bill increased by 18 per cent to AED 24.7 billion (6.7 billion US dollars) compared to the previous financial year. Fuel now accounts for 28 per cent of operating costs, compared to 25 per cent in the 2016/17 financial year, and it remains the largest cost category for the airline.

As of 31 March 2018, Emirates' balance sheet amounted to AED 127.6 billion (34.8 billion US dollars), an increase of 5 per cent compared to the previous financial year. Total equity increased by 5.6 per cent to AED 37.0 billion (10.1 billion US dollars) due to higher profit which was partially offset by dividend payments to the owners amounting to AED 1.0 billion (272 million US dollars). The equity ratio remained stable at nearly 29 per cent. The airline's cash balance amounted to AED 20.4 billion (5.6 billion US dollars) at the end of the period, up by AED 4.7 billion (1.3 billion US dollars) compared to the previous financial year. Proceeds from the Sukuk financing of AED 2.2 billion (600 million US dollars) issued in the last quarter of the financial year have been invested in short term bank deposits and will be used to finance aircraft deliveries in 2018/19.The current ratio stood at 0.84, meaning the airline would be able to meet over 80 per cent of its current liabilities by liquidating all its current assets. Changes on the liabilities' side of the balance sheet included the financing of seven new aircraft and the Sukuk issue, which were offset by repayments of finance lease liabilities, bonds and term loans.

Maintaining its strategy to operate a young and efficient fleet, Emirates received 17 **new aircraft**, comprising of eight A380s and nine Boeing 777-300ERs. During this time, eight older aircraft were phased out, leading to a total fleet count of 268 at the end of March. This fleet roll-over resulted in an average fleet age of 5.7 years. Due to the more moderate fleet renewal pace compared to the previous year, the figure increased by around 6 months. Funding has come from the Japanese structured finance market in conjunction with debt from a wide-ranging group of institutions in China, France, the United Kingdom, and Japan. Emirates raised over AED 3.7 billion (1 billion US dollars) during the year from this source. Emirates has also refinanced a commercial bridge facility (due to non-availability of ECA cover) of AED 3.8 billion (1.0 billion US dollars) using a finance lease structure for five A380 aircraft, accessing an institutional investor and bank market base from Korea, Germany, the United Kingdom, and the Middle East. In total, Emirates raised AED 17.9 billion (4.9 billion US dollars) using a variety of financing structures.

In the 2017/18 financial year, Emirates launched two new passenger services (Phnom Penh in Cambodia and Zagreb in Croatia) and added capacity on 15 existing routes. Additionally, Emirates entered into strategic partnerships with flydubai and Cargolux, increasing its global connectivity and expanding the choice of air services on offer to passenger and cargo customers respectively. Emirates also received authorisation to extend its partnership with Qantas until 2023. Its global route network spanned 155 destinations in 83 countries by fiscal year end.

In May 2018 FlightGlobal lists several Emirates aircraft - including seven A380s and 13 Boeing 777 - as having been temporarily stored. Already in April the airline acknowledged that it had been reducing frequencies to cope with a shortfall in cockpit crews, but expects to return to an adequate supply of crew by September. Emirates further states that its operations are going through its seasonal low period: “We do have some aircraft units on the ground over slower periods, which is common industry practice.”

In July 2018 Emirates and JetBlue announced the expansion of their codeshare on flights to Mexico City with new flights from both Boston and New York JFK. The announcement followed the close of a years-long dispute between the Gulf carriers and the US mainline carriers over open skies agreements. According to FlightGlobal, Emirates markets more than 3,200 flights weekly operated by Alaska Airlines and JetBlue under existing codeshare agreements. Emirates also plans to extend its partnership with Qantas-affiliated Jetstar Group through a codeshare covering domestic services in Vietnam as well as flights from Ho Chi Minh City to Singapore, Bangkok, and Australia.

As of 1 October 2018 Emirates will resume a daily service to Edinburgh, the second most visited city by tourists in the United Kingdom (UK) and the capital of Scotland. This will bring the number of destinations serviced in the UK to eight.

Source: ch-aviation, CNN, Emirates, FlightGlobal

4. Aircraft – A380

As of mid-September 2018, Emirates operated a fleet of 105 A380s, which currently serve 47 destinations within its global network via its hub in Dubai. A380 destinations include: Amsterdam, Auckland, Bangkok, Barcelona, Beijing, Birmingham, Brisbane, Casablanca, Christchurch, Copenhagen, Dusseldorf, Frankfurt, Guangzhou, Hong Kong, Houston, Johannesburg, Kuala Lumpur, Kuwait, London Gatwick, London Heathrow, Los Angeles, Madrid, Manchester, Mauritius, Melbourne, Milan, Moscow, Mumbai, Munich, New York JFK, Nice, Paris, Perth, Prague, Rome, San Francisco, Sao Paulo, Seoul, Shanghai, Singapore, Sydney, Taipei, Tokyo Narita, Toronto, Vienna, Washington, and Zurich. In October 2018 Emirates will add Hamburg and Osaka to its A380 network.

As of mid-September 2018, the global A380 fleet consisted of 226 commercially operated planes in service. The fourteen operators are Emirates (105), Singapore Airlines (19), Deutsche Lufthansa (14), Qantas (12), British Airways (12), Korean Air Lines (10), Etihad Airways (10), Air France (10), Qatar Airways (10), Malaysia Airlines (6), Thai Airways (6), Asiana Airlines (6), China Southern Airlines (5) and Hi Fly (1). Another two are listed as in storage. In addition, two A380s are earmarked for part-out after the owners of the aircraft voted for such a solution. The number of undelivered A380 orders stood at 101.

Following the redelivery of its second A380 to come off lease from Singapore Airlines, German asset manager Dr Peters Group announced plans to sell the parts from two of its four Airbus A380s, while continuing to lease the engines to Rolls Royce. Dr Peters Group anticipate that during the two year process the funds will generate proceeds of around 80m US dollars per aircraft. However, Dr Peters Group has not ruled out the secondary market for future A380s. It had an additional two A380s on lease to Singapore Airlines, which were returned only recently, and has five with Air France.

