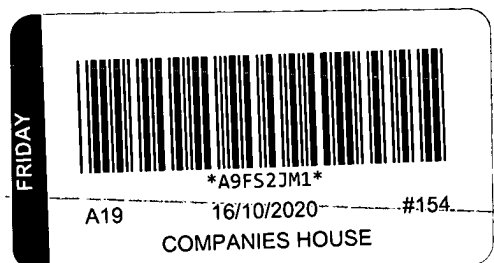


HARVEST ENERGY AVIATION LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2020



HARVEST ENERGY AVIATION LIMITED

COMPANY INFORMATION

Directors	Mr Winston Sanjeev Kumar Soosaipillai Mr Don Camillo Emilio Borneo
Company secretary	Elemental Company Secretary Limited
Registered number	08655019
Registered office	Harvest House Horizon Business Village 1 Brooklands Road Weybridge Surrey KT13 0TJ
Independent auditor	KPMG LLP 1 Forest Gate Brighton Road Crawley RH11 9PT
Banker	HSBC Plc Canary Wharf London E14 5HQ
Solicitor	Freshfields Bruckhaus Deringer London EC4Y 1HS

HARVEST ENERGY AVIATION LIMITED

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HARVEST ENERGY AVIATION LIMITED

DIRECTORS' REPORT
FOR THE YEAR ENDED 29 FEBRUARY 2020

The directors present their report and the financial statements for the year ended 29 February 2020.

Directors' responsibilities statement

The directors are responsible for preparing 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies 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 and to enable them to ensure that the 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 during the year was the sale of Avgas and Jet A1 to airports and General Aviation (GA) airfields.

Directors

The directors who served during the year were:

Mr Winston Sanjeev Kumar Soosaipillai
Mr Don Camillo Emilio Borneo

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that he/she ought to have taken as a director to make himself/ herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

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.

HARVEST ENERGY AVIATION LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 29 FEBRUARY 2020**

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

A handwritten signature in black ink, appearing to read 'Winston Sanjeev Kumar Soosaipillai', with a stylized flourish at the end.

Mr Winston Sanjeev Kumar Soosaipillai
Director

Date: 30 September 2020

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HARVEST ENERGY AVIATION LIMITED

We have audited the financial statements of Harvest Energy Aviation Limited ("the company") for the year ended 29 February 2020 which comprise the Profit and Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 29 February 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 Reduced Disclosure Framework; 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.

Directors' report

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

Our responsibility is to read the 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 directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has 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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HARVEST ENERGY AVIATION LIMITED

Directors' responsibilities

As explained more fully in their statement set out on page 1, 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.

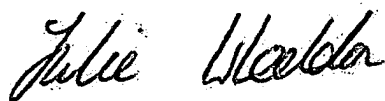
Auditor's responsibilities

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.



Julie Wheeldon (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
1 Forest Gate
Brighton Road
Crawley
RH11 9PT
30 September 2020

HARVEST ENERGY AVIATION LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 29 FEBRUARY 2020

	Note	2020 \$	2019 \$
Turnover	4	10,623,972	9,441,248
Cost of sales		(10,010,071)	(8,776,731)
Gross profit		<u>613,901</u>	<u>664,517</u>
Administrative expenses		(302,046)	(151,805)
Operating profit	5	<u>311,855</u>	<u>512,712</u>
Interest receivable and similar income		-	2
Profit before tax		<u>311,855</u>	<u>512,714</u>
Tax on profit		1,880	(28,977)
Profit for the financial year		<u><u>313,735</u></u>	<u><u>483,737</u></u>

The notes on pages 10 to 23 form part of these financial statements.

HARVEST ENERGY AVIATION LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 29 FEBRUARY 2020

	Note	2020 \$	2019 \$
Profit for the financial year		313,735	483,737
Other comprehensive income:			
Currency translation differences		(24,609)	(895)
Total comprehensive income for the year		<u>289,126</u>	<u>482,842</u>

The notes on pages 10 to 23 form part of these financial statements.

