

Registered number: 02175309

HUMBERSIDE INTERNATIONAL AIRPORT LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

TUESDAY



A9XH2DAH

A13

02/02/2021

#346

COMPANIES HOUSE

HUMBERSIDE INTERNATIONAL AIRPORT LIMITED

COMPANY INFORMATION

Directors	R Lake (resigned 23 April 2020) A Waltham J Howell-Richardson (resigned 31 October 2020) A Corbett M Nicol
Company secretary	C MacFarlane
Registered number	02175309
Registered office	Redhill Aerodrome Kings Mill Lane Redhill Surrey RH1 5JZ
Independent auditors	KPMG LLP 1 Marischal Square Broad Street Aberdeen AB10 1DD

HUMBERSIDE INTERNATIONAL AIRPORT LIMITED

CONTENTS

	Page
Strategic report	1 - 2
Directors' report	3 - 5
Independent auditors' report	6 - 8
Profit and loss account and other comprehensive income	9
Balance sheet	10
Statement of changes in equity	11 - 12
Notes to the financial statements	13 - 28

HUMBERSIDE INTERNATIONAL AIRPORT LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2020

Introduction

The audited financial statements for the year ended 31 March 2020 are set out on pages 9 to 28.

Business review

The results of the company for the year ended 31 March 2020 are disclosed in the attached financial statements.

During the year oil and gas activity continued to decline, together with the affects of the global Covid-19 pandemic the company has maintained its revenue consistently in a difficult market.

The airport continues to actively market the investment properties it holds to maximise rental income.

Due to challenging market conditions and the effects of Covid-19 the company has taken an impairment to its fixed assets of £7.5m during the year.

Principal risks and uncertainties

The principal risks and uncertainties of Humberside International Airport are summarised below:-

Breach in security: There is ongoing investment in security technology. There is also an independent quality assurance programme, which employs both an internal and external process for independently checking performance standards with a view to identifying potential areas for improvement. Close co-operation is maintained with Government agencies and the police to ensure that the security regime is responsive to changes in external threats.

A major health and safety incident impacting our customers or colleagues: There is a group-wide structure in place to support management through the provision of staff training, auditing and specialist advice. The assessment of health and safety risks is inbuilt into daily management routines.

Increased environmental restrictions on noise and pollution potentially place limitations on future growth: The risk assessed by the management team who monitor trends in air traffic and develop environmental impact assessments.

Threat of downturn in demand due to adverse global economic factors: The risk is mitigated by the application of prudent financial controls, the gathering of business intelligence and contingency planning.

Political and regulatory: The management team ensures full compliance with formal regulatory requirements and monitor stakeholder and political reactions in order to react to emerging political and regulatory developments.

Recruitment, development and retention of staff: Talent is identified and nurtured through agreed development plans including succession planning of our key leadership positions. Our reward schemes are constantly evaluated and drive and reward performance and ensure retention of key talent.

Financial key performance indicators

The company's directors monitor passenger numbers, service revenues and business profitability as the main key performance indicators. The performance of the business during the year can be seen in the profit and loss account.

HUMBERSIDE INTERNATIONAL AIRPORT LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

Directors' statement of compliance with duty to promote the success of the Company

The Directors must act in a way that they consider, in good faith, would most likely promote the success of the company for the benefit of its members as a whole in accordance with section 172 of the UK Companies Act 2006. References to the company in the below statements refer to the company and its fellow subsidiaries within the Bristow Group. The references to employees relate to all employees within the Bristow Group. The Directors have regard to matters such as, but not limited to:-

a) The likely consequences of long term decisions

The Directors continue to take a long term view on the business, continuously analysing market conditions and seeking diversification opportunities when and where they arise in order to strengthen the business portfolio.

b) The interests of the company's employees

The company prides itself on having a highly skilled, motivated workforce working in an industry where safety is paramount. Employees are subject to annual reviews where employees have the opportunity to give feedback as well as to receive feedback.

c) Business relationships with suppliers, customers and others

The company's relationships with OEM's, clients and other suppliers are significant in maintaining the Bristow brand with regards quality and safety. The directors also consider the views and interests of other stakeholders relating to the company's business, including the UK CAA and other government agencies and regulators, European and other international organisations like EASA.

d) Impact of the company's operations on the community and the environment

The Directors have available information and data relating to all aspects of the business, to enable it to understand the company's operations and the interests and views of the key stakeholders, including the local community and environment.