In April 2018 Emirates president Tim Clark told journalists that Emirates could operate its A380s until the end of their service life, despite the airline's previous record of phasing out aircraft at an earlier stage. In July 2018 the Portuguese wet-lease operator Hi Fly showcased its A380 at the Farnborough International Airshow. After being in service with Singapore Airlines for more than ten years, this is the first A380 ever to be placed through the secondary market. Since then it has been flying for carriers such as Thomas Cook Airlines Scandinavia, Norwegian and Air Austral to destinations in Europe, North America, and the Indian Ocean. This aircraft is managed by Doric, the asset manager of the Company.

While constantly adding new A380s to its fleet, the Dubai-based operator counts more than 80 daily departures from its hub, including the world's shortest and the world's longest A380 non-stop route.

Emirates has announced it will operate the A380 between Dubai and St. Petersburg for a limited period in October this year. The decision was made in response to increased demand for travel during the autumn school holidays and marks the first time an A380 has operated to St. Petersburg.

Source: Emirates, FlightGlobal, Hi Fly

Directors

Charles Edmund Wilkinson - Chairman (Age 75)

Charles Wilkinson is a solicitor who retired from Lawrence Graham LLP in March 2005. While at Lawrence Graham he specialised in corporate finance and commercial law, latterly concentrating on investment trust and fund work.

Charles is currently Chairman of Doric Nimrod Air Three Limited, Chairman of the Audit Committee of Doric Nimrod Air Two Limited, and a director of Landore Resources Ltd, a Guernsey based mining exploration company. He is resident in Guernsey.

Geoffrey Alan Hall (Age 70)

Geoffrey Hall has extensive experience in investment management, having previously been Chief Investment Officer of Allianz Insurance plc, a major UK general insurance company and an investment manager at HSBC Asset Management, County Investment Management, and British Railways Pension Funds. Geoffrey is also currently a director of Doric Nimrod Air Two Limited and Doric Nimrod Air Three Limited.

Geoffrey earned his masters degree in Geography at the University of London. He is an associate of the CFA Society of the UK.

John Le Prevost (Age 66)

John Le Prevost is the Chief Executive Officer of Anson Group Limited and Chairman of Anson Registrars Limited (the Company's Registrar). He has spent over 30 years working in offshore trusts and investment business during which time he was Managing Director of County NatWest Investment Management (Channel Islands) Limited, Royal Bank of Canada's mutual fund company in Guernsey and Republic National Bank of New York's international trust company. John is a Director of Guaranteed Investment Products I PCC Limited, Guernsey's largest protected cell company. He is a Director of a number of other companies associated with Anson Group's business as well as being a trustee of the Guernsey Sailing Trust. John is also currently a director of Doric Nimrod Air Two Limited, Doric Nimrod Air Three Limited and Amedeo Air Four Plus Limited. He is resident in Guernsey.

INTERIM MANAGEMENT REPORT

A description of important events which have occurred during the Period, their impact on the performance of the Company as shown in the financial statements and a description of the principal risks and uncertainties facing the Company are given in the Chairman's Statement, Asset Manager's Report, and the Notes to the Financial Statements contained on pages 17 to 41 and are incorporated here by reference.

There were no material related party transactions which took place in the Period, other than those disclosed at Note 21 of the Notes to the Financial Statements.

Principal Risks and Uncertainties

The principal risks and uncertainties faced by the Company for the remaining six months of the financial year are unchanged from those disclosed in the Company's annual financial report for the year ended 31 March 2018.

Going Concern

The Company's principal activities are set out within the Company Overview on page 2 to 3. The financial position of the Company is set out on page 14. In addition, Note 18 to the financial statements includes the Company's objectives, policies and processes for managing its capital, its financial risk management objectives and its exposures to credit risk and liquidity risk. The loan interest rate has been fixed and the fixed rental income under the Lease means that the rent should be sufficient to repay the Loan and provide surplus income to pay for the Company's expenses and permit payment of dividends.

After making reasonable enquiries, and as described above the Directors have a reasonable expectation that the Company has adequate resources to continue in its operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis of accounting in preparing these financial statements.

Responsibility Statement

The Directors jointly and severally confirm that to the best of their knowledge:

(a) the financial statements, prepared in accordance with IFRS give a fair, balanced and understandable view of the assets, liabilities, financial position and profits of the Company and performance of the Company; and

(b) this Interim Management Report includes or incorporates by reference:

a. an indication of important events that have occurred during the Period, and their impact on the financial statements;

b. a description of the principal risks and uncertainties for the remaining six months of the financial year; and

c. confirmation that there were no related party transactions in the Period that have materially affected the financial position or the performance of the Company during that period.

Signed on behalf of the Board of Directors of the Company on 13 November 2018

Charles Wilkinson	**John Le Prevost**
Chairman	**Director**

STATEMENT OF COMPREHENSIVE INCOME
For the period from 1 April 2018 to 30 September 2018

	Notes	1 Apr 2018 to 30 Sep 2018 GBP	1 Apr 2017 to 30 Sep 2017 GBP
INCOME			
A rent income	4	5,021,530	5,215,075
B rent income	4	2,260,370	2,260,370
		7,281,900	7,475,445
EXPENSES			
Operating expenses	5	(312,735)	(308,782)
Depreciation of Asset	9	(2,560,340)	(1,040,691)
		(2,873,075)	(1,349,473)
Net profit for the period before finance costs and foreign exchange (losses)/gains		4,408,825	6,125,972
Finance costs	10	(971,382)	(1,239,898)
Net profit for the period after finance costs before foreign exchange (losses)/ gains		3,437,443	4,886,074
Unrealised foreign exchange (losses)/ gains	18b	(2,969,994)	3,383,896
Profit for the period		467,449	8,269,970
Other Comprehensive Income		-	-
Total Comprehensive Income for the period		467,449	8,269,970
		Pence	**Pence**
Earnings per Share for the period - Basic and Diluted	8	1.10	19.48

In arriving at the results for the financial period, all amounts above relate to continuing operations.The notes on pages 17 to 41 form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION
As at 30 September 2018

	Notes	30 Sep 2018 GBP	31 Mar 2018 GBP
NON-CURRENT ASSETS			
Aircraft	9	84,520,159	87,080,499
CURRENT ASSETS			
Cash and cash equivalents	16	3,961,958	3,984,293
Accrued income		-	468,114
Receivables	12	7,997	12,743
		3,969,955	4,465,150
TOTAL ASSETS		88,490,114	91,545,649
CURRENT LIABILITIES			
Borrowings	14	10,319,288	9,328,715
Deferred income		11,928,130	11,027,679
Payables - due within one year	13	28,105	127,972
		22,275,523	20,484,366
NON-CURRENT LIABILITIES			
Borrowings	14	20,010,354	23,414,245
		20,010,354	23,414,245
TOTAL LIABILITIES		42,285,877	43,898,611
TOTAL NET ASSETS		46,204,237	47,647,038
EQUITY			
Share capital	1	39,016,728	39,016,728
Retained earnings		7,187,509	8,630,310
		46,204,237	47,647,038
		Pence	**Pence**
Net asset value per Ordinary Preference Share based on 42,450,000 (Mar 2018: 42,450,000) shares in issue		108.84	112.24

The financial statements were approved by the Board of Directors and authorised for issue on 13 November 2018 and are signed on its behalf by:

Charles Wilkinson — Director

John Le Prevost — Director

The notes on pages 17 to 41 form an integral part of these financial statements.