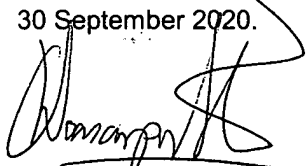
HARVEST ENERGY AVIATION LIMITED
REGISTERED NUMBER:08655019

BALANCE SHEET
AS AT 29 FEBRUARY 2020

	Note	29 February 2020 \$	28 February 2019 \$
Fixed assets			
Tangible assets	9	3,113	7,565
		<u>3,113</u>	<u>7,565</u>
Current assets			
Debtors: amounts falling due within one year	10	1,184,675	1,036,474
Cash at bank and in hand	11	70,425	124,986
		<u>1,255,100</u>	<u>1,161,460</u>
Creditors: amounts falling due within one year	12	(350,383)	(549,951)
Net current assets		<u>904,717</u>	<u>611,509</u>
Total assets less current liabilities		<u>907,830</u>	<u>619,074</u>
Provisions for liabilities			
Deferred taxation	13	-	(370)
		<u>-</u>	<u>(370)</u>
Net assets		<u><u>907,830</u></u>	<u><u>618,704</u></u>
Capital and reserves			
Called up share capital		77,384	77,384
Foreign exchange reserve		124,957	149,566
Profit and loss account		705,489	391,754
		<u>907,830</u>	<u>618,704</u>

The Company's financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 30 September 2020.



Mr Winston Sanjeev Kumar Soosaipillai
Director

The notes on pages 10 to 23 form part of these financial statements.

HARVEST ENERGY AVIATION LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 29 FEBRUARY 2020

	Called up share capital	Foreign exchange reserve	Profit and loss account	Total equity
	\$	\$	\$	\$
At 1 March 2019	77,384	149,566	391,754	618,704
Comprehensive income for the year				
Profit for the year	-	-	313,735	313,735
Currency translation differences	-	(24,609)	-	(24,609)
Total comprehensive income for the year	-	(24,609)	313,735	289,126
At 29 February 2020	77,384	124,957	705,489	907,830

The notes on pages 10 to 23 form part of these financial statements.

HARVEST ENERGY AVIATION LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 28 FEBRUARY 2019

	Called up share capital	Foreign exchange reserve	Profit and loss account	Total equity
	\$	\$	\$	\$
At 1 March 2018	77,384	150,461	(91,983)	135,862
Comprehensive income for the year				
Profit for the year	-	-	483,737	483,737
Currency translation differences	-	(895)	-	(895)
Total comprehensive income for the year	-	(895)	483,737	482,842
At 28 February 2019	77,384	149,566	391,754	618,704

The notes on pages 10 to 23 form part of these financial statements.

HARVEST ENERGY AVIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2020

1. General information

Harvest Energy Aviation Limited is a limited liability company incorporated in England and Wales. The registered office is Harvest House, Horizons Business Village, 1 Brooklands Road, Weybridge, KT13 0TJ. The principal place of business is York House, 45 Seymour Street, London W1H 7JT.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The company's functional currency is British Pounds ("GBP").

The company's financial statements are presented in United States Dollar ("USD"), denoted by the symbol \$. Results of the operations based in non-USD functional currency have been translated into USD at average rates for the year, and the related balance sheet has been translated at the rates of exchange ruling at the balance sheet date.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The Company's ultimate parent undertaking, State oil Limited includes the Company in its consolidated financial statements. The consolidated financial statements of State Oil Limited are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from Harvest House, Horizons Business Village, 1 Brooklands Road, Weybridge, KT13 0TJ.

First time application of FRS 101

The company transitioned from Financial Reporting Standard 102 ("FRS 102") to FRS 101 as at 1 March 2019. Information on the impact of first-time adoption of FRS 101 is given in note 15.

