



World Fuel Services Aviation Limited

Annual Report and Financial Statements

For the Year Ended 31 December 2023

Company Number 07209006

Company Information

Directors	Peter Warren Edwards Richard Donald McMichael Michael John Ranger
Company secretary	Reed Smith Corporate Services Limited
Registered number	07209006
Registered office	1 Blossom Yard Fourth Floor London E1 6RS
Independent auditor	BDO LLP 55 Baker Street London W1U 7EU

Contents

Page

1	Strategic Report
6	Directors' Report
10	Statement of Directors' Responsibilities
11	Independent Auditor's Report
15	Statement of Comprehensive Income
16	Balance Sheet
17	Statement of Changes in Equity
18	Notes to the Financial Statements

Strategic Report for the Year Ended 31 December 2023

The directors present herewith their Strategic Report and Directors' Report together with the audited financial statements of World Fuel Services Aviation Limited (the "Company") for the year ended 31 December 2023.

Principal activities

The Company, limited by share capital and incorporated in England and Wales in the United Kingdom, is a wholly-owned subsidiary of World Fuel Services Europe, Ltd., which is a wholly-owned subsidiary of WFS UK Holding Company II Limited, both of which are incorporated in England and Wales in the United Kingdom. The ultimate holding company is World Kinect Corporation (formerly known as World Fuel Services Corporation) (the "Ultimate Parent Undertaking"), incorporated in the State of Florida in the United States of America. On 15 June 2023, the Ultimate Parent Undertaking's shareholders approved an amendment to its Articles of Incorporation, as amended, changing the Ultimate Parent Undertaking's name from World Fuel Services Corporation to World Kinect Corporation.

The Company's principal activity continues to be that of aviation fuel supply.

Business review and future outlook

Revenue for the year ended 31 December 2023 was \$788,284,437 (2022: \$883,458,727). The Company generated a gross profit of \$1,106,054 (2022: gross loss of \$1,550,565). The loss after taxation for the year ended 31 December 2023 was \$4,311,784 (2022: loss after taxation of \$3,554,354). The Company's net liabilities at 31 December 2023 were \$17,274,226 (2022: net liabilities of \$12,962,442). Net liabilities have increased as a result of the loss for the year.

The Company's revenue decreased in 2023 as compared to 2022 primarily due to a decrease in average jet fuel prices, consistent with the year-over-year decline in global oil prices. The impact of lower average fuel prices was partially offset by higher volumes as demand continued to recover from the impact of the COVID-19 pandemic.

Total volumes for the year ended 31 December 2023 were 264M gallons versus 242M gallons in 2022, an increase of 22M gallons or 9% compared to 2022. Additionally, the average price per gallon sold during the year ended 31 December 2023 was \$2.74, compared to \$3.41 in 2022, a decrease of 20% as a result of the decline in global oil prices. Despite the revenue decrease, gross profit benefited from the fact that margins in 2023 were not negatively impacted to the extent that they were in the prior year as a result of the inventory losses driven by the extreme backwardation experienced principally during the second quarter of 2022.

We further note that the loss after taxation was increased as a result of the Company incurring \$1,191,079 in interest expense on its net borrowing position held as part of its line of credit agreement with WFS UK Finance Limited during 2023 (2022: \$nil).

The directors are satisfied with the results for the financial year. The Company has experienced a continued recovery of the demand that had been depressed during the COVID-19 pandemic.

The directors continue to focus upon expanding the supply network by establishing fueling operations in new airport locations as opportunities to do so arise, and believe that the expected combination of organic aviation fuel demand growth, stabilisation of global energy supply chains, lower financing costs and expansion of the number of locations in the Company's network should restore the Company to profitability.

Strategic Report for the Year Ended 31 December 2023

Principal risks and uncertainties

The Company's principal risks and uncertainties are integrated with the principal risks of the World Kinect Corporation Group (further referred to as 'Group') and are not managed separately. World Kinect Corporation is the parent undertaking of the only group of undertakings to consolidate these financial statements. The principal risks and uncertainties of World Kinect Corporation, the Ultimate Parent Undertaking, are discussed from page 8 of the 2023 annual report on Form 10-K which does not form part of this report but is publicly available.

Principal risks and uncertainties include, but are not limited to, macroeconomic and geopolitical trends that impact demand for air travel and economic trade, global oil supply and demand dynamics that impact the price, volatility and supply availability of jet fuel, changes in regulations that govern airport administration and operating policies, credit default risk among the airline industry and the sufficiency of access to financial liquidity to fund the Company's operations. As noted above, a comprehensive description of the Company's principal risks and uncertainties can be found in the 2023 annual report of World Kinect Corporation.

Key performance indicators ("KPIs")

The Company's directors monitor progress and strategy by reference to the following financial and non-financial KPIs:

Financial KPIs	2023 \$	2022 \$	Change \$	Change %
Revenue	788,284,437	883,458,727	(95,174,290)	(10.8)%
Gross profit/(loss)	1,106,054	(1,550,565)	2,656,619	171.3 %

Non-financial KPI	2023	2022	Change	Change %
Gallons sold	264,086,726	242,424,915	21,661,811	8.9 %

Refer to the business review and future outlook on page 1 of this report for details explaining the operating results for the year.

Streamlined Energy and Carbon Reporting

In line with the UK reporting guidelines, under the new Streamlined Energy and Carbon Reporting (SECR) regulations, in the table below the Company details the UK emissions and energy consumed for the year ended 31 December 2023 and 31 December 2022.

The calculation methodologies followed the 2019 HM Government Environmental Reporting Guidelines and GHG Reporting Protocol - Corporate Standard. The 2023 UK Government's Conversion Factors for Company Reporting have been used as well as an operational approach to define boundary and scope. Reasonable estimates and assumptions consistent with such guidance have been used where necessary.

Emissions from combustion gas (Scope 1) relates to Natural Gas. Natural Gas consumption is taken from supplier consumption data. Emissions from combustion of fuel for transport purposes (Scope 1) relates to Diesel, which was calculated using litres of fuel utilised by onsite vehicles. Scope 2 relates to Electricity and was calculated using monthly meter readings, where available. Where this is not available, data is estimated based upon the average usage, per commodity, against throughput (fuel supplied) for the recorded months. Scope 3 relates to transport usage and was calculated using expense claims, using pence per mile for mileage claims. Where the vehicle fuel type was undefined, the unknown fuel type emission factor was used.

Strategic Report for the Year Ended 31 December 2023

The SECR reporting covers only the sites operating within the UK.

	Units	2023	2022
Emissions from combustion of gas (Scope 1)	tCO ₂ e	5.58	3.52
Emissions from combustion of fuel for transport purposes (Scope 1)	tCO ₂ e	1038.89	659.93
Emissions from purchased electricity (Scope 2)	tCO ₂ e	78.52	45.58
Emissions from generation of electricity consumed in a transmission and distribution system for which the Company does not own or control (Scope 3)	tCO ₂ e	6.79	4.17
Total gross emissions		1129.78	713.2
Energy consumption used to calculate above emissions	kWh	4,405,496	3,898,107
Intensity measurement	\$ Turnover	788,284,437	883,458,727
Intensity ratio	tCO ₂ /\$M	1.433	0.807

The Company's energy usage and carbon footprint are integrated with the sustainability reporting of the World Kinect Corporation Group ("the Group") and are not managed separately. The environmental commentary of the Group is discussed from page 16 of the Sustainability Report, which does not form part of this report.

