

INEOS Aviation Limited

Annual report and financial statements

Registered number 02997841

31 December 2020

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Strategic report

The directors present their strategic report for the year ended 31 December 2020.

Business overview

The principal activity of the Company continues to be the provision of private jet management services. There has been no change from the prior year.

Business review

The results of the company are set out in the profit and loss account on page 9 which shows a loss before taxation for the financial year of £2,801k (2019: £1,039k profit). Turnover for the year was £9,390k (2019: £16,560k).

Objectives and strategy

The directors do not expect any change in the Company's activities during the next financial year as the Company will continue to act as a provider of private jet management services.

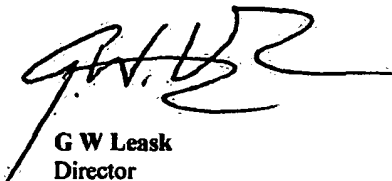
Principal risks and uncertainties

The key business risks for the company are considered by the directors to be the safety and security of staff and customers' personnel, attracting and retaining staff, and company reputation. Emphasis is placed on regular training and continuous development of key skills. The directors regularly review these risks and are satisfied that they are being correctly managed.

Key performance indicators

Given the straightforward nature of the business, the directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

Approved and signed on behalf of the Board



G W Leask
Director

22 July 2021

Directors' report

The directors present their report and the audited financial statements of the Company for the year ended 31 December 2020.

Directors

The directors who held office during the year and up to the date of signing the financial statements are given below:

R E Daft (resigned 31 December 2020)
B R Foster (resigned 26 March 2020)
G W Leask
T E Pickering (appointed 26 March 2020)

Financial risk management

The Company's operations expose it to a variety of financial risks that include the effects of changes in interest rate risk, credit risk and liquidity risk. The Company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the Company where appropriate. The company is funded internally by the INEOS group and therefore has no direct exposure to liquidity or debt market risk. Interest rate exposures are managed on a group basis and are fully disclosed in the consolidated financial statements of INEOS Industries Limited.

Future developments

The directors do not expect any change in the Company's activities during the next financial year.

Dividends

The directors do not recommend the payment of an interim or final dividend (2019: £nil).

Charitable contributions

During the year the Company made a contribution of £nil (2019: £1k) to charitable organisations.

Going concern

The financial statements are prepared on a going concern in accordance with the Companies Act 2006 and the Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). The Company meets its day-to-day working capital requirements through its operations. The COVID 19 outbreak is expected to reduce activity for the coming financial year but after reviewing the Company's forecasts and projections and its financial situation at the date of these financial statements the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The directors have also received confirmation that INEOS Industries Limited intends to support the Company for at least one year after these financial statements are signed. After making these enquires, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing the financial statements.

Directors' report (continued)

Directors' responsibilities statement

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework".

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

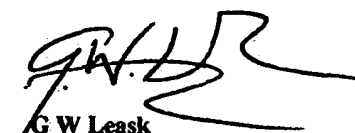
Disclosure of information to auditors

The directors confirm that as far as they are aware, there is no relevant audit information of which the Company's auditors are unaware and that they have taken all steps necessary as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information. This confirmation is given and should be interpreted in accordance with the provision of s418 of the Companies Act 2006.

Independent auditors

Deloitte LLP have expressed their willingness to continue in office as auditor pursuant to Section 485-488 of the Companies Act 2006. Appropriate arrangements have been put in place for them to be deemed reappointed in the absence of an Annual General Meeting.

Approved and signed on behalf of the Board



G W Leask
Director

INEOS Aviation Limited, Hawkslease, Chapel Lane, Lyndhurst, SO43 7FG

22 July 2021

Independent auditor's report to the members of INEOS Aviation Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of INEOS Aviation Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 13.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Independent auditor's report to the members of INEOS Aviation Limited (continued)

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

Independent auditor's report to the members of INEOS Aviation Limited (continued)

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, Bribery Act, and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following areas, and our specific procedures performed to address it are described below:

- Occurrence of turnover earned through private jet management services: we have agreed a sample of transactions through to supporting sales invoice and bank statement.
- We also evaluated the design and implementation of the review control relating to revenue.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

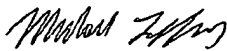
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Independent auditor's report to the members of INEOS Aviation Limited (continued)

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Michael Jeffrey FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Newcastle, UK

22 July 2021

Profit and Loss Account
for the year ended 31 December 2020

	<i>Note</i>	2020 £'000	2019 £'000
Turnover	2	9,390	16,560
Cost of sales		<u>(11,255)</u>	<u>(14,775)</u>
Gross (loss) / profit		(1,865)	1,785
Administrative expenses		<u>(916)</u>	<u>(742)</u>
Operating (loss) / profit	3	(2,781)	1,043
Interest payable and similar expenses	5	<u>(20)</u>	<u>(4)</u>
(Loss) / profit before taxation		(2,801)	1,039
Tax on (loss) / profit	6	<u>526</u>	<u>(190)</u>
(Loss) / profit for the financial year		<u>(2,275)</u>	<u>849</u>

All activities of the Company relate to continuing operations.