HARVEST ENERGY AVIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2020

2. Accounting policies (continued)

2.2 Financial reporting standard 101 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- Cash Flow Statements and related notes;
- Certain disclosures regarding revenue;
- Comparative period reconciliation's for share capital and tangible fixed assets;
- the effect of new but not effective IFRSs;
- Disclosures in respect of the compensation of key management personnel; and
- Disclosures in respect of transactions with wholly owned subsidiaries
- Certain disclosures regarding leases;
- Disclosures in respect of capital management;
- An additional balance sheet for the beginning of the earliest comparative period following the retrospective change in accounting policy;
- Disclosures of transactions with a management entity that provides key management personnel services to the Company.

As the consolidated financial statements of State Oil 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 IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures.
- Certain disclosures required by IAS 36 Impairment of assets in respect of the impairment of goodwill and indefinite life intangible assets.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements and in preparing an opening FRS 101 balance sheet at 1 June 2017 for the purposes of the transition to FRS 101.

Judgements made by the directors in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in Note 3.

HARVEST ENERGY AVIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2020

2. Accounting policies (continued)

2.3 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 prepared a going concern assessment for the Company for the period to 28 February 2022 which indicate that, taking account of reasonably possible downsides and the anticipated impact of the COVID-19 pandemic, the Company will have sufficient funds, through funding from its ultimate parent Company, State Oil Limited, to meet its liabilities as they fall due for that period.

Those forecasts are dependent on State Oil Limited providing additional financial support during that period. State Oil Limited has indicated its intention to continue to make available such funds as are needed by the company for the period covered by the forecasts. 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, they have no reason to believe that it will not do so.

The ultimate Group's customers operate in a wide range of different sectors reducing the risk from a high customer concentration in sectors which have been significantly impacted by the downturn. The ultimate Group's supplies to the Travel and Leisure industry account for less than 1% of its revenue. Classed by the Government as an essential service and as a fuel supplier to key infrastructure industries such as power stations and transport companies, the ultimate Group is insulated from a deep revenue collapse suffered by companies in other sectors. The supply chain review looked at supplier diversification to ensure the ultimate Group was not heavily reliant on any one supplier.

The ultimate Group has continued to trade during the COVID-19 pandemic and has generated a cash surplus during this period which the directors anticipate will continue during the forecast period. Given the uncertain trading environment that results from the impact of COVID-19, management has prepared a severe but plausible downside scenario, assuming a second lockdown for two months during October and November 2020. Wholesale and retail volumes declined by 40% and 60% during the first lockdown in April 2020 and May 2020, and the downside scenario includes a consistent impact in the event of a second lockdown. April and May 2020 also saw a benefit in margins due to a change in the mix of sales. The downside scenario does not allow for a consistent improvement in margin, only a reduction in volumes. The downside scenario does not include any cost saving measures and assumes there is no furlough scheme. Based on the severe but downside scenario the Group continues to meet its covenants and has sufficient liquidity for the period forecast to 28 February 2022.

Consequently, the directors are confident that the Company will have resources to continue to meet its obligations as they fall due and continue in operational existence for at least 12 months from the date of approval of the financial statements and therefore have been prepared on a going concern basis.

HARVEST ENERGY AVIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2020

2. Accounting policies (continued)

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

The Company has contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company adjusts the transaction prices of these contracts for the time value of money.

Sale of goods

Revenue from the sale of goods is recognised on the satisfaction of performance obligations, such as the transfer of a promised good, identified in the contract between the Company and the customer.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Rendering of services

Revenue from providing services is recognised in the accounting period in which the services are rendered.

For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously.

2.5 Interest income

Interest income is recognised in the Profit and Loss Account using the effective interest method.

HARVEST ENERGY AVIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2020

2. Accounting policies (continued)

2.6 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Profit and Loss Account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.7 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.

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:

Plant and machinery	- 5 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 the Profit and Loss Account.

2.8 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.