The Company and its directors are committed to doing their part to reduce emissions in the Company's operations. These initiatives include improving fuel economy by reducing the overall age profile of our truck fleet through the procurement of newer, more fuel-efficient vehicles, whilst concurrently increasing the use of automation tools to optimise delivery routes and improve driver behaviour, enabling the Company to serve its customers with greater efficiency. In addition, the Company also aims to source renewable power for all of its UK operations through renewable energy certificates and other available alternatives.

At World Kinect Corporation, the Group recognises the importance of setting near-term, achievable sustainability targets as well as long-term, comprehensive sustainability goals. While the Group has not yet established "net zero" targets in light of the industry sectors it serves and its place in the supply chain as a logistics provider and fuel distributor, it is working on establishing goals and targets aimed at reducing its Scope 1 and 2 carbon emissions. The Group's senior leadership is also working on setting goals for growing renewable fuel and energy volumes, together with developing sustainability solutions to better enable its customers, suppliers, and other stakeholders to achieve their own sustainability goals and thereby reduce GHG emissions for the various participants in the Group's value chain (e.g. Scope 3 – "Use of Sold Products").

Strategic Report for the Year Ended 31 December 2023

S 172(1) statement

In line with the Directors' duties, under section 172(1) of the Companies Act 2006, the directors must act in a way that is considered in good faith and would most likely promote the success of the Company, for the benefit of its members, as a whole. In 2023, whilst fulfilling their duties to promote the success of the Company, the directors considered the interests of key stakeholders, having regard, amongst other matters to:

- a. The likely consequences of any decision in the long term;
- b. The interest of the Company's employees;
- c. The need to foster the Company's business relationships with suppliers, customers and others;
- d. The impact of the Company's operations on the community and the environment;
- e. The desirability of the Company maintaining a reputation for high standards of business conduct; and
- f. The need to act fairly as between members of the Company.

The directors discharge their section 172 duties by taking these and other relevant factors into consideration when making decisions. The directors ensure key decisions are aligned with the strategy, vision and values of the Group details of which can be found at: <https://ir.world-kinect.com/corporate-responsibility>.

The directors' duties and decisions made on behalf of the Company, are supported by access to the Group and corporate governance policies and practices. The Group believes that good corporate governance is critical to support its efforts to achieve performance goals, while delivering long-term value to its shareholders, employees, customers, suppliers, communities and other stakeholders. Further, the Group collectively believes that successful stewardship of the environment and natural resources, as well as positive engagement with the communities in which the Group operates, will translate to long-term value for society and ultimately define the Company's success. Please refer to the Directors' Report (page 6) for additional details on stakeholder engagement.

In 2023, the directors discussed new opportunities and projects within various areas, taking into consideration the benefits and impacts to key stakeholders. The principal decisions made by the directors in the financial year included the following:

- The review of potential new locations for expansion and growth opportunities in the form of new operations, resulting in one new location in 2023 and the identification of several new potential locations for 2024-2025;
- Optimising the profitability and maintaining market share as the demand for aviation passenger travel continued to recover from the impact of the COVID-19 pandemic;
- The continuing review and optimisation of supply chain logistics in order to ensure reliability of supply and mitigate the impact of price volatility; and
- The continuing review of operating costs in an elevated inflationary and interest rate environment to maintain competitive advantage, and improve profitability.

The impact of the above key decisions included the following stakeholder considerations:

- Our customers: were considered throughout to promote the goal that decisions made appropriately balanced a desire to avoid adverse impact on the high standards and/or reliability of the services provided.
- Ongoing financial reviews and resource management in order to protect the company's financial position;
- Our people: appropriate consultations were held to consider the wellbeing and safety of our employees.
- Our community and regulators: were considered through continuous review of new and existing regulations in relation to the Company's impact on the environment and local community, to promote the goal that decisions made by the Company were in compliance with the relevant laws and regulations.

Strategic Report for the Year Ended 31 December 2023

Principal risks and uncertainties that could impact the Company's long-term performance are integrated with the principal risks of the Group, which are discussed above in the Strategic Report (page 1).

Health and Safety

The Company is committed to protecting the health and safety of our employees, contractors, customers, suppliers and the communities in which we operate. We are committed to playing a leading role in promoting best practices within the transportation industry and are closely involved in developing, setting, and maintaining health, safety and environment ("HSE") industry standards. We have established a set of "Rules to Live By" to help strengthen our existing Integrated Management System and drive appropriate safety behaviours and practices that we believe are vital to preventing workplace incidents. These rules are designed to ensure we execute our operations safely and securely for all our stakeholders.

We have developed what we believe to be a comprehensive process designed to identify, assess and manage HSE risks in our operations. We set targets for performance improvements, regularly measure, audit and report on our performance, and investigate near misses and incidents to determine root causes to prevent similar incidents from occurring in the future. We also expect our contractors to manage HSE matters in line with our policies and strive to maintain an open dialogue with our stakeholders and within the communities where we operate.

This report was approved by the board signed on its behalf by:



Richard Donald McMichael
Director

Date: 27 September 2024

Directors' Report for the year ended 31 December 2023

Directors

The Directors who served during the financial year ended 31 December 2023 and up to the date of signing the financial statements are as follows:

Peter Warren Edwards
Richard Donald McMichael
Michael John Ranger

Directors' indemnities

The Company provides an indemnity for the Directors of the Company, which is a qualifying third party indemnity provision for the purposes of the Companies Act 2006. In addition, the Ultimate Parent Undertaking maintains liability insurance for its directors and officers. The qualifying third party indemnity was in place during the year ended 31 December 2023 and as at the date of approval of the Annual Report.

Dividends

The Company did not pay an interim dividend for the year ended 31 December 2023 (2022: \$nil). No final dividend is proposed for the year ended 31 December 2023 (2022: \$nil).

Financial risk management

The financial risk management of the Company is handled by the Ultimate Parent Undertaking as part of the operations of the World Kinect Corporation Group. The financial risk objectives, policies and exposures are described in the financial statements of the Ultimate Parent Undertaking from page 8 of the 2023 annual report on Form 10-K which does not form part of this report, but is publically available.

The Company is exposed to the following risks arising in the normal course of business:

Currency risk

The Company's cash flows are largely denominated in US Dollars, which is the functional currency of the Company. As such, the Company is not subject to a significant level of currency risk exposure due to foreign exchange fluctuations.

Price risk

(i) Fixed price purchases and sales

The Company is exposed to price risk to the extent that it enters into fixed price fuel purchase and / or sale commitment contracts. The Company mitigates part of its price risk associated with these fixed price fuel commitment contracts through the use of offsetting fixed price fuel commitment contracts or commodity derivative contracts. The Company does not enter into these derivative contracts directly, as the wider Group manages this through specified group undertakings.