The Company has no recognised other comprehensive income and therefore no separate statement of comprehensive income has been presented.

Balance Sheet
As at 31 December 2020

	<i>Note</i>	2020 £'000	2020 £'000	2019 £'000	2019 £'000
Fixed assets					
Intangible assets	7				
Tangible assets	8				
Current assets					
Debtors: amounts falling due within one year	9	6,422		5,099	
Cash at bank and in hand		416		397	
		6,838		5,496	
Creditors: amounts falling due within one year	10	(7,395)		(3,778)	
Net current (liabilities) / assets			(557)		1,718
Total assets less current liabilities			(557)		1,718
Net (liabilities) / assets			(557)		1,718
Capital and reserves					
Called up share capital	11		200		200
Profit and loss account			(757)		1,518
Total shareholders' funds			(557)		1,718

The financial statements on pages 10 to 22 were approved by the Board of Directors on 22 July 2021 and signed on its behalf by:


G W Leask
Director

Company registered number: 02997841

Statement of Changes in Equity
for the year ended 31 December 2020

	<i>Note</i>	Called up share capital £'000	Profit and loss account £'000	Total shareholders' funds £'000
Balance at 1 January 2019		200	669	869
Total comprehensive income for the financial year		-	849	849
Balance at 31 December 2019	<i>11</i>	200	1,518	1,718

		Called up share capital £'000	Profit and loss account £'000	Total shareholders' funds £'000
Balance at 1 January 2020		200	1,518	1,718
Total comprehensive expense for the financial year		-	(2,275)	(2,275)
Balance at 31 December 2020	<i>11</i>	200	(757)	(557)

Notes

(forming part of the financial statements)

1 Accounting policies

INEOS Aviation Limited is a private company, limited by shares, incorporated in the United Kingdom and registered in England and Wales. Registered office of the company is situated at Hawkslease, Chapel Lane, Lyndhurst, SO43 7FG.

The presentation currency of these financial statements is sterling which is also the functional currency of the entity.

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash Flow Statement;
- Comparative period reconciliations for share capital, tangible fixed assets and intangible assets;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel;
- Certain requirements of IAS 24 *Related Party Disclosures*; and
- Certain requirements of IFRS 15 *Revenue from Contracts with Customers*.

As the consolidated financial statements of INEOS Industries Limited include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IAS 36 *Impairment of assets* in respect of the impairment of goodwill and indefinite life intangible assets;
- Disclosures required by IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* in respect of the cash flows of discontinued operations; and
- Certain disclosures required by IFRS 13 *Fair Value Measurement* and the disclosures required by IFRS 7 *Financial Instrument Disclosures*.

The accounting policies set out below have, unless otherwise stated, been applied consistently on the going concern basis, to all periods presented in these financial statements and in accordance with the Companies Act 2006 as applicable to companies using FRS 101.

Impact of new standards and interpretations

There are no amendments to accounting standards that are effective for the year ended 31 December 2019 which have had a material impact on the company. The company has no contracts within the scope of IFRS 16.

In the current year, the Company has applied a number of amendments to IFRS Standards and Interpretations issued by the International Accounting Standards Board (IASB) that are effective for an annual period that begins on or after 1 January 2020. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Notes (continued)
(forming part of the financial statements)

1 Accounting policies (continued)

Amendments to References to the Conceptual Framework in IFRS Standards

The Company has adopted the amendments included in Amendments to References to the Conceptual Framework in IFRS Standards for the first time in the current year. The amendments include consequential amendments to affected Standards so that they refer to the new Framework. Not all amendments, however, update those pronouncements with regard to references to and quotes from the Framework so that they refer to the revised Conceptual Framework. Some pronouncements are only updated to indicate which version of the Framework they are referencing to (the IASC Framework adopted by the IASB in 2001, the IASB Framework of 2010, or the new revised Framework of 2018) or to indicate that definitions in the Standard have not been updated with the new definitions developed in the revised Conceptual Framework.