HARVEST ENERGY AVIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2020

2. Accounting policies (continued)

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.10 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.11 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Profit and Loss Account in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.12 Financial instruments

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below:

Financial assets and financial liabilities are initially measured at fair value.

Financial assets

All recognised financial assets are subsequently measured in their entirety at either fair value or amortised cost, depending on the classification of the financial assets.

Fair value through profit or loss

All of the Company's financial assets are subsequently measured at fair value at the end of each reporting period, with any fair value gains or losses being recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset.

Impairment of financial assets

The Company always recognises lifetime ECL for trade receivables and amounts due on contracts with customers. The expected credit losses on these financial assets are estimated based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. Lifetime ECL represents the expected credit losses that will result from all possible default events over the

HARVEST ENERGY AVIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2020

2. Accounting policies (continued)

2.12 Financial instruments (continued)

expected life of a financial instrument.

Financial liabilities

Fair value through profit or loss

Financial liabilities are classified as at fair value through profit or loss, when the financial liability is held for trading, or is designated as at fair value through profit or loss. This designation may be made if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise, or the financial liability forms part of a group of financial instruments which is managed and its performance is evaluated on a fair value basis, or the financial liability forms part of a contract containing one or more embedded derivatives, and IFRS 9 permits the entire combined contract to be designated as at fair value through profit or loss. Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

At amortised cost

Financial liabilities which are neither contingent consideration of an acquirer in a business combination, held for trading, nor designated as at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. This is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or where appropriate a shorter period, to the amortised cost of a financial liability.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Estimates are based on historical experience and other assumptions that are considered reasonable in the circumstances. The actual amount or values may vary in certain instances from the assumptions and estimates made. Changes will be recorded, with corresponding effect in profit or loss, when, and if, better information is obtained.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustment within the next financial year are included below.

Critical judgements that management has made in the process of applying accounting policies disclosed herein and that have a significant effect on the amounts recognised in the financial statements relates to the following:

Trade receivables

Management estimates the recoverable amount of trade receivables, taking into account the most reliable evidence at each reporting date and making a provision for any doubtful debts.

HARVEST ENERGY AVIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2020

4. Turnover

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

	2020 \$	2019 \$
Sale of Avgas and Jet A1	10,623,972	9,441,248
	<u>10,623,972</u>	<u>9,441,248</u>

Analysis of turnover by country of destination:

	2020 \$	2019 \$
United Kingdom	10,586,075	8,806,601
Rest of the world	37,897	634,647
	<u>10,623,972</u>	<u>9,441,248</u>

5. Operating profit

The operating profit is stated after charging:

	2020 \$	2019 \$
Depreciation of tangible fixed assets	4,152	4,289
	<u>-</u>	<u>-</u>

6. Auditors' remuneration

	2020 \$	2019 \$
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	24,784	25,074

The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent Company.

7. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2019 - \$NIL).

Directors emoluments are borne by the parent company. The proportion of Directors emoluments attributable to this company are \$13,583 (2019 - \$14,841)

HARVEST ENERGY AVIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2020

8. Taxation

	2020 \$	2019 \$
Corporation tax		
Current tax on profits for the year	-	29,469
Adjustments in respect of previous periods	(1,341)	-
	<u>(1,341)</u>	<u>29,469</u>
Total current tax	<u>(1,341)</u>	<u>29,469</u>
Deferred tax		
Origination and reversal of timing differences	(539)	(492)
Total deferred tax	<u>(539)</u>	<u>(492)</u>
Taxation on (loss)/profit on ordinary activities	<u>(1,880)</u>	<u>28,977</u>

HARVEST ENERGY AVIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2020

8. Taxation (continued)

Factors affecting tax charge for the year

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

	2020 \$	2019 \$
Profit on ordinary activities before tax	311,855	512,714
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	59,252	97,416
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	731	48
Adjustments to tax charge in respect of previous periods	(1,341)	-
Change in tax rate on deferred tax balance	63	57
Group relief	(60,585)	(68,544)
Total tax charge for the year	(1,880)	28,977