Directors' Report for the year ended 31 December 2023

(ii) Fuel inventory

The Company may maintain fuel inventory for competitive and logistical reasons. Inventory is principally valued using the weighted average cost methodology and is stated at the lower of average cost or net realisable value. Significant variations in the market prices of products held in inventory may require the Company to record inventory impairments. The Company mitigates its price risk associated with fuel inventory holdings through the use of commodity derivative contracts. The Company does not enter into these derivative contracts directly, as the wider World Kinect Corporation group manages this through specified group undertakings. The hedging transactions the Group undertakes to limit the financial effects of commodity price fluctuations may not be fully effective. Accordingly, if the market value of inventory held is less than the average cost and to the extent the hedges are not effective at mitigating fluctuations in prices, the Company may be required to record an impairment of inventory or suffer losses as fuel is sold, which could adversely impact the Company's results.

Interest rate risk

The Company has exposure to interest rate risk due to the following:

i. Loan to related party

The Company is party to a loan receivable from a related party. This loan incurs interest on a variable rate (see note 20). Should interest rates increase, then the Company's finance income will increase. A decrease in rates would see a decrease in finance income.

ii. Loan payable to related party

The Company has entered into a loan with WFS UK Finance Limited during the period. This loan incurs interest at a fixed rate of 6.2% therefore the interest rate risk associated with this loan is considered to be mitigated.

iii. Line of credit with related party

The Company has exposure to interest rate risk, of which, interest is based on the rate equal to the interest received for outstanding time deposits by UK Monetary Financial Institutions as published by The Bank of England + 0.25% (note 14). An increase in the interest rate would mean an increase in finance expenses, whilst a decrease would see a reduction in finance expenses.

Credit risk

The Company has exposure to credit risk through the extension of unsecured credit to customers in the normal course of business. The Company's exposure to credit losses will depend on the financial condition of customers and other factors beyond the control of the Company, such as deteriorating conditions in the world economy or in the aviation transportation industries, political instability, terrorist activities, military action and natural disasters in our market areas.

In addition, as part of our price risk management services, the Company offers customers various pricing structures on future purchases of fuel, as well as derivative products designed to assist customers in hedging their exposure to fluctuations in fuel prices. If there is a significant fluctuation in the price of fuel there is a risk customers could decide to, or be forced to, default under their obligations to the Company. The Company does not enter into these derivative contracts directly, as the wider Group manages this through specified group undertakings.

The Company has credit standards and performs credit evaluations of customers and suppliers, which are based in part on the credit history with the applicable party.

Directors' Report for the year ended 31 December 2023

Liquidity risk

The Company relies on credit arrangements with suppliers as a significant source of liquidity. Tightening of the global credit markets could adversely affect the Company's ability to obtain credit as and when needed on commercially reasonable terms. Management believes that the Company can obtain financing from either third parties or related companies with terms acceptable to the Company as the need arises.

Future developments

Refer to the Strategic Report on page 1 for a description of future developments in the business.

Going concern

The Company's loss after tax for the financial year was \$4,311,784 (2022: loss after tax of \$3,554,354) and as at 31 December 2023 the Company had net liabilities of \$17,274,226 (2022: net liabilities of \$12,962,442).

World Kinect Corporation, the Ultimate Parent Undertaking of World Fuel Services Aviation Limited, has agreed to provide adequate financial support for a period of at least twelve months following the date of the Independent Auditor's Report for the Company's financial statements for the year ended 31 December 2023, to the extent necessary to enable the Company to meet its continuing operating liabilities, as well as any known liabilities on the Company's Balance Sheet as at 31 December 2023, as and when they fall due, and further confirms that no credit loss will be incurred by the Company in respect of the amounts owed to it by fellow group undertakings for the periods presented within these financial statements.

As a result of the support from the Ultimate Parent Undertaking, the Director has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, the Company has adopted the going concern basis in preparing the financial statements.

Stakeholders' engagement statement

The Company's key stakeholder engagement and decision making are integrated with the principles of the Ultimate Parent Undertaking, World Kinect Corporation (note 18). The Company does not manage key stakeholder engagement separately. The Group regularly engages with key stakeholders to better understand their perspectives, including areas such as our business strategies, financial performance and matters of corporate governance. This dialogue has helped inform the Group's decision-making processes and ensure interests remain well-aligned with those of its key stakeholders.

The Group assessed the importance of a variety of stakeholders and the potential impact of the Group's operations and actions on those stakeholders in determining its key stakeholders. The key stakeholders to the Company include the other Group companies, our customers and suppliers, our people, and the communities in which we operate. The Group engages with key stakeholders in a number of ways. Stakeholder engagement includes, but is not limited to, regular communication with customers, suppliers and members of the communities in which the Company operates on matters that of importance to such stakeholders, regular employee town hall meetings, quarterly and year-end performance presentations and investing back into its communities through supporting charities and other initiatives.

Directors' Report for the year ended 31 December 2023

Disclosure of information to auditor

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

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

Auditor

The auditor, BDO LLP will be re-appointed during the year in accordance with section 485 of the Companies Act 2006.

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



Richard Donald McMichael
Director

Date: 27 September 2024

Statement of Directors' Responsibilities for the Year Ended 31 December 2023

The directors are responsible for preparing the Strategic Report and 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WORLD FUEL SERVICES AVIATION LIMITED

Opinion on the 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 2023 and of its loss 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.

We have audited the financial statements of World Fuel Services Aviation Limited ("the Company") for the year ended 31 December 2023 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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 FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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

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

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 WORLD FUEL SERVICES AVIATION LIMITED

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

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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 material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which 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; and
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Statement of Directors' responsibilities, 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WORLD FUEL SERVICES AVIATION LIMITED

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

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

Non-compliance with laws and regulations

Based on:

- Our understanding of the Company and the industry in which it operates;
- Discussion with management and those charged with governance, including legal counsel and,
- Obtaining and understanding of the Company's policies and procedures regarding compliance with laws and regulations

We considered the significant laws and regulations to be Financial Reporting Standard 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice), UK tax legislation and the Companies Act 2006.

The Company is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be The Hydrocarbon Oil Duties Act 1979 and the Data Protection Act 2018.

Our procedures in respect of the above included:

- Review of minutes of meetings of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Involvement of tax specialists in the audit, where required; and a
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Company's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meetings of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be the Existence of Revenue, Existence of Trade Receivables, Management Override of Controls specifically over Journal Entries and Related Party Transactions.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WORLD FUEL SERVICES AVIATION LIMITED

Our procedures in respect of the above included:


- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation; and
- Assessing significant estimates made by management for bias as disclosed within Note 3, and verifying assumptions made to supporting documentation; and
- Assessing any manual journal entries to Revenue for reasonableness and agreeing to supporting documentation; and
- Review of related party relationships and associated transactions identified by management; and
- Review of disclosures within these financial statements of the related party relationships and the associated transactions; and
- Assessment of undisclosed related party relationships and associated transactions; and
- Verification and confirmation of transactions during the year, and balances outstanding as at the year end date with those identified related parties; and
- Performance of audit procedures that specifically address the existence of revenue transactions throughout the year, which included obtaining sales invoices, goods delivered notes and cash receipt evidence; and
- Verification of cash receipts post year end for a sample of trade receivables outstanding as at the balance sheet date, and agreement to underlying supporting documentation; and
- We used an engagement team with appropriate competence and experience.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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.

DocuSigned by:

3B3C5B146557438...

