

Tour Racing Limited

Annual report and financial statements

Registered number 04078205

31 December 2019



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Strategic Report

The directors present their report and financial statements of Tour Racing Limited (“the Company”) for the year ended 31 December 2019. The directors in preparing this strategic report have complied with s414(c) of the Companies Act 2006.

Review and future developments

Tour Racing Limited promotes a UK based professional cycling team, which was set up in 2010 to compete in the International Cycle Union’s (UCI) World Tour. The Company was previously a wholly owned subsidiary of Sky UK Limited and 21st Century Fox Europe Inc, before being purchased by INEOS Industries Holdings Limited on 29 April 2019. Following on from this acquisition, the name of the professional cycling team changed from Team Sky to Team INEOS to reflect the change in ownership and title sponsors.

The pinnacle of the cycling season is the race known as the “Tour de France” and in 2019 Team INEOS won this race for the seventh time in the last eight years, its first victory at the Tour de France following the change in ownership and team name. Alongside this, the team had success at a number of other high profile races, winning Paris-Nice, Tour de Yorkshire and Tour de Suisse.

Financial risk management

The Company is primarily funded through a sponsorship agreement with its shareholders and therefore has no direct exposure to price, credit, liquidity, interest rate or debt market risk.

Operational risk

The Company’s exposure to operational risks such as reputation, injuries to its riders, and consequent inability to meet the performance criteria is mitigated through: the existence and regular review of medical protocols agreed by all medical staff; maintaining a team of 25-30 riders to ensure there is always a sufficient number of fit riders to compete and meet the minimum performance criteria; rider contracts limiting participation in activities that may endanger fitness or ability to compete; and rider contracts limiting the period over which fees will continue to be paid to riders who are unable to compete. The Company is also monitoring operational risks that could arise as a direct result of the UK’s decision to leave the European Union and guidance is sought from government departments where appropriate. There are currently no further risks that the Company considers will have an operational impact.

Subsequent events

The Company is closely monitoring the evolution of the COVID-19 outbreak and is following the World Health Organisation and local governments’ advices. As a direct result of the virus becoming a global pandemic, the cycling season was suspended in March 2020 and the Company has since taken measures to mitigate the risk to keep its staff and riders safe. Whilst the long term impact of the virus on professional cycling is hard to assess at this point in time, the Company is in regular contact with the UCI, as well as a number of internal and external medical experts, in order to resume the current cycling season in the safest manner possible.

Approved by and signed on behalf of the board



A J Tominey
Director
31 July 2020
Registered number 04078205

Directors' Report

Under the section 414C(11) of the Act, the Directors may include in the strategic report such of the matters otherwise required by regulations made under section 416(4) to be disclosed in the Directors' report as the Directors consider are of strategic importance to the company. Disclosures required by s416(4) that included in the strategic report in this way are:

- future developments;
- financial risk management; and
- subsequent events.

The Directors do not recommend the payment of a dividend in the current year (2018: €nil).

Going concern basis

The directors have received confirmation that INEOS Industries Limited will support the Company for at least one year after these financial statements are signed. The company's forecasts and projections show that the Company should be able to operate within the level of the planned support. After making these enquires, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Director

The directors who held office during the period and up to the date of signing of the financial statements were as follows:

J F Ginns	(appointed 30 April 2019)
G W Leask	(appointed 30 April 2019)
F A C Millar	(appointed 17 May 2019)
A J Tominey	(appointed 17 May 2019)
R J Kingston	(resigned 29 April 2019)
G J McWilliam	(resigned 29 April 2019)
D J Ward	(resigned 29 April 2019)

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

Directors' Report *(continued)*

The directors 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.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Statement of disclosure of information to auditors

In the case of each director in office at the date the Directors' report is approved:

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

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Independent auditors

During the year Deloitte LLP were re-appointed as auditors of the Company.

Approved by and signed on behalf of the board



A J Tominey
Director
31 July 2020
Registered number 04078205

Independent auditor's report to the members of Tour Racing Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Tour Racing Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its results for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and IFRSs as issued by the International Accounting Standards Board (IASB); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

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

The financial reporting framework that has been applied in their preparation is applicable law and IFRSs as adopted by the European Union.

Basis for opinion

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

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

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Other information

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

Independent auditor's report to the members of Tour Racing Limited *(continued)*

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

We have nothing to report in respect of these matters.

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

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

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

Independent auditor's report to the members of Tour Racing Limited (continued)

Matters on which we are required to report by exception

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

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

We have nothing to report in respect of these matters.