HARVEST ENERGY AVIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2020

8. Taxation (continued)

Factors that may affect future tax charges

A reduction in the UK corporation tax rate from 19% to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016, and the UK deferred tax liabilities as at 29 February 2020 have been calculated based on this rate. The March 2020 Budget announced that a rate of 19% would continue to apply with effect from 1 April 2020, and this change was substantively enacted on 17 March 2020. The deferred tax liability at the balance sheet date has been calculated based on the rate of 17% substantively enacted at the balance sheet date.

9. Tangible fixed assets

	Plant and machinery \$
Cost or valuation	
At 1 March 2019	21,616
Exchange adjustments	(860)
At 29 February 2020	<u>20,756</u>
Depreciation	
At 1 March 2019	14,051
Charge for the year on owned assets	4,152
Exchange adjustments	(560)
At 29 February 2020	<u>17,643</u>
Net book value	
At 29 February 2020	<u><u>3,113</u></u>
At 28 February 2019	<u><u>7,565</u></u>

HARVEST ENERGY AVIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2020

10. Debtors

	29 February 2020	28 February 2019
	\$	\$
Trade debtors	281,603	417,680
Amounts owed by group undertakings	727,675	332,463
Other debtors	156,731	44,569
Prepayments and accrued income	18,482	40,439
Tax recoverable		201,323
Deferred taxation	184	
	<u>1,184,675</u>	<u>1,036,474</u>

11. Cash and cash equivalents

	29 February 2020	28 February 2019
	\$	\$
Cash at bank and in hand	70,425	124,986
	<u>70,425</u>	<u>124,986</u>

12. Creditors: Amounts falling due within one year

	29 February 2020	28 February 2019
	\$	\$
Trade creditors	166,533	129,566
Amounts owed to group undertakings	106,461	288,614
Corporation tax	27,181	29,701
Accruals and deferred income	50,208	102,070
	<u>350,383</u>	<u>549,951</u>

HARVEST ENERGY AVIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2020

13. Deferred taxation

	2020 \$
At the beginning of the year	(370)
Charged to profit or loss	539
Foreign exchange	15
	<u>184</u>

The deferred taxation balance is made up as follows:

	29 February 2020 \$	28 February 2019 \$
Accelerated capital allowances	184	326
Short term timing difference	-	(696)
	<u>184</u>	<u>(370)</u>

14. Share capital

	29 February 2020 \$	28 February 2019 \$
Allotted, called up and fully paid		
51,000 (2019 - 51,000) Ordinary shares shares of £1.00 each	77,384	77,384

15. Controlling party

The company's immediate parent undertaking is Harvest Energy Group Limited, a company registered in England and Wales. The company's ultimate parent undertaking is State Oil Limited, a company registered in England and Wales. The largest and smallest group for which consolidated financial statements have been prepared is that headed by State Oil Limited. Consolidated financial statements are available from Companies House, Crown Way, Cardiff, CF14 3UZ.

The ultimate controlling parties were Mr Winston Sanjeev Kumar Soosaipillai and Mrs Arani Soosaipillai by virtue of being joint shareholders of State Oil Limited.

HARVEST ENERGY AVIATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2020**

16. First time adoption of FRS 101

The policies applied under the entity's previous accounting framework are not materially different to FRS 101 and have not impacted on equity or profit or loss.