The standard which are amended are IFRS 2, IFRS 3, IFRS 6, IFRS 14, IAS 1, IAS 8, IAS 34, IAS 37, IAS 38, IFRIC 12, IFRIC 19, IFRIC 20, IFRIC 22, and SIC-32.

Amendments to IAS 1 and IAS 8 Definition of material

The Company has adopted the amendments to IAS 1 and IAS 8 for the first time in the current year. The amendments make the definition of material in IAS 1 easier to understand and are not intended to alter the underlying concept of materiality in IFRS Standards. The concept of 'obscuring' material information with immaterial information has been included as part of the new definition.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

1.2 Going concern

The financial statements are prepared on a going concern in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom.

The Company meets its day-to day working capital requirements through its operations. The current COVID 19 outbreak is expected to reduce activity for the coming financial year but after reviewing the Company's forecasts and projections and its financial situation at the date of these financial statements the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The directors have also received confirmation that INEOS Industries Limited intends to support the Company for at least one year after these financial statements have been signed. The directors therefore continue to adopt the going concern basis in preparing the financial statements.

1.3 Foreign currency

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account.

Notes (continued)
(forming part of the financial statements)

1 Accounting policies (continued)

1.4 Non-derivative financial instruments

Non-derivative financial instruments comprise trade and other debtors, cash and cash equivalents, loans and borrowings, and trade and other creditors.

Trade and other debtors

Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition, the company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

Trade and other creditors

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

1.5 Derivative financial instruments

Derivative financial instruments are recognised at fair value. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss.

1.6 Intangible fixed assets

Intangible assets are stated at cost less accumulated amortisation. Amortisation is provided on a straight-line basis at rates calculated to write off the cost less residual value of each asset over its expected useful life as follows:

- Software 3 years

1.7 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. The estimated useful lives are as follows:

- Motor vehicles 3 years

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date.

1.8 Impairment excluding deferred tax assets

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

Notes (continued)
(forming part of the financial statements)

1 Accounting policies (continued)

1.8 Impairment excluding deferred tax assets (continued)

Financial assets (including trade and other debtors) (continued)

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment, an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

1.9 Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

1.10 Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents the amount received for services rendered net of value added taxes. Turnover is recognised at the point at which services have been provided.

1.11 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Notes (continued)
(forming part of the financial statements)

1 Accounting policies (continued)

1.12 Accounting estimates and judgements

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. The directors do not consider there to be any critical judgements or key sources of estimation uncertainty within the financial statements.

2 Turnover

The Company's turnover and loss before taxation were derived wholly in the UK from its principal activity.

3 Operating (loss) / profit

	2020 £'000	2019 £'000
Operating (loss) / profit is stated after charging:		
Auditors' remuneration:		
Audit of the financial statements	<u>9</u>	<u>7</u>

Notes (continued)
(forming part of the financial statements)

4 Staff costs and directors' remuneration

	2020 Number	2019 Number
Average number of employees		
Pilots and flight crew	34	39
Operations management and administration	11	11
Total number of employees	<u>45</u>	<u>50</u>
	2020 £'000	2019 £'000
Employment costs		
Wages and salaries	4,040	4,110
Social security costs	456	457
Other pension costs	224	218
Other employee costs	16	(10)
Total employment costs	<u>4,736</u>	<u>4,775</u>
	2020 £'000	2019 £'000
Directors' remuneration		
Aggregate remuneration	195	280
Pension contributions	11	11
Total emoluments	<u>206</u>	<u>291</u>
	2020 £'000	2019 £'000
Highest paid director information		
Aggregate remuneration	195	280
Pension contributions	11	11
Total emoluments	<u>206</u>	<u>291</u>

One director received emoluments during the current year (2019: 1). The other directors are remunerated within other associated companies with the same ultimate controlling party.

Notes (continued)
(forming part of the financial statements)

5 Interest payable and similar expenses

	2020 £'000	2019 £'000
Net foreign exchange loss	20	4
Total other interest payable and similar expenses	20	4

6 Tax on (loss)/profit

Recognised in the profit and loss account

	2020 £'000	2019 £'000
<i>Current tax</i>		
UK corporation tax on (losses) / profits of the year	(532)	197
Adjustments in respect of prior periods	7	(5)
	(525)	192
<i>Deferred tax</i>		
Origination and reversal of timing differences	1	1
Adjustments in respect of prior periods	(2)	(3)
	(1)	(2)
Tax on (loss)/profit	(526)	190

Reconciliation of effective current tax rate

	2020 £'000	2019 £'000
(Loss) / profit before taxation	(2,801)	1,039
(Loss) / profit before taxation multiplied by the standard rate of tax in the UK of 19% (2019: 19%)	(532)	197
Effect of capital allowances	1	1
Adjustments in respect of prior periods	5	(8)
Total current tax	(526)	190

On 3 March 2021 the UK government announced an intention to increase the UK corporation tax rate to 25% with effect from 1 April 2023. If enacted this will impact the value of our UK deferred tax balances, and the tax charged on UK profits generated in 2023 and subsequently. We have yet to determine the impact of these proposed changes.