The company has undertaken various energy efficiency measures to contribute to emission reduction initiatives.

e) Desirability of the company's maintaining a reputation for high standards of business conduct

The Director's continue to review quality and safety in the workplace and ensure compliance under the Bristow Group Inc.'s Code of Business Integrity.

f) The need to act fairly between members of the company

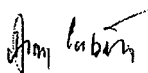
The board of directors participate in board meetings frequently (at least once a quarter) during which operational matters, strategy, business risks and legal and regulatory matters are discussed. These meetings enable the directors to keep abreast of the company's operations and ongoing engagement with their stakeholders.

Directors will engage (either individually or together) directly with some of the stakeholders on certain issues. Other times, engagement will be at an operational level, but always under the direction and supervision of the board of directors.

This report was approved by the board on

8th January 2021

and signed on its behalf.



A Corbett
Director

HUMBERSIDE INTERNATIONAL AIRPORT LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2020

The directors present their report and the financial statements for the year ended 31 March 2020.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, the Directors' 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 elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Principal activity

The principal activity of the company is the operation of Humberside International Airport.

Results and dividends

The loss for the year, after taxation, amounted to £6,940,114 (2019 - profit £291,002). The loss for the year includes an impairment of tangible assets relating to Humberside Airport of £7,500,514.

The company did not pay interim dividends for the year ended 31 March 2020 (2019: £nil).

The directors do not recommend the payment of a final dividend for the year under review. (2019: £nil).

HUMBERSIDE INTERNATIONAL AIRPORT LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

Directors

The directors who served during the year and up to the date of this report were:

R Lake (resigned 23 April 2020)
A Waltham
J Howell-Richardson (resigned 31 October 2020)
A Corbett
M Nicol

The directors benefit from the qualifying third party indemnity provisions in place during the financial year and at the date of this report.

Political contributions

The company made no political donations or incurred any political expenditure during the year (2019: £nil).

Future developments

The directors expect the company to continue its current trade for the foreseeable future.

Based on continuing financial support from Bristow Group Inc, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for at least 12 months from the date of approval of these financial statements. As set out in note 1 to the financial statements, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Financial instruments

Details of the company's principal financial instruments are given in notes 12, 13 and 14 to the financial statements.

Engagement with employees, suppliers, customers and others

Relationships with stakeholders are of strategic importance to the company and these matters are therefore dealt with in the strategic report (under section 172 obligations).

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

HUMBERSIDE INTERNATIONAL AIRPORT LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2020

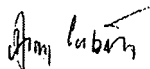
Post balance sheet events

Subsequent to the year end, the global COVID-19 pandemic has continued. The operations of the company have been affected by the pandemic. There have been no other significant events subsequent to the year end which require disclosure.

Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

This report was approved by the board on 8th January 2021 and signed on its behalf.



A Corbett
Director

HUMBERSIDE INTERNATIONAL AIRPORT LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HUMBERSIDE INTERNATIONAL AIRPORT LIMITED

OPINION

We have audited the financial statements of Humberside International Airport Limited ("the company") for the year ended 31 March 2020 which comprise the Profit and loss account and other comprehensive income, Balance Sheet, Statement of changes in equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

GOING CONCERN

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

HUMBERSIDE INTERNATIONAL AIRPORT LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HUMBERSIDE INTERNATIONAL AIRPORT LIMITED

STRATEGIC REPORT AND DIRECTORS' REPORT

The directors are responsible for the strategic report and directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and

in our opinion those reports have been prepared in accordance with the Companies Act 2006.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

Under the Companies Act 2006 we are required to report to you 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 these respects.

HUMBERSIDE INTERNATIONAL AIRPORT LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HUMBERSIDE INTERNATIONAL AIRPORT LIMITED

DIRECTORS' RESPONSIBILITIES

As explained more fully in their statement set out on page 3, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

THE PURPOSE OF OUR AUDIT WORK AND TO WHOM WE OWE OUR RESPONSIBILITIES

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.