HARVEST ENERGY AVIATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2020**

10. Debtors

29 February 2020	28 February 2019
\$	\$

HARVEST ENERGY AVIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2020

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HARVEST ENERGY AVIATION LIMITED

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FOR THE YEAR ENDED 29 FEBRUARY 2020**

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HARVEST ENERGY AVIATION LIMITED
REGISTERED NUMBER:08655019

BALANCE SHEET
AS AT 29 FEBRUARY 2020

	Note	29 February 2020 \$	28 February 2019 \$
Fixed assets			
Tangible assets	9	3,113	7,565
		<u>3,113</u>	<u>7,565</u>
Current assets			
Debtors: amounts falling due within one year	10	1,184,675	1,036,474
Cash at bank and in hand	11	70,425	124,986
		<u>1,255,100</u>	<u>1,161,460</u>
Creditors: amounts falling due within one year	12	(350,383)	(549,951)
Net current assets		<u>904,717</u>	<u>611,509</u>
Total assets less current liabilities		<u>907,830</u>	<u>619,074</u>
Provisions for liabilities			
Deferred taxation	13	-	(370)
		<u>-</u>	<u>(370)</u>
Net assets		<u><u>907,830</u></u>	<u><u>618,704</u></u>
Capital and reserves			
Called up share capital		77,384	77,384
Foreign exchange reserve		124,957	149,566
Profit and loss account		705,489	391,754
		<u>907,830</u>	<u>618,704</u>

The Company's financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

HARVEST ENERGY AVIATION LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 29 FEBRUARY 2020

	Called up share capital	Foreign exchange reserve	Profit and loss account	Total equity
	\$	\$	\$	\$
At 1 March 2019	77,384	149,566	391,754	618,704
Comprehensive income for the year				
Profit for the year	-	-	313,735	313,735
Currency translation differences	-	(24,609)	-	(24,609)
Total comprehensive income for the year	-	(24,609)	313,735	289,126
At 29 February 2020	77,384	124,957	705,489	907,830

The notes on pages 10 to 23 form part of these financial statements.

HARVEST ENERGY AVIATION LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 28 FEBRUARY 2019

	Called up share capital	Foreign exchange reserve	Profit and loss account	Total equity
	\$	\$	\$	\$
At 1 March 2018	77,384	150,461	(91,983)	135,862
Comprehensive income for the year				
Profit for the year	-		483,737	483,737
Currency translation differences		(895)		(895)
Total comprehensive income for the year	-	(895)	483,737	482,842
At 28 February 2019	77,384	149,566	391,754	618,704

The notes on pages 10 to 23 form part of these financial statements.

HARVEST ENERGY AVIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2020

1. General information

Harvest Energy Aviation Limited is a limited liability company incorporated in England and Wales. The registered office is Harvest House, Horizons Business Village, 1 Brooklands Road, Weybridge, KT13 0TJ. The principal place of business is York House, 45 Seymour Street, London W1H 7JT.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The company's functional currency is British Pounds ("GBP").

The company's financial statements are presented in United States Dollar ("USD"), denoted by the symbol \$. Results of the operations based in non-USD functional currency have been translated into USD at average rates for the year, and the related balance sheet has been translated at the rates of exchange ruling at the balance sheet date.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The Company's ultimate parent undertaking, State oil Limited includes the Company in its consolidated financial statements. The consolidated financial statements of State Oil Limited are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from Harvest House, Horizons Business Village, 1 Brooklands Road, Weybridge, KT13 0TJ.

First time application of FRS 101

The company transitioned from Financial Reporting Standard 102 ("FRS 102") to FRS 101 as at 1 March 2019. Information on the impact of first-time adoption of FRS 101 is given in note 15.

HARVEST ENERGY AVIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2020

2. Accounting policies (continued)

2.2 Financial reporting standard 101 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- Cash Flow Statements and related notes;
- Certain disclosures regarding revenue;
- Comparative period reconciliation's for share capital and tangible fixed assets;
- the effect of new but not effective IFRSs;
- Disclosures in respect of the compensation of key management personnel; and
- Disclosures in respect of transactions with wholly owned subsidiaries
- Certain disclosures regarding leases;
- Disclosures in respect of capital management;
- An additional balance sheet for the beginning of the earliest comparative period following the retrospective change in accounting policy;
- Disclosures of transactions with a management entity that provides key management personnel services to the Company.

