

*Company number 254 4586, registered in England and Wales*

# **Pentland Aviation Fuelling Services Limited**

## **Report and Financial Statements**

For the year ended 31<sup>st</sup> December 2012

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**PENTLAND AVIATION FUELLING SERVICES LIMITED  
DIRECTORS' REPORT  
FOR THE YEAR ENDING 31 DECEMBER 2012**

The Directors present herewith their report and the audited financial statements of the Company for the year ended 31 December 2012

**PRINCIPAL ACTIVITY**

The principal activity of the company is to manage and maintain facilities for storing Jet A1 fuel at Glasgow and Edinburgh airports, and to provide into-plane services for airlines using those airports

**CONSTITUTION**

Pentland Aviation Fuelling Services Limited is a joint venture company equally owned by BP International Limited, Kuwait Petroleum International Aviation Company (UK) Limited and Statoil ASA

**REVIEW OF THE BUSINESS**

The profit for the year, after taxation, amounted to £518,271 (2011 £997,280). The directors consider the results to be satisfactory and expect the company's profitability to remain at similar levels in future years, and cash flow is expected to remain sound. Dividends of £1,139,177 (2011 £1,502,628) were paid to shareholders during the year.

The company intends to continue operating the existing tank farms at Glasgow and Edinburgh airports in accordance with the provisions of the existing leases. The sale of Edinburgh airport has had no immediate impact on operations although an investment program possibly tied into a new lease is being negotiated.

The company's main business risks are associated with safety, security, environmental matters and the quality control of the fuel. Its main Key Performance Indicators ("KPI"s) reflected the same themes and the company's performance against these areas was acceptable. The other main KPI was cost performance against budget, against which performance during 2012 was acceptable.

At the date of this report the share capital is jointly owned by BP International Limited, Kuwait Petroleum International Aviation Company (UK) Limited and Statoil ASA.

**DIRECTORS**

The directors of the company since 1 January 2012 were

A Ibrahim	(resigned 1 <sup>st</sup> April 2012)
A Mills	(appointed 1 <sup>st</sup> July 2012)
E Hatlebakk	(Norwegian)
A Ljungmann	(Norwegian)
GO Skogstad	(Norwegian)
JP Buxton	(resigned 1 <sup>st</sup> October 2012)
DA Storey	(resigned 25 <sup>th</sup> October 2012)
R Squitieri	(Italian, appointed 1 <sup>st</sup> October 2012)
M Henderson	(appointed 1 <sup>st</sup> December 2012)
P Westerman	(appointed 1 <sup>st</sup> April 2012, resigned 1 <sup>st</sup> July 2012)

**PENTLAND AVIATION FUELLING SERVICES LIMITED  
DIRECTORS' REPORT  
FOR THE YEAR ENDING 31 DECEMBER 2012**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 those financial statements, the directors are required to

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

The Directors are responsible for keeping proper accounting records which 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 also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**DISCLOSURE OF INFORMATION TO THE AUDITOR**

Each person who is a Director at the date of approval of this report confirms that

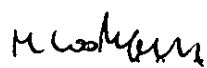
- so far as the Director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of the Companies Act 2006.

**AUDITOR**

The auditor, Baker Tilly UK Audit LLP, has indicated its willingness to continue in office.

On behalf of the board

  
M Workman  
Company Secretary  
Date Approved

5/6/13

Registered Office  
6<sup>th</sup> Floor  
Dukes Court  
Duke Street  
Woking  
Surrey  
GU21 5BH

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PENTLAND AVIATION FUELLING SERVICES LIMITED

We have audited the financial statements on pages 4 to 14. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

### Respective responsibilities of directors and auditor

As more fully explained in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

### Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us 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.