Notes (continued)
(forming part of the financial statements)

7 Intangible assets

	Software £'000	Total £'000
Cost		
At 1 January 2020	18	18
Additions	-	-
Disposals	(9)	(9)
At 31 December 2020	<u>9</u>	<u>9</u>
Accumulated amortisation		
At 1 January 2020	(18)	(18)
Amortisation charge for the year	-	-
Disposals	9	9
At 31 December 2020	<u>(9)</u>	<u>(9)</u>
Net book value		
At 31 December 2019	<u>-</u>	<u>-</u>
At 31 December 2020	<u>-</u>	<u>-</u>

8 Tangible assets

	Motor vehicles £'000	Total £'000
Cost		
At 1 January 2020	16	16
Additions	-	-
Disposals	-	-
At 31 December 2020	<u>16</u>	<u>16</u>
Accumulated depreciation		
At 1 January 2020	(16)	(16)
Depreciation charge for the year	-	-
Disposals	-	-
At 31 December 2020	<u>(16)</u>	<u>(16)</u>
Net book value		
At 31 December 2019	<u>-</u>	<u>-</u>
At 31 December 2020	<u>-</u>	<u>-</u>

Notes (continued)
(forming part of the financial statements)

9 Debtors

	2020 £'000	2019 £'000
Amounts falling due within one year		
Trade debtors	35	-
Amounts owed by related parties (Note 12)	4,659	3,890
Other debtors	545	387
Deferred tax asset	7	6
Prepayments and accrued income	<u>1,176</u>	<u>816</u>
	<u>6,422</u>	<u>5,099</u>

Amounts owed by related parties include trade debtors and accrued income and related party loans which are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

10 Creditors: amounts falling due within one year

	2020 £'000	2019 £'000
Trade creditors	245	379
Amounts owed to related parties (Note 12)	6,695	3,020
Accruals and deferred income	314	379
Other creditors	<u>141</u>	<u>-</u>
	<u>7,395</u>	<u>3,778</u>

Amounts owed to related parties within one year include trade creditors and accrued expenses and related party loans which are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

11 Called up share capital

	2020 £'000	2019 £'000
<i>Allotted, called up and fully paid</i>		
200,000 (2019: 200,000) Ordinary shares of £1 each	<u>200</u>	<u>200</u>
Shares classified in shareholders' funds	<u>200</u>	<u>200</u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

The Company's other reserves are as follows:

The profit and loss account represents cumulative profits, losses and other comprehensive income made by the Company as well as distributions and other adjustments.

Notes (continued)
(forming part of the financial statements)

12 Related parties

	Sales to	Sales to	Purchases	Purchases
	2020	2019	from	from
	£'000	£'000	2020	2019
			£'000	£'000
Related parties	<u>9,390</u>	<u>16,560</u>	<u>4,821</u>	<u>4,869</u>
Receivables outstanding less than 1 year			2020	2019
			£'000	£'000
Related parties			<u>4,659</u>	<u>3,890</u>
Payables outstanding less than 1 year			2020	2019
			£'000	£'000
Related parties			<u>6,695</u>	<u>3,020</u>

Related parties are other INEOS group companies and the directors of INEOS Limited who are invoiced for their use of the aircraft operated by the Company. Purchases during the year relate to support services provided by other companies within the INEOS group.

13 Controlling parties

As at 31 December 2020 the immediate parent undertaking was INEOS Industries Holdings Limited, a company incorporated in England and Wales.

The ultimate parent company at 31 December 2020 was INEOS Limited, a company incorporated in Isle of Man.

INEOS Industries Limited is the parent undertaking of the smallest and largest group of undertakings to consolidate these financial statements. Copies of the financial statements of INEOS Industries Limited can be obtained from the Company Secretary at its registered office, Hawkslease, Chapel Lane, Lyndhurst, Hampshire, SO43 7FG.

The directors regard Mr J A Ratcliffe to be the ultimate controlling party by virtue of his majority shareholding in the ultimate parent undertaking INEOS Limited.