As the consolidated financial statements of State Oil 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 IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures.
- Certain disclosures required by IAS 36 Impairment of assets in respect of the impairment of goodwill and indefinite life intangible assets.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements and in preparing an opening FRS 101 balance sheet at 1 June 2017 for the purposes of the transition to FRS 101.

Judgements made by the directors in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in Note 3.

HARVEST ENERGY AVIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2020

2. Accounting policies (continued)

2.3 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 prepared a going concern assessment for the Company for the period to 28 February 2022 which indicate that, taking account of reasonably possible downsides and the anticipated impact of the COVID-19 pandemic, the Company will have sufficient funds, through funding from its ultimate parent Company, State Oil Limited, to meet its liabilities as they fall due for that period.

Those forecasts are dependent on State Oil Limited providing additional financial support during that period. State Oil Limited has indicated its intention to continue to make available such funds as are needed by the company for the period covered by the forecasts. 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, they have no reason to believe that it will not do so.

The ultimate Group's customers operate in a wide range of different sectors reducing the risk from a high customer concentration in sectors which have been significantly impacted by the downturn. The ultimate Group's supplies to the Travel and Leisure industry account for less than 1% of its revenue. Classed by the Government as an essential service and as a fuel supplier to key infrastructure industries such as power stations and transport companies, the ultimate Group is insulated from a deep revenue collapse suffered by companies in other sectors. The supply chain review looked at supplier diversification to ensure the ultimate Group was not heavily reliant on any one supplier.

The ultimate Group has continued to trade during the COVID-19 pandemic and has generated a cash surplus during this period which the directors anticipate will continue during the forecast period. Given the uncertain trading environment that results from the impact of COVID-19, management has prepared a severe but plausible downside scenario, assuming a second lockdown for two months during October and November 2020. Wholesale and retail volumes declined by 40% and 60% during the first lockdown in April 2020 and May 2020, and the downside scenario includes a consistent impact in the event of a second lockdown. April and May 2020 also saw a benefit in margins due to a change in the mix of sales. The downside scenario does not allow for a consistent improvement in margin, only a reduction in volumes. The downside scenario does not include any cost saving measures and assumes there is no furlough scheme. Based on the severe but downside scenario the Group continues to meet its covenants and has sufficient liquidity for the period forecast to 28 February 2022.

Consequently, the directors are confident that the Company will have resources to continue to meet its obligations as they fall due and continue in operational existence for at least 12 months from the date of approval of the financial statements and therefore have been prepared on a going concern basis.

HARVEST ENERGY AVIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2020

2. Accounting policies (continued)

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

The Company has contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company adjusts the transaction prices of these contracts for the time value of money.

Sale of goods

Revenue from the sale of goods is recognised on the satisfaction of performance obligations, such as the transfer of a promised good, identified in the contract between the Company and the customer.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Rendering of services

Revenue from providing services is recognised in the accounting period in which the services are rendered.

For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously.

2.5 Interest income

Interest income is recognised in the Profit and Loss Account using the effective interest method.

HARVEST ENERGY AVIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2020

2. Accounting policies (continued)

2.6 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Profit and Loss Account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.7 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.

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:

Plant and machinery	- 5 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 the Profit and Loss Account.

2.8 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.

HARVEST ENERGY AVIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2020

2. Accounting policies (continued)

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.10 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.11 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Profit and Loss Account in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.12 Financial instruments

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below:

Financial assets and financial liabilities are initially measured at fair value.

Financial assets

All recognised financial assets are subsequently measured in their entirety at either fair value or amortised cost, depending on the classification of the financial assets.

Fair value through profit or loss

All of the Company's financial assets are subsequently measured at fair value at the end of each reporting period, with any fair value gains or losses being recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset.