Joseph Aswani (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London, UK

DATE: 27 September 2024

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Statement of Comprehensive Income for the year ended 31 December 2023

		2023	2022
	Note	\$	\$
Revenue	4	788,284,437	883,458,727
Cost of sales		(787,178,383)	(885,009,292)
Gross profit/(loss)		1,106,054	(1,550,565)
Administrative expenses		(1,394,017)	(1,299,792)
Operating (loss)	5	(287,963)	(2,850,357)
Finance income	6	859,875	494,038
Finance expenses	7	(6,322,263)	(4,826,749)
Share of post-tax profits of equity accounted joint ventures	10	1,438,567	3,628,714
Loss before taxation for the financial year		(4,311,784)	(3,554,354)
Income tax	8	—	—
Loss after taxation for the financial year and total comprehensive (loss) for the year		(4,311,784)	(3,554,354)

All amounts relate to continuing operations.

There was no other comprehensive income or loss during the year ended 31 December 2023, or the year ended 31 December 2022

The notes on pages 18 to 37 form part of these financial statements

Balance Sheet as at 31 December 2023

Registered number: 07209006

	Note	2023 \$ USD	2022 \$ USD
Non-current assets			
Intangible assets	9	5,548,528	5,718,400
Investments	10	12,602,273	11,175,255
Property, plant and equipment	11	19,354,796	19,307,691
		37,505,597	36,201,346
Current assets			
Trade and other receivables	12	86,957,912	89,723,746
Inventory	13	19,097,425	5,619,041
Cash and cash equivalents		1,559	1,561
		106,056,896	95,344,348
Total assets		143,562,493	131,545,694
Non-current liabilities			
Borrowings from group companies	14	95,812,025	19,646,085
Lease liabilities	16	2,905,718	3,462,994
		98,717,743	23,109,079
Current liabilities			
Borrowings from group companies	14	29,841	41,240,596
Trade and other payables	16	62,089,135	80,158,461
		62,118,976	121,399,057
Total liabilities		160,836,719	144,508,136
Net (liabilities)		(17,274,226)	(12,962,442)
Equity			
Share capital	17	2	2
Retained losses		(17,274,228)	(12,962,444)
Total shareholder's (deficit)		(17,274,226)	(12,962,442)

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

Richard Donald McMichael 
Director

Date: 27 September 2024

The notes on pages 18 to 37 form part of these financial statements

Statement of Changes in Equity for the year ended 31 December 2023

	Share capital	Retained losses	Total shareholder's (deficit)
	\$	\$	\$
Balance at 1 January 2022	2	(9,408,090)	(9,408,088)
Loss after taxation for the financial year and total comprehensive loss for the year	—	(3,554,354)	(3,554,354)
Balance at 31 December 2022	2	(12,962,444)	(12,962,442)
Loss after taxation for the financial year and total comprehensive loss for the year	—	(4,311,784)	(4,311,784)
Balance at 31 December 2023	2	(17,274,228)	(17,274,226)

The notes on pages 18 to 37 for part of these financial statements.

Notes to the financial statements for the year ended 31 December 2023

Note 1 – General Information

World Fuel Services Aviation Limited ("the Company") is a private company limited by share capital, incorporated in England and Wales in the United Kingdom. It is a wholly-owned subsidiary of World Fuel Services Europe, Ltd., which is a wholly-owned subsidiary of WFS UK Holding Company II Limited, both of which are incorporated in England and Wales in the United Kingdom. The ultimate holding company is World Kinect Corporation (the "Ultimate Parent Undertaking"), incorporated in the State of Florida in the United States of America.

The Company's principal activity is that of aviation fuel supply.

Note 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' ("FRS 101") and the Companies Act 2006.

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

The following principal accounting policies have been applied consistently in both periods presented:

2.2 Financial reporting standard 101 - reduced disclosure exemptions

FRS 101 allows a qualifying entity certain disclosure exemptions, if certain conditions have been complied with. A qualifying entity is defined as a member of a group that prepares publicly available financial statements, which give a true and fair view, in which that member is consolidated. The Company is a qualifying entity as its results are consolidated into the financial statements of World Kinect Corporation, which are publicly available (note 18). The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of International Accounting Standards ("IAS") 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraph 30 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures (key management compensation); and
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group.

Notes to the financial statements for the year ended 31 December 2023

2.3 Consolidated financial statements

The financial statements contain information about World Fuel Services Aviation Limited as an individual company and do not contain consolidated financial information as the parent of a group. The Company has taken the exemption under Section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertaking are included in the consolidated statements of its Ultimate Parent Undertaking, World Kinect Corporation, a company incorporated in the State of Florida in the United States of America, and whose financial statements are publicly available. The consolidated financial statements of World Kinect Corporation may be obtained from World Kinect Corporation, 9800 NW 41st Street, Suite 400, Miami, Florida USA 33178 or are readily available from the Investor Relation section of the World Kinect Corporation website.

2.4 Going concern

The Company's loss after tax for the financial year was \$4,311,784 (2022: loss after tax of 3,554,354 and as at 31 December 2023 the Company had net liabilities of \$17,274,226 (2022: net liabilities of \$12,962,442).

World Kinect Corporation, the Ultimate Parent Undertaking of World Fuel Services Aviation Limited, has agreed to provide adequate financial support for a period of at least twelve months following the date of the Independent Auditor's Report for the Company's financial statements for the year ended 31 December 2023, to the extent necessary to enable the Company to meet its continuing operating liabilities, as well as any known liabilities on the Company's Balance Sheet as at 31 December 2023, as and when they fall due, and further confirms that no credit loss will be incurred by the Company in respect of the amounts owed to it by fellow group undertakings for the periods presented within these financial statements. As a result of the support from the Ultimate Parent Undertaking, the Director has a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, the Company has adopted the going concern basis in preparing the financial statements.

2.5 Business combinations and goodwill

The Company applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a business is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Company. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are expensed as incurred.

(a) Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured at fair value is less than the fair value of the net assets of the subsidiary acquired, in the case of a bargain purchase, the difference is recognised directly in the income statement.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the CGUs, or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level. Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment and is therefore not assigned a useful economical life. The carrying value of the cash-generating unit (CGU) containing the goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

Notes to the financial statements for the year ended 31 December 2023

(b) Customer relationship - intangibles

Customer relationship intangibles acquired in a business combination are recognised at fair value at the acquisition date. Customer relationship intangibles have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated based on the timing of projected cash flows of the contracts over their estimated useful lives of 13 years.

2.6 Revenue recognition

Revenue is measured at the fair value of consideration received or receivable for the sale of aviation fuel in the ordinary course of the Company's activities as per the following 5 step model:

- Identify the contract(s) with a customer;
- Identify the performance obligations in the contract(s);
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contract(s); and
- Recognise revenue when (or as) the performance obligations are satisfied.

The Company recognises revenue from the sale of aviation fuel in accordance with the relevant master supply agreements or spot sale contracts in the period in which the fuel is supplied, when the amount of revenue can be reliably measured and when it is considered probable that the future economic benefits will flow to the Company. Each unit of fuel is treated as a different performance obligation, with a clearly distinguishable obligation to provide fuel. Revenue is therefore recognised on a daily basis, in line with sales made in the year. Revenue from the sale of fuel is recognised when the Company has delivered fuel to the customer and the customer has accepted the fuel.