STATEMENT OF CASH FLOWS
For the period from 1 April 2018 to 30 September 2018

	Notes	1 Apr 2018 to 30 Sep 2018 GBP	1 Apr 2017 to 30 Sep 2017 GBP
OPERATING ACTIVITIES			
Profit for the period		467,449	8,269,970
Movement in accrued and deferred income		528,896	525,201
Depreciation of Asset	9	2,560,340	1,040,691
Loan interest	10	941,022	1,209,538
Decrease in payables		(99,867)	(3,033)
Decrease in receivables		4,746	6,101
Amortisation of debt arrangement costs	10	30,360	30,360
Foreign exchange movement	18b	2,969,994	(3,383,896)
NET CASH FROM OPERATING ACTIVITIES		7,402,940	7,694,932
FINANCING ACTIVITIES			
Dividends paid	7	(1,910,250)	(1,910,250)
Repayments of capital on borrowings	19	(4,760,895)	(4,641,785)
Repayments of interest on borrowings	19	(911,199)	(1,206,906)
NET CASH USED IN FINANCING ACTIVITIES		(7,582,344)	(7,758,941)
CASH AND CASH EQUIVALENTS AT OF PERIOD		3,984,293	4,376,502
Decrease in cash and cash equivalents		(179,404)	(64,009)
Effects of foreign exchange rates		157,069	(188,921)
CASH AND CASH EQUIVALENTS AT END PERIOD		3,961,958	4,123,572

The notes on pages 17 to 41 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
For the period from 1 April 2018 to 30 September 2018

	Notes	Share Capital GBP	Retained Earnings GBP	Total GBP
Balance as at 1 April 2018		39,016,728	8,630,310	47,647,038
Total Comprehensive Income for the period		-	467,449	467,449
Dividends paid	7	-	(1,910,250)	(1,910,250)
Balance as at 30 September 2018		39,016,728	7,187,509	46,204,237

	Notes	Share Capital GBP	Retained Earnings GBP	Total GBP
Balance as at 1 April 2017		39,016,728	407,386	39,424,114
Total Comprehensive Income for the period		-	8,269,970	8,269,970
Dividends paid	7	-	(1,910,250)	(1,910,250)
Balance as at 30 September 2017		39,016,728	6,767,106	45,783,834

The notes on pages 17 to 41 form an integral part of these financial statements.

1 GENERAL INFORMATION

Doric Nimrod Air One Limited (the **"Company"**) was incorporated in Guernsey on 8 October 2010 with registered number 52484.

Its share capital consists of one class of Ordinary Preference Shares and one class of Subordinated Administrative Shares (**“Administrative Shares”**). The Company's Ordinary Preference Shares have been admitted to trading on the Specialist Fund Segment (**“SFS”**) of the London Stock Exchange’s Main Market (the **“LSE”**).

The Company's investment objective is to obtain income returns and a capital return for its shareholders by acquiring, leasing and then selling a single aircraft.

2 ACCOUNTING POLICIES

The significant accounting policies adopted by the Company are as follows:

(a) Basis of Preparation

The financial statements have been prepared in conformity with the International Accounting Standard 34 Interim Financial Reporting as adopted by the European Union (**“EU”**), and applicable Guernsey law. The financial statements have been prepared on a historical cost basis.

This report is to be read in conjunction with the annual report for the year ended 31 March 2018 which is prepared in accordance with the International Financial Reporting Standards (**“IFRS”**) as adopted by the EU and any public announcements made by the Company during the interim reporting period.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the adoption of new and amended standards as set out below:

Changes in accounting policies and disclosure

The following Standards or Interpretations have been adopted in the current period. Their adoption has not had any impact on the amounts reported in these financial statements and is not expected to have any impact on future financial periods:

- IFRS 9, ‘Financial Instruments – Classification and Measurement, Impairment of Financial Assets, Hedge Accounting’. Effective for accounting periods commencing on or after 1 January 2018 and is endorsed by the EU.

- IFRS 15 and amendments to IFRS 15 Revenue from contracts with customers – The standard and amendments are effective for annual periods beginning on or after 1 January 2018 and is endorsed by the EU.

The impact of the adoption of the above standards and the new accounting policies are disclosed in Note 22.

2 ACCOUNTING POLICIES (continued)

(a) Basis of Preparation (continued)

- IFRIC 22 'Foreign currency transactions and advance consideration' – this IFRIC addresses foreign currency transactions or parts of transactions where there is consideration that is denominated or priced in a foreign currency. The interpretation provides guidance for when a single payment/receipt is made as well as for situations where multiple payments/receipts are made. The guidance aims to reduce diversity in practice, is effective for annual periods beginning on or after 1 January 2018 and is endorsed by the EU.

The following Standards or Interpretations, which are expected to affect the Company, have been issued but not yet adopted by the Company. Other Standards or Interpretations issued by the International Accounting Standards Board (**"IASB"**) and International Financial Reporting Standards Interpretations Committee (**"IFRIC"**) are not expected to affect the Company.

- IFRS 16 Leases - specifies how an IFRS reporter will recognise, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17. This standard is effective for annual periods beginning on or after 1 January 2019 and is endorsed by the EU.

The Directors have considered the above and are of the opinion that the above Standards and Interpretations are not expected to have an impact on the Company's financial statements except for the presentation of additional disclosures and changes to the presentation of components of the financial statements. These items will be applied in the first financial period for which they are required.

(b) Taxation

The Company has been assessed for tax at the Guernsey standard rate of 0 per cent.