*Baker Tilly UK Audit LLP*

Graeme Miles FCCA (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor,  
Chartered Accountants, Third Floor, One London Square, Cross Lanes, GU1 1UN

*7 June*

2013

**PENTLAND AVIATION FUELLING SERVICES LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2012**

	<u>NOTE</u>	<u>2012</u> £	<u>2011</u> £
<b>TURNOVER</b>	2	7,542,842	7,895,055
<b>COST OF SALES</b>		<u>(2,076,280)</u>	<u>(1,982,995)</u>
<b>GROSS PROFIT</b>		5,466,562	5,912,060
<b>ADMINISTRATIVE EXPENSES</b>		(3,767,963)	(3,306,091)
<b>OTHER OPERATING COSTS</b>		(1,256,451)	(1,486,098)
<b>OTHER INCOME</b>		184,261	175,132
<b>OPERATING PROFIT</b>	3	<u>626,409</u>	<u>1,295,003</u>
<b>INTEREST RECEIVABLE</b>	4	11,694	13,812
<b>INTEREST PAYABLE</b>	5	(64,412)	(39,209)
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<u>573,691</u>	<u>1,269,606</u>
<b>TAX ON PROFIT ON ORDINARY ACTIVITIES</b>	7	<u>(55,420)</u>	<u>(272,326)</u>
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION</b>		<u>518,271</u>	<u>997,280</u>

The notes on pages 7 to 14 form an integral part of these financial statements. All turnover and operating profit arise from continuing activity.

There are no other recognised gains or losses other than the profit shown above.

**PENTLAND AVIATION FUELLING SERVICES LIMITED**  
**(COMPANY NUMBER 2544586)**  
**BALANCE SHEET**  
**AT 31 DECEMBER 2012**

	<u>NOTE</u>	<u>2012</u> £	<u>2011</u> £
<b><u>FIXED ASSETS</u></b>			
TANGIBLE ASSETS	8	<u>4,268,986</u>	<u>4,192,312</u>
<b><u>CURRENT ASSETS</u></b>			
DEBTORS	9	1,120,936	1,497,957
CASH AT BANK AND IN HAND		<u>1,619,325</u> <u>2,740,261</u>	<u>2,008,681</u> <u>3,506,638</u>
CREDITORS. AMOUNTS FALLING DUE WITHIN ONE YEAR	10	<u>(881,049)</u>	<u>(912,326)</u>
NET CURRENT ASSETS		<u>1,859,212</u>	<u>2,594,312</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>6,128,198</u>	<u>6,786,624</u>
CREDITORS:			
AMOUNT FALLING DUE AFTER ONE YEAR	11	(2,697,970)	(2,697,970)
PROVISIONS FOR LIABILITIES	12	(1,004,472)	(1,041,992)
NET ASSETS		<u>2,425,756</u>	<u>3,046,662</u>
<b><u>FINANCED BY:</u></b>			
CALLED UP SHARE CAPITAL	13	600	600
PROFIT & LOSS ACCOUNT	14	2,425,156	3,002,660
OTHER RESERVES	14	-	43,402
SHAREHOLDERS' FUNDS	14	<u>2,425,756</u>	<u>3,046,662</u>

The financial statements on pages 4 to 14 were approved by the board of directors and authorised for issue on 5/6.....2013, and are signed on its behalf by:

NAME RICCARDO SQUITIERI SIGNATURE 

**PENTLAND AVIATION FUELLING SERVICES LIMITED**  
**CASH FLOW FOR THE YEAR ENDED 31 DECEMBER 2012**

	<u>NOTE</u>	<u>2012</u> £	<u>2011</u> £
<b>Reconciliation of operating profit to net cash flow from operating activities</b>			
Operating Profit		626,409	1,295,003
Depreciation charge		375,595	329,619
Loss on disposal of fixed assets		-	302,276
Increase/(Decrease) in Provisions		71,009	(55,124)
Decrease/(Increase) in Debtors		512,347	(168,600)
Increase/(Decrease) in Creditors		50,462	(451,876)
<b>Net cash inflow from operating activities</b>		<u><b>1,635,822</b></u>	<u><b>1,251,298</b></u>
<b>Cash flow statement</b>			
Cash inflow from operating activities		1,635,822	1,251,298
Return on investments and servicing of finance	15	(52,718)	(25,397)
Taxation		(245,688)	(242,773)
Capital expenditure and financial investment	15	(587,595)	(105,362)
Equity dividends paid		(1,139,177)	(1,502,628)
<b>Decrease in cash in the year</b>	<b>16</b>	<u><b>(389,356)</b></u>	<u><b>(624,862)</b></u>
<b>Reconciliation of net cash flow to movement in net debt</b>			
Decrease in cash		(389,356)	(624,862)
Movement in net debt in the year		(389,356)	(624,862)
Net debt at the start of the year		(689,289)	(64,427)
<b>Net debt at the end of the year</b>	<b>16</b>	<u><b>(1,078,645)</b></u>	<u><b>(689,289)</b></u>



**PENTLAND AVIATION FUELLING SERVICES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**1) ACCOUNTING POLICIES**

**(a) BASIS OF PREPARATION**

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards

**(b) TURNOVER**

Turnover is recognised as the fair value of the consideration received or receivable for the sale of goods and services in the ordinary nature of the business. Turnover is shown net of Value Added Tax.