The Company generates fuel sales as a fuel reseller as well as from on-hand inventory supply. When acting as a fuel reseller, the Company purchases fuel from the supplier, and contemporaneously resells the fuel to the customer, normally taking delivery for purchased fuel at the same place and time as the delivery is made to the customer.

Revenue and costs arising from the sale of the fuel are presented gross in the Statement of Comprehensive Income as the Company takes inventory risk, has latitude in establishing the sales price, has discretion in the supplier selection, maintains credit risk and is the primary obligor in the sales arrangement.

Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added taxes and other sales taxes.

2.7 Foreign currency transactions

Functional and presentation currency

The Company's functional and presentational currency is USD.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the average exchange rate during the period that the transaction occurs.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income within administrative expenses.

Notes to the financial statements for the year ended 31 December 2023

2.8 Current and deferred income tax

Tax is recognised in the Statement of Comprehensive Income, 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. Deferred tax is not discounted.

2.9 Financial assets and liabilities

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable and loans to and from related parties.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial Assets

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial liabilities

Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. Debt instruments, like loans and other accounts receivable and payable, are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method.

Notes to the financial statements for the year ended 31 December 2023

2.10 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts which are subject to insignificant risk of change in value.

2.11 Trade and Other Receivables

Trade and other receivables are amounts due from customers from the sale of aviation fuel in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business, if longer), they are classified as current assets. If not, they are presented as non-current assets; they are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

The Company has entered into a trade receivable finance arrangement whereby certain of its trade receivables are sold to a third party. Trade receivables subject to the arrangement are derecognised if it is assessed that substantially all risks and rewards and rights to receive cash flows have been transferred. Where the de-recognition criteria are not met, the trade receivables continue to be recognised in the financial statements with a corresponding payable recorded under trade and other payables for any amounts of cash advanced to the Company under the arrangement.

2.12 Investments

(i) Investments in subsidiary companies

Investments in subsidiary companies are held at cost less accumulated impairment losses.

(ii) Investments in joint ventures

Investments in joint ventures are accounted for using the equity method. The share of profit or loss is related to the investment is recorded within the Statement of Comprehensive Income within the period that it relates to.

(iii) Impairment of investments

The Company assesses at each Balance Sheet date whether there is objective evidence that indicates that the Company's investments are impaired. Where indicators of impairment are considered to be present, a recoverable amount assessment is performed. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date, up to the original cost of the asset.

2.13 Inventory

Inventory consists of aviation fuel products bought for resale and is stated at the lower of cost or net realisable value using the average cost method. Components of inventory cost include fuel purchase and related transportation costs.

2.14 Property, plant and equipment

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Notes to the financial statements for the year ended 31 December 2023

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the Statement of Comprehensive Income during the financial period in which they are incurred.

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Leasehold improvements	1 to 13 years
Furniture, fixtures and office equipment	3 to 7 years
Plant machinery and equipment	5 to 30 years
Tanks and terminals	5 to 30 years

Construction in progress is not depreciated until it is placed into service

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Administrative expenses' in the Statement of Comprehensive Income.

2.15 Impairment of property, plant and equipment

Property, plant and equipment is reviewed for impairment at each balance sheet date. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount within the Statement of Comprehensive Income. The recoverable amount is the higher of an asset's fair value less costs of disposal or value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). Prior impairments of property, plant and equipment are reviewed for possible reversal at each reporting date.

2.16 Trade and other payables

Trade and other payables represent obligations to pay for goods and services provided to the Company in the ordinary course of business. Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.17 Dividends

Dividend distributions to the Company's shareholders are recognised in the period in which the dividends are approved by the Company's shareholders.

Dividends received from investment undertakings are recorded within the Statement of Comprehensive Income at the point at which dividends are declared provided the inflow of positive economic resources is expected.

Notes to the financial statements for the year ended 31 December 2023

2.18 Share capital and reserves

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are shown in equity as a deduction from the proceeds.

Retained losses represents cumulative profits or losses, net of dividends paid.

2.19 Leases

Short-term leases

Short-term lease rentals, being those leases with durations of up to 12 months, are charged to the Statement of Comprehensive Income on a straight line basis over the term of the lease. Incentives received associated with the lease are released to the Statement of Comprehensive Income over the period of the lease.

Long-term leases

The Company accounts for a contract, or a portion of a contract, as a lease when it conveys the right to use an asset for a period of time in exchange for consideration. Leases are those contracts that satisfy the following criteria:

- There is an identified asset;
- The Company obtains substantially all the economic benefits from use of the asset; and
- The Company has the right to direct use of the asset.

The Company considers whether the supplier has substantive substitution rights. If the supplier does have those rights, the contract is not identified as giving rise to a lease.

In determining whether the Company obtains substantially all the economic benefits from use of the asset, the Company considers only the economic benefits that arise from use of the asset, not those incidental to legal ownership or other potential benefits.

In determining whether the Company has the right to direct the use of the asset, the Company considers whether it directs how and for what purpose the asset is used throughout the period of use. If there are no significant decisions to be made because they are pre-determined due to the nature of the asset, the Company considers whether it was involved in the design of the asset in a way that predetermines how and for what purpose the asset will be used throughout the period of use. If the contract or portion of a contract does not satisfy these criteria, the Company applies other applicable IFRSs rather than IFRS 16.

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

Depreciation charges on the Company's right of use assets are recognised within cost of sales.

Lease Measurement

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Company's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

Notes to the financial statements for the year ended 31 December 2023

On initial recognition, the carrying value of the lease liability also includes:

- Amounts expected to be payable under any residual value guarantee;
- The exercise price of any purchase option granted in favour of the company if it is reasonably certain to assess that option; and
- Any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of a termination option being exercised.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- Lease payments made at or before commencement of the lease;
- Initial direct costs incurred; and
- The amount of any provision recognised where the Company is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement, lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are depreciated on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the Company revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to be made over the revised term, which are discounted using a revised discount rate. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised, except the discount rate remains unchanged. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term. If the carrying amount of the right-of-use asset is adjusted to zero, any further reduction is recognised in the statement of comprehensive income.

When the Company renegotiates the contractual terms of a lease with the lessor, the accounting depends on the nature of the modification:

- If the renegotiation results in one or more additional assets being leased for an amount commensurate with the standalone price for the additional rights-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy.
- In all other cases where the renegotiated terms increase the scope of the lease (whether that is an extension to the lease term, or one or more additional assets being leased), the lease liability is remeasured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount.
- If the renegotiation results in a decrease in the scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to reflect the partial or full termination of the lease with any difference recognised in profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

For contracts that convey both a right to the Company to use an identified asset and require services to be provided to the Company by the lessor, the Company has elected to account for the entire contract as a lease, i.e. it allocates the amount of the contractual payments to be made, and separately accounts for any services provided by the supplier as part of the contract.

Notes to the financial statements for the year ended 31 December 2023

Note 3 – Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the Company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgment in applying accounting policies

The judgement in applying accounting policies at the Balance Sheet date, which has a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is discussed below.