Use of our report

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



Suzanne Gallagher (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, UK

31 July 2020

Profit and Loss Account
for the year ended 31 December 2019

	<i>Note</i>	2019 €000	Restated 2018 €000
Revenue	2	50,785	42,958
Operating expenses		(50,755)	(42,903)
Profit before taxation	3	30	55
Taxation	5	(30)	(55)
Result for the financial year		-	-

All activities of the Company relate to continuing operations.

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

Balance Sheet
as at 31 December 2019

	<i>Note</i>	2019 €000	Restated 2018 €000
Fixed assets			
Tangible assets	6	49	105
		<hr/>	<hr/>
		49	105
		<hr/>	<hr/>
Current assets			
Debtors	7	3,689	6,586
Cash at bank and in hand		3,546	836
		<hr/>	<hr/>
		7,235	7,422
		<hr/>	<hr/>
Current liabilities			
Creditors: amounts falling due within one year	8	(7,284)	(7,527)
		<hr/>	<hr/>
Net assets			
		-	-
		<hr/>	<hr/>
Capital and reserves			
Called up share capital	9	-	-
Profit and loss account		-	-
		<hr/>	<hr/>
Total shareholders' funds			
		-	-
		<hr/> <hr/>	<hr/> <hr/>

The financial statements of Tour Racing Limited were approved by the board of directors on 31 July 2020 and were signed on its behalf by:



A J Tominey
Director

Company registered number: 04078205

Statement of Changes in Equity
for the year ended 31 December 2019

	Called up Share capital €000	Profit and loss account €000	Total shareholders' funds €000
At 1 January 2018	-	-	-
Total comprehensive income for the year, comprising			
Result for the financial year	-	-	-
At 31 December 2018	-	-	-
At 1 January 2019	-	-	-
Total comprehensive income for the year, comprising			
Results for the financial year	-	-	-
At 31 December 2019	-	-	-

Notes to the financial statements for the year ended 31 December 2019 (forming part of the financial statements)

1 Accounting policies

Tour Racing Limited is a private limited company limited by shares incorporated and domiciled in the United Kingdom. The registered office address is Hawkslease, Chapel Lane, Lyndhurst, Hampshire, England, SO43 7FG.

INEOS Industries Limited is the parent undertaking that includes the Company in its consolidated financial statements. INEOS Industries Limited is a company incorporated in the UK. The consolidated financial statements of INEOS Industries Limited are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from Hawkslease, Chapel Lane, Lyndhurst, Hampshire, SO43 7FG.

The financial statements have been prepared in accordance with Financial Reporting Standard 101 (FRS 101) 'Reduced Disclosure Framework' issued by the Financial Reporting Council.

The Company meets the definition of a qualifying entity under FRS 100 'Application of Financial Reporting Requirements' issued by the FRC.

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

- a Cash Flow Statement and related notes;
- Comparative period reconciliations for share capital, tangible fixed assets and intangible assets;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- Disclosures in respect of the compensation of Key Management Personnel and;
- Disclosures in respect of financial instruments.

Where relevant, equivalent disclosures have been given in the group financial statements of INEOS Industries Limited.

1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

1.2 Going concern

The directors have received confirmation that INEOS Industries Limited will support the Company for at least one year after these financial statements are signed. The company's forecasts and projections show that the Company should be able to operate within the level of the planned support. After making these enquires, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

1.3 Foreign currency

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

Notes to the financial statements for the year ended 31 December 2019 (forming part of the financial statements) (continued)

1 Accounting policies (continued)

1.4 Change in accounting policies

None of the standards, interoperations and amendments effective for the first time from 1 January 2019 have had a material effect on financial statements.

1.5 Revenue

Revenue, which excludes value added tax, represents the inflow of economic benefit from the Company's sponsorship agreements.

The amount of sponsorship revenue the Company recognises in any one calendar year in respect to its agreements with INEOS Industries Holdings Limited is limited to the recoverable expenses of the Company in that year, net of any other income, including any value in kind sponsorship received.

Value in kind is recognised based on management's judgement that all value in kind, as detailed within the sponsorship agreements, will be fully utilised within the terms of agreements.

The fair value of the respective value in kind is determined as the price the Company would have paid for the comparable goods and services, net of VAT.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank accounts, deposits receivable on demand and deposits with maturity dates of three months or less from the date of inception. Bank overdrafts that are repayable on demand and which form an integral part of the Company's cash management are included as a component of cash and cash equivalents where offset conditions are met.

1.7 Non-derivative financial instruments

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

Trade and other debtors

Trade and other debtors are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition or issue. Subsequent to initial recognition they are tested for classification as per IFRS 9. If the trade debtors satisfy the criteria for cash flow characteristics test and business model test as per IFRS 9, then they are recognised at amortised cost. If they do not qualify for being recognised at amortised cost they are recognised at fair value through profit or loss.