Impairment of financial assets

The Company always recognises lifetime ECL for trade receivables and amounts due on contracts with customers. The expected credit losses on these financial assets are estimated based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. Lifetime ECL represents the expected credit losses that will result from all possible default events over the

HARVEST ENERGY AVIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2020

2. Accounting policies (continued)

2.12 Financial instruments (continued)

expected life of a financial instrument.

Financial liabilities

Fair value through profit or loss

Financial liabilities are classified as at fair value through profit or loss, when the financial liability is held for trading, or is designated as at fair value through profit or loss. This designation may be made if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise, or the financial liability forms part of a group of financial instruments which is managed and its performance is evaluated on a fair value basis, or the financial liability forms part of a contract containing one or more embedded derivatives, and IFRS 9 permits the entire combined contract to be designated as at fair value through profit or loss. Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

At amortised cost

Financial liabilities which are neither contingent consideration of an acquirer in a business combination, held for trading, nor designated as at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. This is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or where appropriate a shorter period, to the amortised cost of a financial liability.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Estimates are based on historical experience and other assumptions that are considered reasonable in the circumstances. The actual amount or values may vary in certain instances from the assumptions and estimates made. Changes will be recorded, with corresponding effect in profit or loss, when, and if, better information is obtained.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustment within the next financial year are included below.

Critical judgements that management has made in the process of applying accounting policies disclosed herein and that have a significant effect on the amounts recognised in the financial statements relates to the following:

Trade receivables

Management estimates the recoverable amount of trade receivables, taking into account the most reliable evidence at each reporting date and making a provision for any doubtful debts.

HARVEST ENERGY AVIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2020

4. Turnover

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

	2020 \$	2019 \$
Sale of Avgas and Jet A1	10,623,972	9,441,248
	<u>10,623,972</u>	<u>9,441,248</u>

Analysis of turnover by country of destination:

	2020 \$	2019 \$
United Kingdom	10,586,075	8,806,601
Rest of the world	37,897	634,647
	<u>10,623,972</u>	<u>9,441,248</u>

5. Operating profit

The operating profit is stated after charging:

	2020 \$	2019 \$
Depreciation of tangible fixed assets	4,152	4,289
	<u>4,152</u>	<u>4,289</u>

6. Auditors' remuneration

	2020 \$	2019 \$
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	24,784	25,074
	<u>24,784</u>	<u>25,074</u>

The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent Company.

7. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2019 - \$NIL).

Directors emoluments are borne by the parent company. The proportion of Directors emoluments attributable to this company are \$13,583 (2019 - \$14,841)

HARVEST ENERGY AVIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2020

8. Taxation

	2020 \$	2019 \$
Corporation tax		
Current tax on profits for the year	-	29,469
Adjustments in respect of previous periods	(1,341)	-
	<u>(1,341)</u>	<u>29,469</u>
Total current tax	<u>(1,341)</u>	<u>29,469</u>
Deferred tax		
Origination and reversal of timing differences	(539)	(492)
Total deferred tax	<u>(539)</u>	<u>(492)</u>
Taxation on (loss)/profit on ordinary activities	<u>(1,880)</u>	<u>28,977</u>

HARVEST ENERGY AVIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2020

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HARVEST ENERGY AVIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2020

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15. Controlling party

The company's immediate parent undertaking is Harvest Energy Group Limited, a company registered in England and Wales. The company's ultimate parent undertaking is State Oil Limited, a company registered in England and Wales. The largest and smallest group for which consolidated financial statements have been prepared is that headed by State Oil Limited. Consolidated financial statements are available from Companies House, Crown Way, Cardiff, CF14 3UZ.

The ultimate controlling parties were Mr Winston Sanjeev Kumar Soosaipillai and Mrs Arani Soosaipillai by virtue of being joint shareholders of State Oil Limited.

HARVEST ENERGY AVIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 FEBRUARY 2020

16. First time adoption of FRS 101

The policies applied under the entity's previous accounting framework are not materially different to FRS 101 and have not impacted on equity or profit or loss.