David Derbyshire (Senior statutory auditor)

for and on behalf of

KPMG LLP

1 Marischal Square
Broad Street
Aberdeen
AB10 1DD
Date: 15 January 2021

HUMBERSIDE INTERNATIONAL AIRPORT LIMITED

PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2020

	Note	2020 £	2019 £
Turnover		8,834,713	8,626,630
Cost of sales		(16,112,209)	(8,626,601)
Gross (loss)/profit		(7,277,496)	29
(Loss)/gain on fair value of investment properties		(304,700)	50,000
Operating (loss)/profit	3	(7,582,196)	50,029
Interest receivable and similar income		-	17,942
Interest payable and similar expenses		(28,826)	-
(Loss)/profit before tax		(7,611,022)	67,971
Tax on (loss)/profit	8	670,908	223,031
(Loss)/profit for the financial year		(6,940,114)	291,002
Other comprehensive income for the year			
Total comprehensive (expense)/income for the year		(6,940,114)	291,002

The notes on pages 13 to 28 form part of these financial statements.

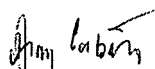
Cost of sales in the year ended 31 March 2020 includes an impairment charge of £7,500,514 relating to tangible fixed assets.

HUMBERSIDE INTERNATIONAL AIRPORT LIMITED
REGISTERED NUMBER: 02175309

BALANCE SHEET
AS AT 31 MARCH 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	9	6,024,673	12,731,574
Investment property	10	8,110,000	8,414,700
		<u>14,134,673</u>	<u>21,146,274</u>
Current assets			
Stocks	11	112,585	179,860
Debtors: amounts falling due within one year	12	1,576,653	2,545,915
Cash at bank and in hand		2,025,877	2,026,639
		<u>3,715,115</u>	<u>4,752,414</u>
Creditors: amounts falling due within one year	13	(2,300,043)	(2,642,995)
Net current assets		<u>1,415,072</u>	<u>2,109,419</u>
Total assets less current liabilities		<u>15,549,745</u>	<u>23,255,693</u>
Creditors: amounts falling due after more than one year	14	(2,567,379)	(2,556,328)
Provisions for liabilities			
Deferred tax	15	(128,059)	(861,485)
		<u>(128,059)</u>	<u>(861,485)</u>
Net assets		<u><u>12,854,307</u></u>	<u><u>19,837,880</u></u>
Capital and reserves			
Called up share capital	16	8,650,000	8,650,000
Share premium account	17	80,938	80,938
Investment property reserve	17	6,161,740	6,466,440
Profit and loss account	17	(2,038,371)	4,640,502
		<u><u>12,854,307</u></u>	<u><u>19,837,880</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 8th January 2021.



A Corbett
Director

The notes on pages 13 to 28 form part of these financial statements.

HUMBERSIDE INTERNATIONAL AIPORT LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2020**

	Called up share capital	Share premium account	Investment property revaluation reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 April 2019	8,650,000	80,938	6,466,440	4,640,502	19,837,880
Comprehensive income for the year					
Loss for the year	-	-	-	(6,940,114)	(6,940,114)
Total comprehensive income for the year	-	-	-	(6,490,114)	(6,490,114)
Deferred tax charged to reserves	-	-	-	(43,459)	(43,459)
Fair value on investment property	-	-	(304,700)	304,700	-
At 31 MARCH 2020	8,650,000	80,938	61,161,740	(2,038,371)	12,854,307

The notes on pages 13 to 28 form part of these financial statements.

HUMBERSIDE INTERNATIONAL AIRPORT LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2019**

	Called up share capital	Share premium account	Investment property revaluation reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 April 2018	8,650,000	80,938	6,424,440	4,391,500	19,546,878
Comprehensive income for the year					
Profit for the year	-	-	-	291,002	291,002
Total comprehensive income for the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>291,002</u>	<u>291,002</u>
Transfer to/from profit and loss account	-	-	-	(42,000)	(42,000)
Fair value on investment property	-	-	50,000	-	50,000
Reclassification of deferred tax	-	-	(8,000)	-	(8,000)
At 31 March 2019	<u><u>8,650,000</u></u>	<u><u>80,938</u></u>	<u><u>6,466,440</u></u>	<u><u>4,640,502</u></u>	<u><u>19,837,880</u></u>

The notes on pages 13 to 28 form part of these financial statements.