Trade and other creditors

Trade creditors are initially at fair value, are subsequently reduced for discounts given by suppliers and are subsequently measured at amortised costs.

Notes to the financial statements for the year ended 31 December 2019 (forming part of the financial statements) (continued)

1 Accounting policies (continued)

1.8 Tangible fixed assets

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

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

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Depreciation commences from the date an asset is brought into service. Land and assets in the course of construction are not depreciated. The estimated useful lives are as follows:

- Motor vehicles 3-4 years

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

1.9 Impairment of financial assets

Trade and other debtors

The Company applies the simplified approach when providing for expected credit losses prescribed by IFRS 9 for its trade debtors and contract assets. This approach requires the Company to recognise the lifetime expected loss provision for all trade debtors taking in consideration historical as well as forward-looking information.

Financial assets which are considered low risk are not provided for impairment by the Company.

An impairment loss in respect of a receivable carried at amortised cost is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised.

1.10 Change of functional and presentational currency

The functional and presentational currency of the Company changed from pounds sterling to euros to better align with the structure, reporting and funding of the new owners INEOS Industries Holdings Limited. Both changes were effective from 1 July 2019 and in line with IAS 21 "The Effects of Changes in Foreign Exchange Rates".

The change in functional currency has been accounted for prospectively and the change in presentational currency has been accounted for retrospectively.

Financial information included in the financial statements for the year ended 31 December 2018 previously reported in pounds sterling have been retranslated into euros using the procedures outlined below:

- Assets and Liabilities were translated into euros at closing rate of exchange;
- Income and expenditure were translated into euros at an average yearly rate of exchange;

The exchange rates of euros to pounds sterling over the period restated were:

- Profit and Loss : €1: £0.8849
- Balance Sheet: €1: £0.8771

All financial information presented in euros have been rounded to nearest €1,000.

Notes to the financial statements for the year ended 31 December 2019 **(forming part of the financial statements) (continued)**

1 Accounting policies (continued)

1.11 Impairment of non-financial assets excluding inventories and deferred tax assets

The carrying amounts of the Company's non-financial assets and deferred tax assets are assessed at the end of the reporting period to determine whether there is any indication of impairment.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the profit and loss account.

Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units and then to reduce the carrying amount of the other assets in the unit on a pro rata basis. A cash generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Calculation of recoverable amount

The recoverable amount is the greater of fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of Impairment

In respect of other assets, an impairment loss is reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation of amortisation, if no impairment loss had been recognised.

1.12 Taxation

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

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

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

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Notes to the financial statements for the year ended 31 December 2019 (forming part of the financial statements) (continued)

2 Revenue

	2019 €000	Restated 2018 €000
Sponsorship revenue	47,638	40,084
Value in kind	3,147	2,874
	<hr/>	<hr/>
Total revenue	<u>50,785</u>	<u>42,958</u>

3 Profit before taxation

Included in profit before taxation is the following:

	2019 €000	Restated 2018 €000
Profit on disposal of fixed assets	11	-
Depreciation charge	51	88
	<hr/>	<hr/>

Auditors remunerations

Amounts paid to the auditors for audit services of €50,000 (2018: €34,000 were paid by Sky Group). No amounts for other services have been paid to the auditor (2018: nil).

4 Employee benefits and directors emoluments

	2019 €000	Restated 2018 €000
Wages and salaries	3,530	3,114
Social security	501	431
Expenses related to defined contribution pension plans	202	271
	<hr/>	<hr/>
Total employee benefits	<u>4,233</u>	<u>3,816</u>

The average monthly number of full-time equivalent persons employed by the Company during the year was 43 (2018: 45).

	2019 €000	Restated 2018 €000
<i>Directors' remuneration</i>		
Emoluments	421	154
Company contribution to defined contribution pension scheme	14	-
Compensation for loss of office	35	-
	<hr/>	<hr/>
	<u>470</u>	<u>154</u>

4 Employee benefits and directors emoluments (continued)

	2019 €000	Restated 2018 €000
<i>Remuneration of the highest paid director:</i>		
Emoluments	292	154
Company contribution to defined contribution pension scheme	14	-
	<u>306</u>	<u>154</u>

The number of directors who are member of a defined contribution pension scheme is 1 (2018:nil).