(c) Share Capital

Ordinary Preference Shares (the **"Shares"**) are classified as equity. Incremental costs directly attributable to the issue of Shares are recognised as a deduction from equity.

(d) Expenses

All expenses are accounted for on an accruals basis.

(e) Interest Income

Interest income is accounted for on an accruals basis.

2 ACCOUNTING POLICIES (continued)

(f) Foreign Currency Translation

The currency of the primary economic environment in which the Company operates (the functional currency) is Pounds Sterling (**"£"** or **"Sterling"**), which is also the presentation currency.

Transactions denominated in foreign currencies are translated into Sterling at the rate of exchange ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the Statement of Comprehensive Income.

(g) Cash and Cash Equivalents

Cash at bank and short term deposits which are held to maturity are carried at cost. Cash and cash equivalents are defined as call deposits, short term deposits with a term of no more than three months from the start of the deposit and highly liquid investments readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

(h) Segmental reporting

The Directors are of the opinion that the Company is engaged in a single segment of business, being the acquiring, leasing and selling of one Airbus A380-861 aircraft (the **"Asset"**).

(i) Going Concern

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Directors believe the Company is well placed to manage its business risks successfully as the interest on the Company's Loan has been fixed and the fixed rental income under the operating lease means that the rents should be sufficient to repay the Loan and provide surplus income to pay for the Company's expenses and permit payment of dividends. Accordingly, the Directors have adopted the going concern basis in preparing the financial information. The Board is not aware of any material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern.

(j) Leasing and Rental Income

The lease relating to the Asset has been classified as an operating lease as the terms of the lease do not transfer substantially all the risks and rewards of ownership to the lessee. The Asset is shown as a non-current asset in the Statement of Financial Position. Further details of the lease are given in Note 11.

Rental income and advance lease payments from the operating lease are recognized on a straight-line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized in profit or loss on a straight-line basis over the lease term.

2 ACCOUNTING POLICIES (continued)

(k) Property, Plant and Equipment - Aircraft

In line with IAS 16 Property Plant and Equipment, the Asset is initially recorded at the fair value of the consideration paid. The cost of the Asset is made up of the purchase price of the Asset plus any costs directly attributable to bringing it into working condition for its intended use. Costs incurred by the lessee in maintaining, repairing or enhancing the Asset are not recognised as they do not form part of the costs to the Company. Accumulated depreciation and any recognised impairment loss are deducted from cost to calculate the carrying amount of the Asset.

Depreciation is recognised so as to write off the cost of the Asset less the estimated residual value of £63.1 million (2017: £80.4 million) over the estimated useful life of the Asset of 12 years, using the straight line method. Residual values have been arrived at by taking into account disposition fees. The depreciation method reflects the pattern of benefit consumption. The residual value is reviewed annually and is the amount the Company would receive currently if the Asset were already of the age and condition expected at the end of its useful life. Useful life is also reviewed annually and, for the purposes of the financial statements, represents the likely period of the Company's ownership of the Asset. Depreciation starts when the Asset is available for use.

In the 2017 financial year, the residual value of the A380 aircraft were determined using values including inflationary effects. However, following discussions between the Directors, auditors and the Company's advisors for the year ended 31 March 2018, it was determined that the strict application of IAS 16 Property, Plant and Equipment be applied to the assets of the Company and that the use of forecast values excluding inflation best approximates residual value as required by IAS 16. This has resulted in a reduction in US dollar terms in the anticipated residual values of the aircraft since the 2017 financial year.

At each audited Statement of Financial Position date, the Company reviews the carrying amounts of the Asset to determine whether there is any indication that the Asset has suffered any impairment loss. If any such indication exists, the recoverable amount of the Asset is estimated to determine the extent of the impairment loss (if any). Further details are given in Note 3.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the Asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of the Asset is estimated to be less than its carrying amount, the carrying amount of the Asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the Asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the Asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2 ACCOUNTING POLICIES (continued)

(l) Financial Liabilities

Financial liabilities consist of payables and borrowings. The classification of financial liabilities at initial recognition depends on the purpose for which the financial liability was issued and its characteristics. All financial liabilities are initially measured at fair value, net of transaction costs. All financial liabilities are recorded on the date on which the Company became party to the contractual requirements of the financial liability. Financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of the financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

3 SIGNIFICANT JUDGEMENTS AND ESTIMATES

In the application of the Company's accounting policies, which are described in Note 2, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements and estimates, that the Directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

3 SIGNIFICANT JUDGEMENTS AND ESTIMATES (continued)

Estimates

Residual Value and Useful Life of the Asset

As described in Note 2 (k), the Company depreciates the Asset on a straight line basis over the estimated useful life of the Asset after taking into consideration the estimated residual value. IAS 16 Property, Plant and Equipment requires residual value to be determined as an estimate of the amount that the Company would currently obtain from the disposal of the Asset, after deducting the estimated costs of disposal, if the Asset were of the age and condition expected at the end of its useful life. However, there are currently no aircraft of a similar type of sufficient age for the Directors to make a direct market comparison in making this estimation. After consulting with the Auditor and the Company's Advisors, the Directors have concluded that an uninflated value for the Aircraft at the end of its useful life best represents residual value as required by a strict interpretation of relevant accounting standards. In estimating residual value for the 2017/18 year, the Directors referred to uninflated values for the Asset obtained from three independent expert aircraft valuers and determined that the residual value, based on uninflated valuations, was £63.1 million at the year end. The residual value for the previous year end were based on inflated valuations and was £80.4 million. In both cases the residual value took into account the estimated costs of disposal. The residual value has been changed to reflect the most recent average appraised value of the aircraft, excluding the effect of inflation. This has been disclosed in Note 9.

This, together with the effect of foreign exchange fluctuations on the residual value, has resulted in a reduction in the anticipated residual values of the aircraft since the prior financial year details of which have been disclosed in Note 9.

Apart from the aforementioned, the Asset Manager has confirmed in the year ended 31 March 2018 that there were no other required changes to the methodology used to determine the residual value at the year end and they believe that the value of the Asset is, absent the two factors explained above, not substantially different from those of the Asset as appraised at 31 March 2017.