HUMBERSIDE INTERNATIONAL AIRPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1. Accounting policies

1.1 Basis of preparation of financial statements

Humberside International Airport Limited (the "company") is a private company incorporated, registered and domiciled in the United Kingdom. The registered number is 02175309 and the registered address is Redhill Aerodrome, Kings Mill Lane, Redhill, Surrey, RH1 5JZ.

The financial statements have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland ("FRS102").

The company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the company as an individual undertaking and not about its group.

The functional and presentation currency of these financial statements is UK pound. All amounts in the financial statements have been rounded to the nearest £.

The Company's ultimate parent undertaking, Bristow Aviation Holdings Limited, includes the Company in its consolidated financial statements. The consolidated financial statements of Bristow Aviation Holdings Limited are prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") and are available to the public and may be obtained from Redhill Aerodrome, Redhill, Surrey, RH1 5JZ. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of Bristow Aviation Holdings Limited include the equivalent disclosures, the company has also taken the exemptions under FRS 102 available in respect of the following disclosures;

- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

HUMBERSIDE INTERNATIONAL AIRPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1. Accounting policies (continued)

The preparation of these financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies.

Estimates and judgements are continually evaluated and based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

- Critical judgements in applying the company's accounting policies

In the opinion of the directors no critical accounting judgements have been made in applying the company's accounting policies.

- Critical accounting estimates and assumptions

The company carries its investment property at fair value, with changes in fair value being recognised in the profit and loss account. The company engaged independent valuation specialists to determine fair value at 31 March 2020. The valuer used a valuation technique based on a discounted cash flow model as there is a lack of comparable market data because of the nature of the property. The determined fair value of the investment property is most sensitive to the estimated yield as well as long term vacancy rate. The valuation of investment property is discussed in note 10.

See impairment of financial and non-financial assets and notes 9 and 10 in respect of tangible fixed assets and investment property.

The company has taken advantage of the exemption available under FRS102 from disclosing transactions with its parent undertaking and other subsidiary undertakings where 100% of the voting rights are controlled within the group.

1.2 Going concern

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors have forecast cash flows for a period of 12 months from the date of approval of these financial statements. These forecasts indicate that, taking account of reasonably possible downsides, the company will have sufficient funds, through funding from Bristow Group Inc., to meet its liabilities as they fall due for that period. Whilst the company has significant cash resources of £2,025,877 at 31 March 2020, a reasonably possible severe but plausible downside forecast scenario is a significant reduction in revenue or delay in customer receipts from investment property rental income and airport fees as a result of the COVID-19 pandemic.

The company's forecasts are dependent on Bristow Group Inc. providing, in the downside scenario, additional financial support during that period. Bristow Group Inc. has indicated its intention to continue to make available such funds as are needed by the company. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, having made enquiries, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least twelve months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

HUMBERSIDE INTERNATIONAL AIRPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1. Accounting policies (continued)

1.3 Turnover

Turnover, which excludes value added tax, represents amounts received and receivable by the company for services provided in the normal course of business, rent receivable and income from commercial concessions. The following revenue recognition criteria apply to the company's main income streams:

- Various passenger charges for handling and security based upon the number of departing passengers, recognised at point of departure;
- Aircraft departure charges levied according to weight, recognised at point of departure;
- Aircraft parking charges based upon a combination of weight and time parked, recognised at time of parking;
- Baggage handling, recognised at point of departure;
- Carparking income recognised at the point of parking for Short and Long Stay parking. Contract parking recognised over the period to which it relates on a straight-line basis;
- Concession income from retail and commercial concessionaries is recognised in the period to which it relates on an accrual basis;
- Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease term; and
- Fuel income recognised when the fuel is provided to the customer.

HUMBERSIDE INTERNATIONAL AIRPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1. Accounting policies (continued)

1.4 Impairment of financial and non financial 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.

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. Impairment losses are recognised in profit or loss. 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 stocks and 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. The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. 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 the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss.