Intercompany transactions

The Company enters into a number of transactions with related group companies. The Company considers a number of estimates when entering these transactions to ensure that they are conducted on an arms' length basis. When assessing whether transactions with other group companies have been conducted on an arm's length basis, the directors note that these decisions involve the input of internal and external tax advisers to the Company, including an analysis of comparable companies and groups who operate in similar markets to the worldwide Group.

Useful economic life of Property, Plant and Equipment

Property, plant and equipment is depreciated over their useful lives taking into account residual values where appropriate. Property, plant and equipment useful lives vary depending on the category of asset, of which, multiple categories are used. The useful lives of these assets are estimated based on life cycles and the historical lives of similar assets used by the Company.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the Balance Sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Carrying value of investments

The Company considers indicators of impairment annually. If indicators are present, Management makes an estimate of the recoverable value of investments in subsidiaries on an annual basis. When assessing impairment of investments in subsidiaries, Management considers factors including current market and industry conditions and historical experience.

Carrying value of trade and other receivables

The Company makes an estimate of the recoverable value of trade and other receivables. When assessing impairment of trade and other receivables, management considers factors including the credit rating of the receivable, the ageing profile of receivables and historical experience. The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. See note 12 for the net carrying amount of the receivables and associated impairment provision.

Notes to the financial statements for the year ended 31 December 2023

Carrying value of intangible assets

The Company considers whether intangible assets are impaired. Where an indication of impairment is identified, the estimation of recoverable value requires estimation of the recoverable value of the cash generating units (CGU's). This requires estimation of the future cash flows from the CGU's and also a selection of appropriate discount rates in order to calculate the net present value of those cash flows.

Carrying value of inventory

The Company's inventory consists of aviation fuel products. In calculating the net realisable value of inventory, Management considers the nature and condition of the inventory, as well as applying assumptions around the sale-ability of inventory and the amount of related transportation costs to include within the valuation calculations.

Impairment of Property, Plant and Equipment

The Company considers whether property, plant and equipment, is impaired. Where an indication of impairment is identified, the estimation of recoverable value requires estimation of the recoverable value of the cash generating units (CGU's). This requires estimation of the future cash flows from the CGU's and also a selection of appropriate discount rates in order to calculate the net present value of those cash flows. From this assessment, the net book value of the specified assets is reduced to the higher of the recoverable value or the value in use.

To determine the incremental borrowing rate the Company uses recent third-party financing as a starting point, and adjusts this for conditions specific to the lease such as its term and security.

Balances with related party

The Company has entered into a line of credit agreement with a related party during the prior year. The Company considers a number of estimates when entering into these line of credit agreements to ensure that they are conducted on arms' length basis with interest being charged in line with relevant market conditions. When assessing whether borrowings with other group companies have been conducted on an arms' length basis, the Director notes that these decisions involve the input of internal and external tax advisers to the Company, including an analysis of comparable basic financial instruments between companies and groups who operate in similar markets to worldwide Group.

Carrying value of amounts due from group undertakings

The Company makes an estimate of the recoverable value of amounts due from group undertakings. When assessing impairment of amounts due from group undertakings, management considers factors including current market and industry conditions, historical experience and World Kinect Corporation, the Ultimate Parent Undertaking, pledging to correct the financial position of the entities, so that no credit loss is incurred by the Company.

Note 4 – Revenue

A geographical analysis of revenue by destination is as follows:

	2023	2022
Revenue	\$	\$
United Kingdom	540,288,144	559,444,569
European Union	247,996,293	324,014,158
Total	788,284,437	883,458,727

All revenue is generated within the aviation sector from the Company's principal activity.

Notes to the financial statements for the year ended 31 December 2023

Note 5 – Operating (loss)

Operating (loss) is stated after charging/(crediting):

	2023 \$	2022 \$
Impairment of inventory	1,584,340	233,928
Inventory recognised as an expense	727,733,322	819,234,824
(Reversal of impairment) of trade receivables	(87,480)	(473,954)
Foreign exchange loss	364,887	1,268,120
(Gain) on disposals of property, plant and equipment	(390,390)	(312,652)
Depreciation of property, plant and equipment (note 11)	1,620,643	1,594,006
Depreciation of right-of-use assets (note 11)	574,267	681,487
Amortisation of intangible assets (note 9)	169,872	169,870
Operating lease expense	209,698	199,287
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	93,989	74,883

The Company had no employees during the years ended 31 December 2023 and 31 December 2022. The Company reimburses World Fuel Services Europe, Ltd. for various employment services charged at the costs of its operation on a monthly basis. The amount recharged for the year ended at 31 December 2023 was \$359,419 (2022: \$391,964). The Company also reimburses a subsidiary, Redline Oil Services Limited, for the provision of manpower services at key airport locations. The amount recharged for the year ended 31 December 2023 was \$8,147,791 (2022: \$6,867,905).

The Company's directors received no remuneration during the years ended 31 December 2023 and 31 December 2022 in connection with their services to the Company.

Fees payable to the Company's auditor were settled by a group company.

Operating lease expenses in the current year relate to short-term leases not capitalised under FRS 101.

Note 6 – Finance income

	2023 \$	2022 \$
Interest receivable on loan notes with related companies (note 12)	64,648	58,344
Other finance income	795,227	435,694
Total finance income	859,875	494,038

Notes to the financial statements for the year ended 31 December 2023

Note 7 – Finance expenses

	2023	2022
	\$	\$
Interest on intercompany loans (Note 14)	3,899,327	2,515,063
Discount on sale of trade receivables (Note 12)	2,255,048	1,695,400
Other finance cost	12,380	436,688
Interest expense on lease liabilities	155,508	179,598
Total finance expense	6,322,263	4,826,749

The Company is a participant in a multi-currency notional cash pooling arrangement that allows the daily excess in certain currencies that may exist in any single group member to be used by other participating group members. The group participants are all related companies. The Company pays \$1,000 per month to World Fuel Services European Holding Company I, Ltd, the group leader of the multi-currency notional cash pooling arrangement. The Company paid \$12,000 during the year ended 31 December 2023 (2022: \$12,000).

Note 8 – Taxation

Taxation	2023	2022
	\$	\$
Current tax		
UK corporation tax on loss for the year	—	—
Total current tax	—	—
Deferred tax		
Originating and reversal of timing differences	—	—
Total deferred tax	—	—
Total tax on loss for the year	—	—

The standard rate of tax applied to the reported loss on activities is 23.5% (2022: standard rate of 19%). The differences between the total tax charge shown above and the amount calculated by applying the blended rate of UK Corporation tax to the loss before tax is as follows:

	2023	2022
	\$	\$
Loss on ordinary activities before tax	(4,311,784)	(3,554,354)
Loss on ordinary activities multiplied by blended rate of corporation tax in the UK of 23.5% (2022 – Standard rate of 19%)	(1,013,269)	(675,327)
Effects of:		
Timing differences	(254,880)	(122,354)
Income not subject to tax	(338,063)	(689,456)
Group losses surrendered for nil consideration	1,606,212	1,487,137
Total tax for the year	—	—

Notes to the financial statements for the year ended 31 December 2023

Factors that may affect future tax charges

The main rate of corporation tax increased from 19% to 25% with effect from 1 April 2023 pursuant to the Finance Act 2021 which was substantively enacted on 24 May 2021. For the period ended 31 December 2023, a blended rate of 23.5% has been used since the main rate changed part way during the financial period.