The estimation of residual value remains subject to inherent uncertainty. If the estimate of residual value had been decreased by 20 per cent. with effect from the beginning of this period, the net profit for the period and closing shareholders' equity would have been decreased by approximately £1.2 million (30 Sep 2017: £1.2 million). An increase in residual value by 20 per cent. would have been an equal but opposite effect. This reflects the range of estimates of residual value that the Directors believe would be reasonable at this time. The estimated useful life of the Asset is based on the expected period for which the Company will own and lease the Asset.

3 SIGNIFICANT JUDGEMENTS AND ESTIMATES (continued)

Judgements

Operating Lease Commitments - Company as Lessor

The Company has entered into a lease on the Asset. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, that it retains all the significant risks and rewards of ownership of this asset and accounts for the contract as an operating lease.

The Company has determined that the operating lease on the Asset is for 12 years without an extension option.

Impairment

As described in Note 2(k), an impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The Directors review the carrying amount of its Asset at each audited Statement of Financial Position date and monitor the Asset for any indications of impairment as required by IAS 16 Property, Plant and Equipment and IAS 36 Impairment of Assets.

At the 31 March 2018 year end the Directors reviewed the carrying value of the Asset and concluded that there was no indication of an impairment.

4 RENTAL INCOME

	1 Apr 2018 to 30 Sep 2018 GBP	1 Apr 2017 to 30 Sep 2017 GBP
A rent income	5,649,980	5,839,830
Revenue received but not yet earned	(628,450)	(624,755)
	5,021,530	5,215,075
B rent income	2,160,816	2,160,816
Revenue earned but not yet received	99,554	99,554
	2,260,370	2,260,370
Total rental income	7,281,900	7,475,445

4 RENTAL INCOME (continued)

Rental income is derived from the leasing of the Asset. Rent is split into A rent, which is received in US dollars ("$") and B rent, which is received in Sterling. Rental income received in US dollars is translated into the functional currency (Sterling) at the date of the transaction.

A and B rental income receivable will decrease / increase respectively, 10 years from the start of the lease between the Company and Emirates (the “Lease”). An adjustment has been made to spread the actual total income receivable evenly over the term of the Lease.

5 OPERATING EXPENSES

	1 Apr 2018 to 30 Sep 2018 GBP	1 Apr 2017 to 30 Sep 2017 GBP
Corporate shareholder and adviser fee (Note 21)	58,426	57,142
Asset management fee (Note 21)	146,067	142,853
Liaison agency fees	5,675	5,550
Administration fees	30,93	30,650
Accountancy fees	5,575	5,465
Registrars fee (Note 21)	4,454	4,907
Audit fee	11,400	10,500
Directors' remuneration (Note 6)	25,00	34,000
Directors' and Officers' insurance	3,961	4,037
Legal and professional expenses	7,108	1,200
Annual fees	4,848	3,514
Other operating expenses	9,291	8,964
	312,735	308,782

6 DIRECTORS' REMUNERATION

Under their terms of appointment, each Director is paid a fee of £15,000 per annum by the Company, except for the Chairman, who receives £20,000 per annum. Where an individual has been appointed to the position, the Chairman of the audit committee is entitled to receive an additional £3,000 per annum.

7 DIVIDENDS IN RESPECT OF EQUITY SHARES

	1 Apr 2018 to 30 Sep 2018 GBP	Pence per share
First interim dividend	955,125	2.25
Second interim dividend	955,125	2.25
	1,910,250	4.50

	1 Apr 2017 to 30 Sep 2017 GBP	Pence per share
First interim dividend	955,125	2.25
Second interim dividend	955,125	2.25
	1,910,250	4.50

8 EARNINGS PER SHARE

Earnings per Share (**"EPS"**) is based on the net profit for the period attributable to holders of Ordinary Shares in the Company(**"Shareholders"**) of £467,449 (30 Sep 2017: net profit for the period of £8,269,970) and 42,450,000 Shares (30 Sep 2017: 42,450,000) being the weighted average number of Ordinary Shares in issue during the period. There are no dilutive instruments and therefore basic and diluted EPS are identical.

9 PROPERTY, PLANT AND EQUIPMENT - AIRCRAFT

	Aircraft GBP
COST	
As at 1 Apr 2018	114,532,547
As at 30 Sep 2018	114,532,547
ACCUMULATED DEPRECIATION	
As at 1 Apr 2018	27,452,048
Depreciation charge for the period	2,560,340
As at 30 Sep 2018	30,012,388
CARRYING AMOUNT	
As at 31 Mar 2018	87,080,499
As at 30 Sep 2018	84,520,159

The cost in US dollars and the exchange rates at acquisition for the aircraft was as follows:

Cost in USD	178,549,805
GBP/US dollars exchange rate	1.5502

The Company is depreciating its Asset so as to ensure that the carrying value of its Asset at the termination of its lease equals the uninflated residual dollar value determined at 31 March 2018 in accordance with the methodology set out in Note 3, translated into Sterling at the exchange rate prevailing at 31 March 2018.

The Company may dispose of the Asset during the term of the Lease, but is required to meet certain conditions and needs Emirates' consent (such consent not be unreasonably withheld). If at the end of the Lease the Company makes the choice to sell the Asset rather than leasing it out again, Emirates will be given first refusal to purchase the Asset at an independently appraised value.

Under IAS 17 Leases the direct costs attributed in negotiating and arranging the Lease have been added to the carrying amount of the Asset and will be recognised as an expense over the lease term.

10 FINANCE COSTS

	1 Apr 2018 to 30 Sep 2018 GBP	1 Apr 2017 to 30 Sep 2017 GBP
Amortisation of debt arrangement costs	30,360	30,360
Loan interest	941,022	1,209,538
	971,382	1,239,898

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the period from 1 April 2018 to 30 September 2018

11 OPERATING LEASES

The amounts of minimum future lease receipts at the reporting date under non cancellable operating leases are detailed below:

30 September 2018	Next 12 months GBP	1 to 5 years GBP	After 5 years GBP	Total GBP
Aircraft - A rental payments	11,715,161	19,699,515	-	31,414,676
Aircraft - B rental payments	4,321,632	15,243,024	-	19,564,656
	16,036,793	34,942,539	-	50,979,332

31 March 2018	Next 12 months GBP	1 to 5 years GBP	After 5 years GBP	Total GBP
Aircraft - A rental payments	10,890,292	23,757,639	-	34,647,931
Aircraft - B rental payments	4,321,632	17,403,840	-	21,725,472
	15,211,924	41,161,479	-	56,373,403

The operating lease is for an Airbus A380-861 aircraft. The term of the lease is for 12 years ending December 2022 with reduced rental payments in the last two years and no extension option.