Impairment losses recognised are reversed only if the reasons for the impairment have ceased to apply.

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 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.

1.5 Interest receivable and payable

Interest income and interest payable is recognised in the profit and loss account as they accrue using the effective interest method. Dividend income is recognised in the profit and loss account on the date the Company's right to receive payment is established.

HUMBERSIDE INTERNATIONAL AIRPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1. Accounting policies (continued)

1.6 Classification of financial instruments

In accordance with FRS 102.22, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- (a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and
- (b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

1.7 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 timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference.

Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset (other than goodwill) or liability is recognised in a business combination and the corresponding amount that can be deducted or assessed for tax.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

HUMBERSIDE INTERNATIONAL AIRPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1. Accounting policies (continued)

1.8 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

1.9 Operating leases

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

1.10 Employee benefits

A defined contribution plan is a post-employment benefit plan under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

1.11 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

1.12 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

HUMBERSIDE INTERNATIONAL AIRPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1. Accounting policies (continued)

1.12 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold and long leasehold property	- 10 - 100 years
Runways, taxiways and aprons	- 7 - 100 years
Main services	- 5 - 50 years
Plant and machinery	- 5 - 50 years
Fixtures, fittings, tools and equipment	- 5 - 50 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

1.13 Investment property

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Investment properties are recognised initially at cost.

Subsequent to initial recognition

- i. investment properties whose fair value can be measured reliably without undue cost or effort are held at fair value. Any gains or losses arising from changes in the fair value are recognised in the profit or loss account in the period that they arise; and
- ii. no depreciation is provided in respect of investment properties applying the fair value model.

If a reliable measure is not available without undue cost or effort for an item of investment property, this item is thereafter accounted for as tangible fixed assets in accordance with section 17 until a reliable measure of fair value becomes available.

1.14 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

HUMBERSIDE INTERNATIONAL AIRPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1. Accounting policies (continued)

1.15 Government grants

Capital based government grants are included within creditors in the balance sheet and credited to the profit and loss account over the estimated useful economic lives of the assets to which they relate.

1.16 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

1.17 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

1.18 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2. Turnover

An analysis of turnover by class of business is as follows:

	2020 £	2019 £
Airline revenue	8,834,713	8,626,630
	<u>8,834,713</u>	<u>8,626,630</u>

Analysis of turnover by country of destination:

	2020 £	2019 £
United Kingdom	8,834,713	8,626,630
	<u>8,834,713</u>	<u>8,626,630</u>

HUMBERSIDE INTERNATIONAL AIRPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

3. Operating (loss)/profit

The operating (loss)/profit is stated after charging:

	2020 £	2019 £
Depreciation on tangible fixed assets	682,713	946,925
Impairment on tangible fixed assets	7,500,514	-
	<u>7,500,514</u>	<u>-</u>

4. Auditors' remuneration

Audit fees for the company of £17,000 (2019: £17,000) were borne by another company within the group (Bristow Helicopter Group Limited).

Amounts receivable by the company's auditor and its associates in respect of services to the company and its associates, other than the audit of the company's financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis in the consolidated financial statements of the company's parent, Bristow Aviation Holdings Limited.

5. Employees

Staff costs were as follows:

	2020 £	2019 £
Wages and salaries	3,375,404	3,242,288
Social security costs	290,842	279,791
Other pension costs	168,375	110,178
	<u>3,834,621</u>	<u>3,632,257</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2020 No.	2019 No.
Operational	138	136
Management and administrative	7	5
	<u>145</u>	<u>141</u>

The directors of the company are also directors or officers of a number of companies within the Bristow Group. The directors' services to the company do not occupy a significant amount of their time. As such the directors do not consider that they have received any remuneration for their incidental services to the company for the years ended 31 March 2020 or 31 March 2019.