**(c) DEPRECIATION**

Depreciation is provided on all tangible assets at the following rates in order to write off the cost of the assets evenly over their estimated useful lives

Leasehold Land and Buildings - over the remainder of the lease, up to 30 years

Plant and Machinery - 3 to 30 years

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable

**(d) DEFERRED TAXATION**

Deferred tax is recognised in respect of all timing differences, arising from the different accounting and tax treatment of individual items in the financial statements, that have originated but not reversed at the balance sheet date and which will result in an obligation to pay more, or a right to pay less, tax in the future

Deferred tax is measured on an undiscounted basis at the rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

**(e) PROVISIONS FOR ENVIRONMENTAL AND REFURBISHMENT COSTS**

The total costs of reinstatement and surface restoration are recognised in the environmental provision. An external assessment is carried out on each site every 5 years. Provision is made for the costs of refurbishments that arise from obligations under operating leases

**(f) DIVIDEND POLICY**

A dividend policy is established and under regular review

**(g) LESSOR ACCOUNTING**

Assets held for use under operating leases are included within fixed assets. Rental income under operating lease contracts is recognised on a straight line basis over the life of the lease

**PENTLAND AVIATION FUELLING SERVICES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**2) TURNOVER**

Turnover represents the amounts derived from the provision of goods and services which fall within the Company's ordinary activities wholly undertaken within the United Kingdom, stated net of value added tax

**3) OPERATING PROFIT**

This is stated after charging/(crediting) the following:-

	<u>2012</u>	<u>2011</u>
	<u>£</u>	<u>£</u>
Increase in environmental provision	11,009	10,637
Refurbishment provision	60,000	(12,469)
Audit of financial statements	10,650	10,250
Loss on disposal of fixed assets	-	302,276
Depreciation	<u>375,595</u>	<u>329,619</u>

**4) INTEREST RECEIVABLE**

	<u>2012</u>	<u>2011</u>
	<u>£</u>	<u>£</u>
Bank interest receivable	9,234	13,812
Interest receivable from HMRC	2,460	-
	<u>11,694</u>	<u>13,812</u>

**5) INTEREST PAYABLE**

	<u>2012</u>	<u>2011</u>
	<u>£</u>	<u>£</u>
Loan interest payable	64,412	39,209
	<u>64,412</u>	<u>39,209</u>

**6) STAFF COSTS**

There were no employees during the year (2011 £nil) The directors, who received no remuneration (2011 £nil) from the company, are senior executives of, and are remunerated by, the shareholders

**PENTLAND AVIATION FUELLING SERVICES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**7) TAXATION**

*(a) Tax based on profit on ordinary activities*

	<u>2012</u> £	<u>2011</u> £
Current tax		
UK corporation tax		
- in respect of current year	164,949	341,871
- in respect of previous periods	(1,000)	-
Total current tax	<u>163,949</u>	<u>341,871</u>
Deferred tax		
- in respect of current year	(108,529)	(69,545)
Tax on profit on ordinary activities	<u>55,420</u>	<u>272,326</u>

*(b) Factors affecting the current tax charge*

The following table provides a reconciliation of the UK statutory corporation tax rate to the effective current tax rate of the Company on its profit before tax

	<u>2012</u> £	<u>2011</u> £
Profit on ordinary activities before tax	573,691	1,269,606
Current tax charge (note 7(a))	163,949	341,871
Effective current rate of tax	28.6%	26.9%
	<u>% profit before tax</u>	
UK statutory corporation tax rate	24%	26%
Increase / (decrease) resulting from		
Capital allowances	-11.7%	-6.5%
Accounting depreciation	16.0%	6.9%
Change in tax rate in year	0.5%	0.5%
In respect of previous periods	<u>-0.2%</u>	<u>-</u>
Effective current tax rate	<u>28.6%</u>	<u>26.9%</u>

*(c) Factors affecting the future tax charge*

The tax charge in future periods will be affected by the availability of capital allowances in comparison to the charge for depreciation.