At the end of the lease term the lessee has the right to exercise an option to purchase the Asset if the Company chooses to sell the Asset. If a purchase option event occurs the Company and the lessee will be required to arrange for a current market value appraisal of the Asset to be carried out by three independent appraisers. The purchase price will be equal to the average valuation of those three appraisals.

12 RECEIVABLES

	30 Sep 2018 GBP	31 Mar 2018 GBP
Prepayments	7,986	12,732
Sundry debtors	11	11
	7,997	12,743

The above carrying value of receivables is equivalent to its fair value.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the period from 1 April 2018 to 30 September 2018

13 PAYABLES (amounts falling due within one year)

	30 Sep 2018 GBP	31 Mar 2018 GBP
Accrued administration fees	6,049	6,011
Accrued audit fee	10,800	12,960
Accrued asset manager and corporate and shareholder adviser fees	-	99,998
Other accrued expenses	11,256	9,003
	28,105	127,972

The above carrying value of payables is equivalent to its fair value.

14 BORROWINGS

	30 Sep 2018 GBP	31 Mar 2018 GBP
Bank loan	30,584,300	33,027,979
Transaction costs	(254,658)	(285,019)
	30,329,642	32,742,960
Current portion	10,319,288	9,328,715
Non-current portion	20,010,354	23,414,245

Notwithstanding the fact that £4.8 million of capital was repaid during the period, as per the Statement of Cash Flows, the value of the borrowings has only decreased by £2 million due to the 7 per cent. decrease in the Sterling/US dollar exchange rate for the period from 1 April 2018 to 30 September 2018.

The amounts below detail the future contractual undiscounted cash flows in respect of the Loan, including both the principal and interest payments, and will not agree directly to the amounts recognised in the Statement of Financial Position:

Amount due for settlement within 12 months	11,785,672	10,955,849
Amount due for settlement after 12 months	21,670,032	25,622,181

14 BORROWINGS (continued)

The loan was arranged with Westpac Banking Corporation (**"Westpac"**) for $122,000,000, runs for 12 years until December 2022, and has an effective interest rate of 5.4950 per cent., which is the same as the contractual fixed interest rate. The Loan is secured on the Asset. No breaches or defaults occurred in the Period. Transaction costs of arranging the Loan have been deducted from the carrying amount of the Loan and are being amortised over its life.

In the Directors' opinion, the above carrying value of the bank loan is approximate to its fair value.

15 SHARE CAPITAL

The Share Capital of the Company is represented by an unlimited number of shares of no par value being issued or reclassified by the Company as Ordinary Shares or Administrative Shares.

Issued	**Subordinated Administrative Shares**	**Ordinary Preference Shares**
Issued shares as at 30 September 2018 and as at 31 March 2018	2	42,450,000

Issued Share Capital	**GBP**
Total Share Capital as at 30 September 2018 and as at 31 March 2018	39,016,728

Members holding Ordinary Shares are entitled to receive and participate in any dividends out of income; other distributions of the Company available for such purposes and resolved to be distributed in respect of any accounting period; or other income or right to participate therein. On a winding up, members are entitled to the surplus assets remaining after payment of all the creditors of the Company. Members have the right to receive notice of and to attend, speak and vote at general meetings of the Company.

15 SHARE CAPITAL (continued)

The holders of Subordinated Administrative Shares are not entitled to receive, and participate in, any dividends out of income; other distributions of the Company available for such purposes and resolved to be distributed in respect of any accounting period; or other income or right to participate therein. On a winding up, holders are entitled to a return of capital paid up on them after the Ordinary Shares have received a return of their capital paid up but ahead of the return of all additional capital to the holders of Ordinary Shares. Holders of Administrative Shares shall not have the right to receive notice of and shall have no right to attend, speak and vote at general meetings of the Company, except for the Liquidation Proposal Meeting (general meeting convened six months before the end term of the Lease where the Liquidation Resolution will be proposed) or if there are no Ordinary Shares in existence.

The Ordinary Shares are not puttable instruments as the holder does not have the right to put the Shares back to the Company for cash or another financial instrument.

16 CASH AND CASH EQUIVALENTS

	30 Sep 2018	31 Mar 2018
	GBP	GBP
Cash at bank	3,961,958	3,984,293

17 FINANCIAL INSTRUMENTS

The Company's main financial instruments comprise:

(a) Cash and cash equivalents that arise directly from the Company's operations; and

(b) Loan secured on non-current asset.

18 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's objective is to obtain income returns and a capital return for its Shareholders by acquiring, leasing and then selling a single aircraft.

The following table details the categories of financial assets and liabilities held by the Company at the reporting date:

	30 Sep 2018 GBP	31 Mar 2018 GBP
Financial assets		
Cash and cash equivalents	3,961,958	3,984,293
Receivables (excluding prepayments)	11	11
Financial assets at amortised cost	3,961,969	3,984,304
Financial liabilities		
Payables	28,105	127,972
Loans payable	30,329,642	32,742,960
Financial liabilities measured at amortised cost	30,357,747	32,870,932

The main risks arising from the Company's financial instruments are capital management risk, foreign currency risk, credit risk, liquidity risk and interest rate risk. The Board regularly reviews and agrees policies for managing each of these risks and these are summarised below:

(a) Capital Management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to Shareholders through the optimisation of the debt and equity balance. The Company is not subject to any externally imposed capital requirements.

The capital structure of the Company consists of debt, which includes the borrowings disclosed in Note 14, cash and cash equivalents disclosed in Note 16 and equity attributable to equity holders, comprising issued capital and retained earnings.

The Company's Board reviews the capital structure on a bi-annual basis.

Equity includes all capital and reserves of the Company that are managed as capital.

No changes were made in the objectives, policies or processes for managing capital during the period ended 30 September 2018.

18 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(b) Foreign Currency Risk

The Company's accounting policy under IFRS requires the use of a Sterling historic cost of the Asset and the value of the US dollar loan as translated at the spot exchange rate on every statement of financial position date. In addition, US dollar operating lease receivables are not immediately recognised in the statement of financial position and are accrued over the period of the Lease. The Directors consider that this introduces artificial variance due to the movement over time of foreign exchange rates. In actuality, the US dollar operating lease receivables should offset the US dollar payables on amortising loans. The foreign exchange exposure in relation to the Loan is thus almost entirely hedged.