Note 9 – Intangible assets

The net book value of the Company's intangible assets as at 31 December 2023 is presented below:

	Customer relationships	Goodwill	Total
	\$	\$	\$
Cost			
At 1 January 2023	2,240,000	4,699,176	6,939,176
As at 31 December 2023	2,240,000	4,699,176	6,939,176
Accumulated amortisation and impairment:			
At 1 January 2023	1,220,776	—	1,220,776
Amortisation	169,872	—	169,872
As at 31 December 2023	1,390,648	—	1,390,648
Net book value at 31 December 2023	849,352	4,699,176	5,548,528
Net book value at 31 December 2022	1,019,224	4,699,176	5,718,400

Intangible assets amortisation is recorded within administrative expenses in the Statement of Comprehensive Income.

Note 10 – Investments

	Shares in subsidiary undertakings	Other long term investments and joint ventures	Total
	\$	\$	\$
Cost			
At 1 January 2023	2,382,082	8,793,173	11,175,255
Share of profits for the year ended 31 December 2023	—	1,427,018	1,427,018
As at 31 December 2023	2,382,082	10,220,191	12,602,273

Included in the above share of profits for the year ended 31 December 2023 is a reduction to the share of profits recognised for the year ended 31 December 2022 of \$11,549 (2022: reduction to the share of profits of \$12,380) to reflect the true amount of the Company's share of profit for that year.

There have been no changes to the percentages of ownership of the Company's investments during the year.

Notes to the financial statements for the year ended 31 December 2023

The Company has investments in the following entities:

Subsidiary or Associate	Registered address	Principal business activities	Percentage of Ownership
Redline Oil Services Limited	1 Blossom Yard, Fourth Floor, London, E1 6RS, United Kingdom	Provision of manpower services	100%
World Fuel Services (KG) LLC	154 Kievskaya Street, Apartment 61, Bishkek, Kyrgyz Republic, Kyrgyzstan	Fuel storage	5%

All shares disclosed in the above table relate to ordinary shares.

Joint Venture	Registered address	Principal business activities	Percentage of Ownership
Manchester Airport Storage and Hydrant Company Limited	One, Bartholomew Close, EC1A 7BL, London, United Kingdom	Fuel storage and hydrant system operation	25%

There are no indirect shareholdings held as at 31 December 2023.

Manchester Airport Storage and Hydrant Company Limited is a 25% owned Joint Venture. The principal activity of the company is the storage of aviation fuel and the management of the hydrant systems at Manchester Airport.

Summarised financial information prior to intra-group eliminations is presented below:

	2023	2022
	£'000	£'000
For the year ended 31 December 2023		
Revenue	15,433	20,805
Cost of sales	(6,485)	(6,087)
Gross profit	8,948	14,718
Administrative expenses	(91)	(99)
Other operating income	147	366
Operating profit	9,004	14,985
Interest receivable and similar income	183	13
Interest payable and similar expenses	(2,685)	(1,617)
Profit before taxation	6,502	13,381
Tax on profit	(1,572)	(1,864)
Profit for the financial year	4,930	11,517
Dividends	—	—
Net increase in retained earnings	4,930	11,517

Notes to the financial statements for the year ended 31 December 2023

	2023 £'000	2022 £'000
As at 31 December 2023		
Assets:		
Tangible fixed assets	48,007	46,888
Debtors: amounts falling due within one year	2,901	1,790
Debtors: amounts falling due after more than one year	318	318
Cash at bank	21,298	15,614
Total assets	72,524	64,610
Liabilities:		
Creditors falling due within one year	(4,376)	(2,758)
Creditors falling due after more than one year	(28,573)	(28,573)
Provisions for liabilities	(8,647)	(7,281)
Total liabilities	(41,596)	(38,612)
Net assets:	30,928	25,998

Notes to the financial statements for the year ended 31 December 2023

Note 11 – Property, plant and equipment

For the year ended 2023:

	Leasehold improvements	Tanks and terminals	Furniture, fixtures and office equipment	Plant, machinery and equipment	Construction in progress	Right of use asset	Total
	\$	\$	\$	\$	\$	\$	\$
Cost							
At 1 January 2023	251,910	3,654,344	476,218	17,245,131	226,862	6,791,668	28,646,133
Additions	—	—	—	—	2,248,719	—	2,248,719
Transfers	2,059	(38,250)	257	1,530,321	(1,494,387)	—	—
Disposals	—	(757)	—	(57,460)	—	—	(58,217)
As at 31 December 2023	253,969	3,615,337	476,475	18,717,992	981,194	6,791,668	30,836,635
Accumulated depreciation							
At 1 January 2023	61,809	1,808,337	265,791	4,775,632	—	2,426,873	9,338,442
Charge for the year	38,367	273,874	91,917	1,216,485	—	574,267	2,194,910
On disposals	—	(96)	—	(51,417)	—	—	(51,513)
As at 31 December 2023	100,176	2,082,115	357,708	5,940,700	—	3,001,140	11,481,839
Net book value							
At 31 December 2023	153,793	1,533,222	118,767	12,777,292	981,194	3,790,528	19,354,796
At 31 December 2022	190,101	1,846,007	210,427	12,469,499	226,862	4,364,795	19,307,691

Construction in progress relates to ongoing projects not yet completed as at 31 December 2023 at various locations where the Company conducts operations.

Notes to the financial statements for the year ended 31 December 2023

Note 12 – Trade and other receivables

	2023	2022
	\$	\$
Amounts falling due within one year:		
Trade receivables	35,500,831	33,811,479
Less: provision for impairment of receivables	(80,714)	(44,088)
Trade receivables - net	35,420,117	33,767,391
Value added tax receivable	13,937,144	12,508,630
Amounts due from group undertakings	28,414,573	34,004,900
Prepayments and other receivables	93,515	801,673
Loan to related party (note 20)	9,092,563	8,641,152
Total	86,957,912	89,723,746

Amounts of \$9,092,563 (2022: \$8,641,152) relating to a loan to a related party is due for repayment within the year ended 31 December 2025. No provision for impairment has been recorded regarding this balance (2022: \$nil). Interest receivable of \$64,648 has been recorded within the Statement of Comprehensive Income during the year ended 31 December 2023 (2022: \$58,344). This balance has been presented as current within the current and prior year financial statements based on the Directors' assessment of the liquidity of the balance in accordance with FRS 101 - Schedule 1, since the Company can demand repayment at any time with 10 business days notice.

As at 31 December 2023, the Company sold receivables under the RPAs with an aggregate face value of \$19,381,463 (2022: \$14,737,951), and has consequently derecognised these receivables as at the Balance Sheet date, and recognised RPAs fees of \$2,255,048 (2022: \$1,695,400) for the year ended 31 December 2023.

The Company determines whether the sales meet the legal criteria for derecognition. If the criteria are not met, the receivables continue to be recognised in the financial statements. For those that qualify, the accounts receivable sold under the Receivables Purchase Agreements ("RPAs") with banks are accounted for as a sale of the receivable and are appropriately de-recognised from accounts receivable, net of allowance for credit losses. Fees paid under the RPAs are recorded within finance expenses in the Statement of Comprehensive Income

Amounts due from group undertakings are unsecured, non-interest bearing and are repayable on demand.