**PENTLAND AVIATION FUELLING SERVICES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**8) TANGIBLE FIXED ASSETS**

	Short Leasehold Land & <u>Buildings</u> £	Plant & <u>Machinery</u> £	<u>Total</u> £
Cost at 1 <sup>st</sup> January 2012	988,156	6,498,003	7,486,159
Additions	123,500	328,769	452,269
Disposals	-	-	-
<b>At 31<sup>st</sup> December 2012</b>	<b><u>1,111,656</u></b>	<b><u>6,826,772</u></b>	<b><u>7,938,428</u></b>
Depreciation at 1 <sup>st</sup> January 2012	492,244	2,801,603	3,293,847
Charge for the year	47,805	327,790	375,595
Disposals	-	-	-
<b>At 31<sup>st</sup> December 2012</b>	<b><u>540,049</u></b>	<b><u>3,129,393</u></b>	<b><u>3,669,442</u></b>
<b>Net book value at 31<sup>st</sup> December 2012</b>	<b><u>571,607</u></b>	<b><u>3,697,379</u></b>	<b><u>4,268,986</u></b>
Net book value at 31 <sup>st</sup> December 2011	<u>495,912</u>	<u>3,696,400</u>	<u>4,192,312</u>

The net book value of fixed assets utilised by the company in operating lease contracts is £2,717,363 (2011 £2,850,796), and the depreciation charge for 2012 is £133,433 (2011 £149,271)

**9) DEBTORS**

	<u>2012</u> £	<u>2011</u> £
Amounts due within one year		
Trade debtors	865,240	1,090,467
Other debtors	187,024	64,173
Other taxes and social security costs	68,672	343,317
	<u>1,120,936</u>	<u>1,497,957</u>

Other debtors comprise prepayments made in relation to rates payable of £51,697 and the purchase of a new vehicle at Glasgow airport of £135,326. The company has irreversibly committed to paying another £139,593 for this vehicle at Glasgow once it is delivered and commissioned.

**10) CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<u>2012</u> £	<u>2011</u> £
Trade creditors	161,052	63,599
Corporation tax	164,949	246,688
Accruals and deferred income	555,048	602,039
	<u>881,049</u>	<u>912,326</u>

**PENTLAND AVIATION FUELLING SERVICES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**11) CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<u>2012</u>	<u>2011</u>
	<u>£</u>	<u>£</u>
Loans falling due within 2-5 years	2,697,970	2,697,970

Interest is calculated using the six-month LIBOR rate with 0.375 per cent added as per the Loan Agreements  
The loans fall due for repayment in May 2015

**12) PROVISIONS FOR LIABILITIES**

	<u>Environmental</u>	<u>Refurbishment</u>	<u>Deferred</u>	<u>Total</u>
	<u>provision</u>	<u>provision</u>	<u>taxation</u>	<u>£</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
At 1 <sup>st</sup> January	314,552	-	727,440	1,041,992
Transfer from profit and loss	11,009	60,000	(108,529)	(37,520)
At 31 <sup>st</sup> December	<u>325,561</u>	<u>60,000</u>	<u>618,911</u>	<u>1,004,472</u>

The total costs of reinstatement and surface restoration works is recognised by the environmental provision, which has been calculated to the period where the operating licence is due to expire on 1<sup>st</sup> July 2026. The provision is based on 3<sup>rd</sup> party valuations.

As part of the lease agreement on the airport sites, the company is required to undertake various repairs and refurbishment works at one of the airport sites. It was identified during the year that a repair works needed to be undertaken in one of the sites in order to satisfy the requirements of the lease.

The estimated cost of this work is £60,000, and the work is expected to take place in 2013.

Deferred taxation provided in the financial statements is as follows:

	<u>2012</u>	<u>2011</u>
	<u>£</u>	<u>£</u>
Excess of tax allowances over depreciation	618,911	727,440
	<u>618,911</u>	<u>727,440</u>

The deferred tax liability has been calculated using a rate of 23%, which represents the enacted rate of corporation tax at 31<sup>st</sup> December 2012. Further reductions to 21% with effect from 1<sup>st</sup> April 2014 and 20% from 1<sup>st</sup> April 2015 have been announced.