5 Taxation

Recognised in the profit and loss account

	2019 €000	Restated 2018 €000
<i>UK corporation tax</i>		
Current year UK tax	6	8
Current year overseas tax	1	12
Adjustments in respect of prior periods	11	(28)
Total current tax	<u>18</u>	<u>(8)</u>
<i>Deferred tax</i>		
Origination and reversal of temporary differences	12	24
Adjustments in respect of prior periods	-	39
Total deferred tax	<u>12</u>	<u>63</u>

Reconciliation of effective tax rate

	2019 €000	Restated 2018 €000
Profit before taxation	30	55
Profit before taxation multiplied by the standard rate of tax in the UK of 19% (2018: 19%)	6	10
Tax exempt revenues	12	6
Overseas tax	1	12
Adjustment in respect of prior periods	11	11
Change in tax rate	-	16
Total tax charge	<u>30</u>	<u>55</u>

The UK Corporation tax rate was reduced from 20% to 19% with effect from 1 April 2017. The rate will reduce further to 17% from 1 April 2020. In the 2020 budget it was announced that the corporation tax main rate would remain at 19% for the financial year beginning 1 April 2020 rather than reducing it to 17% from 1 April 2020. The

5 Taxation (continued)

charge to corporation tax and the main rate will also be set at 19% for the financial year beginning 1 April 2021. Taxation for overseas jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

6 Tangible assets

	Motor Vehicles
Cost	€000
At 1 January 2019	2,497
Exchange rate movements	65
Additions	4
Disposals	(81)
	2,485
Balance at 31 December 2019	2,485
 Accumulated depreciation	
At 1 January 2019	2,392
Exchange rate movements	63
Depreciation charge for the year	51
Disposals	(70)
	2,436
Balance at 31 December 2019	2,436
 Net book value	
At 1 January 2019	105
	49
At 31 December 2019	49

Notes to the financial statements for the year ended 31 December 2019 (forming part of the financial statements) (continued)

7 Debtors

	2019 €000	Restated 2018 €000
Traders debtors	670	1,309
Amounts owed by group undertakings	162	74
Prepayments and accrued income	2,727	5,065
Deferred tax asset	130	138
	3,689	6,586
	3,689	6,586
Due within one year	3,689	6,586
Due after more than one year	-	-
	-	-

The deferred tax asset relates to accelerated capital allowances

All amounts owed by group undertakings are repayable on demand, unsecured and interest free.

During the year the Company has not experienced a significant deterioration in the quality of debtor balances due to the current economic conditions.

8 Creditors: amounts falling due within one year

	2019 €000	Restated 2018 €000
Trade creditors	979	698
Accruals	6,293	3,136
Taxation and social security	12	-
Provisions	-	3,693
	7,284	7,527
	7,284	7,527

At 31st December 2018, the company recognised a provision of €3.7 million in relation to a change in accounting estimate for staff and rider costs which was settled in full during the year.

9 Share capital

	2019 €000
Authorised 1,000,000 (2018: 1,000,000) ordinary shares of £1 each	1,000
Allotted, called-up and fully paid 100 (2018: 100) ordinary shares of £1 each	-
	-

All shares are currently held by INEOS Industries Limited following the sale of the Company on 29 April 2019.

A dividend has not been declared.

As the reporting currency of the company is euro, the share capital has been converted to euros at the effective rate of exchange ruling at the date of issuance.

Notes to the financial statements for the year ended 31 December 2019 (forming part of the financial statements) *(continued)*

10 Related party

During the year the Company entered into transactions, in the ordinary course of business, with other related parties. The Company has taken advantage of the exemption under paragraph 8(k) of FRS 101 not to disclose transactions with fellow subsidiaries under common ownership.

11 Controlling parties

The Company was previously a wholly owned subsidiary of Sky UK Limited and 21st Century Fox Europe Inc, before being purchased by INEOS Industries Holdings Limited on 29 April 2019. The immediate parent undertaking at 31 December 2019 was INEOS Industries Holdings Limited, a company incorporated in the UK.

The ultimate parent company at 31 December 2019 and at the date of signing the financial statements was INEOS Limited, a company incorporated in the Isle of Man.

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

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

12 Accounting estimates and judgements

The Company prepares its financial statements in accordance with FRS101, which requires management to make judgements, estimates and assumptions which affect the application of the accounting policies, and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates change and in any future periods. There is no area within the financial statements that involve a significant degree of judgement or estimation.

13 Subsequent events

The Company is closely monitoring the evolution of the COVID-19 outbreak and is following the World Health Organisation and local governments' advices. As a direct result of the virus becoming a global pandemic, the cycling season was suspended in March 2020 and the Company has since taken measures to mitigate the risk to keep its staff and riders safe. Whilst the long term impact of the virus on professional cycling is hard to assess at this point in time, the Company is in regular contact with the UCI, as well as a number of internal and external medical experts, in order to resume the current cycling season in the safest manner possible.