All amounts are due within 1 year.

Note 13 – Inventory

	2023	2022
	\$	\$
Aviation fuel inventory	19,097,425	5,619,041

There is no material difference between the replacement cost of inventories and the amounts stated above.

Inventories are stated after provisions for impairment of \$1,820,806 (2022: \$236,466) which relates to a difference in the average cost of inventory and market value as at 31 December 2023.

Notes to the financial statements for the year ended 31 December 2023

Note 14 – Borrowings from group companies

	Current \$	Non-current \$
Balance at 1 January 2023	41,240,596	19,646,085
Additions of loan with group company	—	43,919,003
Increase in line of credit with group company	—	31,055,858
Interest expense	2,708,248	1,191,079
Repayments in the year	(43,919,003)	—
Balance at 31 December 2023	29,841	95,812,025

Amounts due in less than one year (current)

The movement in current borrowings from group companies activity during the year relates to the repayment of the Company's zero-coupon long term loan note yielding 6.495%. The principle and interest of \$43,919,003 was repaid in full on 28 December 2023, as part of a refinancing agreement entered into between the Company and WFS UK Finance Limited. Full terms of the refinancing agreement are discussed below. Prior to settlement, the Company incurred interest expense of \$2,708,248 during the year (2022: \$2,515,063).

As at 31 December 2022, the full principal of \$28,262,151 was outstanding, along with accrued interest of \$12,978,445.

Amounts due in greater than one year (non-current)

Loan payable

The Company entered into borrowings during the year with a related Group company, WFS UK Finance Limited. The non-current borrowings have a maturity date of 28 December 2028 and bear interest at a rate of 6.2%. The outstanding balance relating to these borrowings is \$43,919,003 (2022: \$nil). The Company has incurred interest of \$29,841 (2022: \$nil) during the period which has been recorded within Finance Expenses in the Statement of Comprehensive Income. Accrued interest payable outstanding as at 31 December 2023 is \$29,841 (2022: \$nil), which is presented as current given that interest is due in arrears, quarterly, commencing on 31 March 2024. Principal is due at maturity.

Line of credit agreement

On 15 December 2022, as the effective date, the Company entered into an intercompany line of credit with a related company, WFS UK Finance Limited ("UK FINCO"), with an initial term ending on 30 June 2025 that will automatically renew for two periods of one year each.

The agreement serves as a line of credit allowing the Company to lend funds through deposits or borrow funds, up to an aggregate principal amount of \$25,000,000. The line of credit allows the Company to borrow, repay and redraw, as necessary, during the term of the agreement and, if any, any payment must be first applied to any amount of interest accrued. During the year, the aggregate principal was exceeded. The Directors' have received confirmation that there are no additional charges, penalties or the requirement to immediately pay the outstanding balances. Subsequent to the year end, the aggregate principal has been extended to \$60,000,000.

No interest has been applied on outstanding balances under this agreement between 1 January 2023 and 30 June 2023 due to this being part of the transitional period as agreed between both parties. Beginning 1 July 2023, the Company has paid or received interest from UK FINCO based on the outstanding net position at the end of each month. Net deposits bear interest at a rate equal to the interest received for outstanding time deposits by UK Monetary Financial Institutions as published by The Bank of England, and outstanding net borrowings bear interest at this rate plus 0.25%.

Notes to the financial statements for the year ended 31 December 2023

The Company's net borrowings with UK FINCO have increased by \$32,246,937 to \$51,893,022 at 31 December 2023 (2022: \$19,646,085), due to an increase in the principal of \$31,055,858 and interest of \$1,191,079. The Company recognised \$1,191,079 in interest expense (2022: \$Nil) on its net borrowings position during the year ended 31 December 2023.

Note 15 – Leases

The Company leases certain items of land, buildings and vehicles during the ordinary course of business to fulfill the Company's principal activity. The total cash outflow for leases during the year was \$687,294. (2022: \$915,656)

Note 16 – Trade and other payables

	2023 \$	2022 \$
Due within one year:		
Trade payables	50,740,633	60,685,664
Accruals and deferred income	688,539	959,287
Other payables	10,107,505	18,009,778
Lease liabilities	552,458	503,732
Total due within one year:	62,089,135	80,158,461
Due after more than one year:		
Lease liabilities	2,905,718	3,462,994

The amounts due to group undertakings are unsecured, non-interest bearing, have no fixed date of repayment and are repayable on demand.

Note 17 – Share capital and reserves

	2023 \$	2022 \$
Authorised, allotted, called up and fully paid		
1 (2022: 1) ordinary share of £1	2	2

On incorporation, the Company issued 1 ordinary share at par with a nominal value of £1. This amount was translated to US Dollars at an exchange rate of 1.506591.

Note 18– Controlling party

The immediate parent undertaking is World Fuel Services Europe, Ltd., a company incorporated in England and Wales in the United Kingdom.

The Ultimate Parent Undertaking and controlling party is World Kinect Corporation, a company incorporated in the State of Florida in the United States of America.

World Kinect Corporation is the parent undertaking of the only group of undertakings to consolidate these financial statements. The consolidated financial statements of World Kinect Corporation may be obtained from World Kinect Corporation, 9800 NW 41st Street, Miami, Florida USA 33178, or are readily available from the Investor Relation section of the World Kinect Corporation website.

Notes to the financial statements for the year ended 31 December 2023

Note 19 - Commitments

As at 31 December 2023, the aggregate undiscounted commitments for leases not recognised on the balance sheet was \$nil (2022: \$nil).

As at 31 December 2023, the aggregate undiscounted contractual commitments to acquire property, plant and equipment was \$1,694,215 (2022: \$128,786) relating to ongoing construction in progress for the purchase of additional, and the replacement of, essential refueling trucks in the ordinary course of the Company's operations.

Note 20 - Related party transactions

On 31 May 2018, the Company entered into a loan facility agreement with the 25% owned joint venture Manchester Airport Storage and Hydrant Company Limited for a maximum value of £10,000,000 to finance the redevelopment and expansion of the Manchester Airport hydrant network and storage tanks, including related costs and expenses.

The related loan generates interest quarterly in arrears at the rate per annum equal to the aggregate of Sterling Overnight Index Average ('SONIA') compounded in arrears with a 5 business day lookback plus a Credit Adjustment Spread ('CAS') of 15.19 basis points based on the amount drawn down, with the principal amount drawn down having a repayment date of 7 years from the date of drawdown. As at 31 December 2023, there is a total amount outstanding of \$9,092,563 (£7,143,208) (2022: \$8,641,152 (£7,143,208)) which includes accrued interest. Amounts are denominated in GBP. This is included within trade and other receivables and is due for repayment in the year ended 31 December 2025.

Expenses of \$285,529 (2022: \$330,330) were recorded in cost of sales in relation to services received from Manchester Airport Storage and Hydrant Company Limited in the normal course of business. An outstanding balance of \$nil (2022: \$nil) is included within trade creditors.

There were no transactions with the directors during the year (2022: \$nil), or outstanding balances as at 31 December 2023 (2022: \$nil).