**PENTLAND AVIATION FUELLING SERVICES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**13) SHARE CAPITAL**

	<u>2012</u> £	<u>2011</u> £
Allotted, Called Up and Fully Paid		
Ordinary £1 - 'A' shares	200	200
Ordinary £1 - 'B' shares	200	200
Ordinary £1 - 'C' shares	200	200
	<u>600</u>	<u>600</u>

At 31<sup>st</sup> December 2012 the share capital was jointly owned by BP International Limited, Kuwait Petroleum International Aviation Company (UK) Limited and Statoil ASA, and each class of share ranked pari-passu in every respect

**14) RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	<u>Share Capital</u> £	<u>Other Reserves</u> £	<u>P&amp;L</u> £	<u>Total</u> £
At 1 <sup>st</sup> January 2012	600	43,402	3,002,660	3,046,662
Profit for the year after taxation	-	-	518,271	518,271
Dividends	-	(43,402)	(1,095,775)	(1,139,177)
At 31 <sup>st</sup> December 2012	<u>600</u>	<u>-</u>	<u>2,425,156</u>	<u>2,425,756</u>

Dividends of £1,139,177 - £1,898 63 per share (2011 £1,502,628 - £2,504 38 per share) were paid to shareholders during the year. These were deducted from the Capital Return Reserve of £43,402 created for this purpose in the year ended 31<sup>st</sup> December 2005 and the current year profit and loss account

**PENTLAND AVIATION FUELLING SERVICES LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**15) ANALYSIS OF CASH FLOWS**

	<u>2012</u> £	<u>2011</u> £
<b>Returns on Investments and Servicing of Finance</b>		
Interest Received	11,694	13,812
Interest Paid	(64,412)	(39,209)
	<u>(52,718)</u>	<u>(25,397)</u>
<b>Capital Expenditure</b>		
Purchase of Tangible Fixed Assets	(587,595)	(105,362)
Proceeds from sale of Tangible Fixed Assets	-	-
	<u>(587,595)</u>	<u>(105,362)</u>

**16) RECONCILIATION OF MOVEMENT IN NET DEBT**

	As at 1 <sup>st</sup> January 2012 £	Cashflow £	31 <sup>st</sup> December 2012 £
Cash at bank and in hand	2,008,681	(389,356)	1,619,325
Loans	(2,697,970)	-	(2,697,970)
<b>NET DEBT</b>	<u>(689,289)</u>	<u>(389,356)</u>	<u>(1,078,645)</u>

**17) ULTIMATE PARENT UNDERTAKINGS**

At 31<sup>st</sup> December 2012, the Company was owned equally by BP International Limited, Kuwait Petroleum International Aviation Company (UK) Limited and Statoil ASA. BP International Limited and Kuwait Petroleum International Aviation Company (UK) Limited are incorporated in the United Kingdom. Statoil ASA is incorporated in Norway.

**PENTLAND AVIATION FUELLING SERVICES LIMITED  
NOTES TO THE FINANCIAL STATEMENTS**

**18) RELATED PARTY TRANSACTIONS**

During 2012 the Company provided fuelling services for its joint owners, BP International Limited, Kuwait Petroleum International Aviation Company (UK) Limited and Statoil ASA. Amounts receivable from its joint owners in respect of these services were £6,471,353 (2011 £7,086,095). At 31<sup>st</sup> December 2012 an amount of £697,875 (2011 £945,140) was owed to the Company by its joint owners and is included in trade debtors.

During 2012 management services were provided to Pentland Aviation Fuelling Services Limited by its joint owners. In the year the company paid £11,454 in respect of these services (2011 £10,595 in respect of these services). At 31<sup>st</sup> December 2012 an amount of £4,301 (2011 £19,797) was owed by the Company to its joint owners and is included in trade creditors.

During 2012 management services were provided to, and vehicle leasing received from, Pentland Aviation Fuelling Services Limited by S & JD Robertson Northair Limited, a company registered in Scotland with number SC051614 that was under common directorship. In the year the company paid £4,368,508 (2011 £4,104,844) in respect of these services provided, and received £171,716 (2011 £167,632) in respect of vehicle leasing.

During 2012 interest arising on shareholder loans amounted to £64,412 (2011 £39,209). At 31<sup>st</sup> December 2012, loan balances owing to its joint owners were £2,697,970 (2011 £2,697,970).