HUMBERSIDE INTERNATIONAL AIRPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

6. Interest receivable

	2020 £	2019 £
Other interest receivable	-	17,942
	<u>-</u>	<u>17,942</u>

7. Interest payable and similar expenses

	2020 £	2019 £
Bank interest payable	28,826	-
	<u>28,826</u>	<u>-</u>

8. Taxation

	2020 £	2019 £
Corporation tax		
Current tax on (loss)/profit for the year	97,913	89,483
Adjustments in respect of previous periods	8,064	(16,932)
	<u>105,977</u>	<u>72,551</u>
Total current tax	<u>105,977</u>	<u>72,551</u>
Deferred tax		
Origination and reversal of timing differences	(776,885)	(298,669)
Changes to tax rates	-	4,006
Prior year origination and reversal of timing differences	-	(919)
	<u>(776,885)</u>	<u>(295,582)</u>
Total deferred tax	<u>(776,885)</u>	<u>(295,582)</u>
Taxation on profit/(loss)	<u>(670,908)</u>	<u>(223,031)</u>

HUMBERSIDE INTERNATIONAL AIRPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

8. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2019 - lower than) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £	2019 £
(Loss)/profit before tax	(7,611,022)	67,971
(Loss)/profit multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	(1,446,094)	12,914
Effects of:		
Expenses not deductible for tax purposes	1,316,802	85,807
Adjustments to tax charge in respect of prior periods	8,064	(17,851)
Non-taxable income less expenses not deductible for tax purposes, other than goodwill and impairment	(37,800)	(47,300)
Fair value adjustment on investment property	-	8,500
Deferred tax not recognised	(457,998)	(269,108)
Change in tax rate	(53,882)	4,007
Total tax credit for the year	(670,908)	(223,031)

Factors that may affect future tax charges

A UK corporation tax rate of 19% (effective 1 April 2020) was substantively enacted on 17 March 2020, reversing the previously enacted reduction in the rate from 19% to 17%. This will increase the company's future current tax charge accordingly. The deferred tax liability at 31 March 2020 has been calculated at 19% (2019: 17%).

HUMBERSIDE INTERNATIONAL AIRPORT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

9. Tangible fixed assets

	Freehold land and property £	Plant, fixtures and equipment £	Assets in the course of construction £	Airport infrastructure £	Total £
Cost					
At 1 April 2019	6,539,089	7,976,565	174,598	17,857,143	32,547,395
Additions	6,980	106,465	1,603,989	77,803	1,795,237
Disposals	-	(26,728)	(315,720)	-	(342,448)
At 31 March 2020	<u>6,546,069</u>	<u>8,056,302</u>	<u>1,462,867</u>	<u>17,934,946</u>	<u>34,000,184</u>
Depreciation					
At 1 April 2019	3,440,315	6,345,157	-	10,030,349	19,815,821
Charge for the year on owned assets	83,909	303,474	-	295,330	682,713
Disposals	-	(23,537)	-	-	(23,537)
Impairment charge	995,841	1,261,067	-	5,243,606	7,500,514
At 31 March 2020	<u>4,520,065</u>	<u>7,886,161</u>	<u>-</u>	<u>15,569,285</u>	<u>27,975,511</u>
Net book value					
At 31 March 2020	<u>2,026,004</u>	<u>170,141</u>	<u>1,462,867</u>	<u>2,365,661</u>	<u>6,024,673</u>
At 31 March 2019	<u>3,098,774</u>	<u>1,631,408</u>	<u>174,598</u>	<u>7,826,794</u>	<u>12,731,574</u>

On 1 November 2019, Bristow Group Inc. emerged from Chapter 11 restructuring. A full valuation of all group assets, including those of the company, was undertaken on a fair value basis. This valuation exercise whilst not automatically reflected in the company's statutory accounts, under the company's historic cost accounting policies, indicated a significant reduction in valuation in the company's tangible fixed assets. As a result of this impairment indicator the directors have assessed and compared the book value of tangible assets with their recoverable amount (at estimated fair value) and recorded an impairment charge of £7,500,514.

HUMBERSIDE INTERNATIONAL AIRPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

10. Investment property

	Long term leasehold investment property £
Valuation	
At 1 April 2019	8,414,700
Loss on revaluation	(304,700)
At 31 March 2020	8,110,000

The 2020 valuations were made by Clark Weightman Chartered Surveyors, on an open market value for existing use basis as at 31 March 2020.