Lease rentals (as detailed in Notes 4 and 11) are received in US dollars and Sterling. Those lease rentals received in US dollars are used to pay the loan repayments due, also in US dollars. Both US dollar lease rentals and loan repayments are fixed and are for similar sums and similar timings. The matching of lease rentals to settle loan repayments therefore minimises risks caused by foreign exchange fluctuations.

The carrying amounts of the Company's foreign currency denominated monetary assets and liabilities at the reporting date are as follows:

	30 Sep 2018 GBP	31 Mar 2018 GBP
Bank loan (USD) - liabilities	(30,584,300)	(33,027,979)
Cash and cash equivalents (USD) - assets	2,382,206	2,247,268

The following table details the Company's sensitivity to a 25 per cent (31 March 2018: 25 per cent) appreciation of Sterling against the US dollar. 25 per cent. (31 March 2018: 25 per cent.) represents the Directors' assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 25 per cent. (31 March 2018: 25 per cent.) change in foreign currency rates. A positive number below indicates an increase in profit and equity where Sterling strengthens 25 per cent. (31 March 2018: 25 per cent.) against the US dollar. For a 25 per cent. (31 March 2018: 25 per cent.) weakening of Sterling against the US dollar, there would be a comparable but opposite impact on the profit and equity.

	30 Sep 2018 USD impact GBP	31 Mar 2018 USD impact GBP
Profit or loss	5,640,419	6,156,142
Assets	(476,441)	(449,454)
Liabilities	6,116,860	6,605,596

18 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(b) Foreign Currency Risk (continued)

On the eventual sale of the Asset, the Company will be subject to foreign currency risk if the sale will be made in a currency other than Sterling. Transactions in similar assets are typically priced in US dollars.

(c) Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company.

The credit risk on cash transactions is mitigated by transacting with counterparties that are regulated entities subject to prudential supervision, or with high credit ratings assigned by international credit rating agencies.

The Company's financial assets exposed to credit risk are as follows:

	30 Sep 2018 GBP	31 Mar 2018 GBP
Receivables (excluding prepayments)	11	11
Cash and cash equivalents	3,961,958	3,984,293
	3,961,969	3,984,304

Surplus cash is held in accounts with Barclays and Westpac Banking Corporation, which have credit ratings given by Moody's of A2 (stable) and Aa3 (stable) respectively.

There is a contractual credit risk arising from the possibility that the lessee may default on the lease payments. This risk is mitigated, as under the terms of the lease agreements between the lessee and the Company, any non-payment of the lease rentals constitutes a Special Termination Event, under which the lease terminates and the Company may either choose to sell the Asset or lease it to another party.

At the inception of the Lease, the Company selected a lessee with a strong balance sheet and financial outlook. The financial strength of Emirates is regularly reviewed by the Board and the Asset Manager.

18 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(d) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in realising assets or otherwise raising funds to meet financial commitments. The Company's main financial commitments are its ongoing operating expenses and loan repayments to Westpac.

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which established an appropriate liquidity management framework at the incorporation of the Company, through the timings of lease rentals and loan repayments. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and borrowing facilities, by monitoring forecast and actual cash flows, and by matching profiles of financial assets and liabilities.

The table below details the residual contractual maturities of financial liabilities, including estimated interest payments. The amounts below are contractual undiscounted cash flows, including both principal and interest payments, and will not agree directly to the amounts recognised in the statement of financial position.

30 Sep 2018	**1-3 months GBP**	**3-12 months GBP**	**1-2 years GBP**	**2-5 years GBP**	**over 5 years GBP**
Financial liabilities					
Payables - due within one year	28,105	-	-	-	-
Loans payable	2,946,418	8,839,254	11,785,672	9,884,360	-
	2,974,523	8,839,254	11,785,672	9,884,360	-

31 Mar 2018	**1-3 months GBP**	**3-12 months GBP**	**1-2 years GBP**	**2-5 years GBP**	**over 5 years GBP**
Financial liabilities					
Payables - due within one year	127,972	-	-	-	-
Loans payable	2,738,962	8,216,887	10,955,849	14,666,332	-
	2,866,934	8,216,887	10,955,849	14,666,332	-

18 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(e) Interest Rate Risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows. It is the risk that fluctuations in market interest rates will result in a reduction in deposit interest earned on bank deposits held by the Company.

The Company mitigates interest rate risk by fixing the interest rate on the Loan and the lease rentals.

The following table details the Company's exposure to interest rate risks, by interest rate refinancing period:

30 September 2018	**Variable interest GBP**	**Fixed interest GBP**	**Non-interest Bearing GBP**	**Total GBP**
Financial assets				
Receivables	-	-	7,997	7,997
Cash and cash equivalents	3,961,958	-	-	3,961,958
Total financial assets	3,961,958	-	7,997	3,969,955
Financial liabilities				
Payables	-	-	28,105	28,105
Loans payable	-	30,584,300	-	30,584,300
Total financial liabilities	-	30,584,300	28,105	30,612,405
Total interest sensitivity gap	3,961,958	30,584,300		

31 March 2018	**Variable interest GBP**	**Fixed interest GBP**	**Non-interest Bearing GBP**	**Total GBP**
Financial assets				
Receivables	-	-	12,743	12,743
Cash and cash equivalents	3,984,293	-	-	3,984,293
Total financial assets	3,984,293	-	12,743	3,997,036
Financial liabilities				
Payables	-	-	127,972	127,972
Loans payable	-	33,027,979	-	33,027,979
Total financial liabilities	-	33,027,979	127,972	33,155,951
Total interest sensitivity gap	3,984,293	33,027,979		

18 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(e) Interest Rate Risk (continued)

If interest rates had been 50 basis points higher throughout the period and all other variables were held constant, the Company's profit for the period and net assets attributable to Shareholders as at 30 September 2018 would have been £19,810 (31 March 2018: £19,921) greater due to an increase in the amount of interest receivable on the bank balances.

If interest rates had been 50 basis points lower and all other variables were held constant, the Company's profit for the period and net assets attributable to Shareholders as at 30 September 2018 would have been £19,810 (31 March 2018: £19,921) lower due to an decrease in the amount of interest receivable on the bank balances.