The valuers noted in their report as at 31 March 2020 that there had been significant changes in market conditions as at the date of valuation due to the coronavirus pandemic and the impact on airport operations. The valuation therefore was reported subject to Material Uncertainty as defined by RICS. Subsequent to the valuation date, offshore airport operations have continued and scheduled passenger flights from the airport to Amsterdam by KLM have recommenced.

11. Stocks

	2020 £	2019 £
Consumables	112,585	179,860
	112,585	179,860

Consumables recognised as a cost of sale in the year amounted to £nil (2019: £nil).

12. Debtors

	2020 £	2019 £
Trade debtors	989,857	657,713
Amounts owed by group undertakings	-	1,324,944
Other debtors	1,950	45,050
Prepayments and accrued income	584,846	518,208
	1,576,653	2,545,915

HUMBERSIDE INTERNATIONAL AIRPORT LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

13. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	789,257	821,462
Capital based grants	198,949	198,949
Amounts owed to group undertakings	-	543,266
Other loans	60,000	-
Corporation tax	195,460	89,483
Other taxation and social security	68,612	132,328
Other creditors	238,599	220,818
Accruals and deferred income	749,166	636,689
	<u>2,300,043</u>	<u>2,642,995</u>

14. Creditors: Amounts falling due after more than one year

	2020 £	2019 £
Other loans	210,000	-
Capital based grants	2,357,379	2,556,328
	<u>2,567,379</u>	<u>2,556,328</u>

15. Deferred taxation

	2020 £
At beginning of year	(861,485)
Credited to profit or loss	776,885
Charged to other comprehensive income	(43,459)
At end of year	<u><u>(128,059)</u></u>

HUMBERSIDE INTERNATIONAL AIRPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

15. Deferred taxation (continued)

The provision for deferred taxation is made up as follows:

	2020 £	2019 £
Accelerated capital allowances	5,714	-
Tax losses carried forward	764,163	-
Revaluation reserve	(904,944)	(861,485)
Other timing differences	7,008	-
	<u>(128,059)</u>	<u>(861,485)</u>

16. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
4,325,000 (2019 - 4,325,000) Ordinary shares shares of £1.00 each	4,325,000	4,325,000
4,325,000 (2019 - 4,325,000) Deferred shares shares of £1.00 each	4,325,000	4,325,000
	<u>8,650,000</u>	<u>8,650,000</u>

The 4,325,000 deferred shares do not carry any voting rights, rights to receive a dividend nor rights of redemption. They carry a right to participate in a capital distribution but only after payments have been made to ordinary shareholders.

17. Reserves

Share premium account

Represents the additional amount shareholders paid for their issued shares that was in excess of the par value of those shares.

Investment property revaluation reserve

Investment property is measured at fair value, the cumulative increase in the fair value of the property in excess of any previous impairment losses is included in the revaluation reserve.

Profit and loss account

Includes all current and prior period retained profits and losses.

HUMBERSIDE INTERNATIONAL AIRPORT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

18. Commitments under operating leases

At 31 March 2020 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	11,710	7,179
Later than 1 year and not later than 5 years	23,816	12,768
	<u>35,526</u>	<u>19,947</u>

Leases as the lessor

The investment properties are let under operating leases. The future minimum lease payments receivable under non-cancellable leases are as follows:-

	2020 £	2019 £
Not later than 1 year	753,792	721,973
Later than 1 year and not later than 5 years	2,791,423	2,690,183
Later than 5 years	30,241,924	30,385,199
	<u>33,787,139</u>	<u>33,797,355</u>

19. Controlling party

The directors regard Bristow Aviation Holdings Limited, a company incorporated in the UK and registered in England and Wales, as the ultimate parent company and ultimate controlling party.

The parent undertaking of the largest group in which the results of the company are consolidated is that headed by Bristow Group Inc., incorporated in the United States of America. The parent undertaking of the smallest group in which they are consolidated is that headed by Bristow Aviation Holdings Limited. No other group financial statements include the results of the company. Copies of Bristow Aviation Holdings Limited consolidated financial statements are available from Redhill Aerodrome, Redhill, Surrey, RH1 5JZ.