19 CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

The following table discloses the effects of the amendments to IAS 7 Statement of Cash Flows which requires additional disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash flows.

	30 Sep 2018 GBP	31 Mar 2018 GBP
Opening Balance	33,027,979	46,748,096
Cash flows paid - capital	(4,760,895)	(9,216,397)
Cash flows paid - interest	(911,199)	(2,231,299)
Non-cash flows		
- Interest accrued	941,022	2,230,594
- Effects of foreign exchange	2,032,735	(4,503,015)
Closing Balance	30,329,642	33,027,979

20 ULTIMATE CONTROLLING PARTY

In the opinion of the Directors, the Company has no ultimate controlling party.

21 RELATED PARTIES

Nimrod Capital LLP ("**Nimrod**") is the Company's Corporate and Shareholder Adviser. The Company pays to Nimrod for its services as Corporate and Shareholder Adviser a fee of £100,000 per annum (adjusted annually for inflation from 2012 onwards at 2.25 per cent. per annum) payable quarterly in arrears.

During the Period, the Company incurred £58,630 (30 September 2017: £57,142) of fees and expenses with Nimrod, of which £nil (31 March 2018: £28,571) was outstanding to this related party at 30 September 2018.

Doric GmbH ("**Doric**") is the Company's Asset Manager. The Company pays Doric a management and advisory fee of £250,000 per annum (adjusted annually for inflation from 2012 onwards, at 2.25 per cent. per annum), payable quarterly in arrears.

During the Period, the Company incurred £146,067 (30 September 2017: £142,853) of expenses with Doric, of which £nil (31 March 2018: £nil) was outstanding to this related party at 30 September 2018.

John Le Prevost is a director of Anson Registrars Limited ("**Anson**"), the Company's registrar, transfer agent and paying agent. During the Period £4,454 (30 September 2017: £4,907) of costs were incurred with Anson, of which £689 (31 March 2018: £585) was outstanding as at 30 September 2018.

22 CHANGE IN ACCOUNTING POLICIES

This note explains the impact of the adoption of IFRS 9 'Financial Instruments' and IFRS 15 'Revenue from Contracts with Customers' on the Company's financial statements and also discloses the new accounting policies that have been applied from 1 January 2018, where they are different to those applied in prior periods.

(a) IFRS 9 'Financial Instruments '– Impact of adoption

IFRS 9 replaces the provisions of IAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting.

The adoption of IFRS 9 'Financial Instruments' from 1 April 2018 only resulted in changes in accounting policies. The new accounting policies are set out in Note 22 (c) below. No adjustments were deemed necessary to the amounts recognised in the financial statements and accordingly there was no impact on the retained earnings as at 1 April 2018.

Classification Financial Assets and of Financial Liabilities
IFRS 9 contains three principal classification categories for financial assets and liabilities: measured at amortised cost, fair value through other comprehensive income ("**FVOCI**") and fair value through profit or loss ("**FVTPL**"). IFRS 9 classification is generally based on the business model in which a financial asset is managed and its contractual cash flows.

Based on the Company's assessment, this standard does not have a material impact on the classification of financial assets and financial liabilities of the Company. This is because:

- financial instruments currently measured at amortised cost are accrued income, short-term investments, cash and cash equivalents, receivables, borrowings, deferred income and payables. These instruments meet the solely principal and interest criterion and are held in a held-to-collect business model. Accordingly, they will continue to be measured at amortised cost under IFRS 9.

Impairment of Financial Assets
IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' model. The new impairment model also applies to certain loan commitments and financial guarantee contracts but not to equity investments. Under IFRS 9, credit losses are recognised earlier than under IAS 39.

The Company assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Company has chosen to apply the simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

Based on the Company's assessment, changes to the impairment model do not have a material impact on the financial assets of the Company. This is because:

- the accrued income and receivables at amortised cost are short-term (i. e. no longer than 12 months) and considered to be of high credit quality as the Company selected a lessee with a strong balance sheet and financial outlook which has no history of defaulting on any rental payments. Under the terms of the lease agreements between the lessee and the Company, any non-payment of the lease rentals constitutes a Special Termination Event, under which the lease terminates and the Company may either choose to sell the Asset or lease the Asset to another party. Accordingly, the identified impairment losses on such assets are expected to be small; and

22 CHANGE IN ACCOUNTING POLICIES (continued)

(a) IFRS 9 'Financial Instruments '– Impact of adoption (continued)

- -while cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss is expected to be small as the instruments are held with regulated entities subject to prudential supervision, or with high credit ratings assigned by international credit rating agencies.

(b) IFRS 15 'Revenue from Contracts with Customers' – Impact of adoption

IFRS 15 deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces IAS 18 'Revenue' and IAS 11 'Construction contracts', related interpretations. The only contractual receipts which the Company currently has are rental income from Emirates leasing its Aircraft. Rental income is currently recognised in accordance with IAS 17 (which will be replaced by IFRS 16 which is specifically excluded from IFRS 15. The adoption of IFRS 15 'Revenue from Contracts with Customers' from 1 April 2018 does thus not materially impact the financial statements.

(c) IFRS 9 'Financial Instruments' – Accounting policies applied from 1 January 2018

Investments and other financial assets

(i) Classification

From 1 January 2018, the Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income ("OCI"), or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

22 CHANGE IN ACCOUNTING POLICIES (continued)

(c) IFRS 9 'Financial Instruments' – Accounting policies applied from 1 January 2018 (continued)

(ii) Measurement (continued)

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses), together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.
- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains / (losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of profit or loss.

- FVTPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

22 CHANGE IN ACCOUNTING POLICIES (continued)

(c) IFRS 9 'Financial Instruments' – Accounting policies applied from 1 January 2018 (continued)

(iii) Impairment

From 1 January 2018, the Company assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

23 SUBSEQUENT EVENTS

On 10 October 2018, a further dividend of 2.25 pence per Ordinary Preference Share was declared and this was paid on 31 October 2018.

ADVISORS AND CONTACT INFORMATION

KEY INFORMATION

Exchange: Specialist Fund Segment of the London Stock Exchange's Main Market
Ticker: DNA1
Listing Date: 13 December 2010
Financial Year End: 31 March
Base Currency: Pound Sterling
ISIN: GG00B4MF3899
SEDOL: B4MF389
Country of Incorporation: Guernsey
Registration number: 52484

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