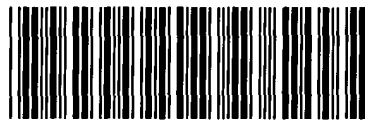


World Fuel PG Trading Limited

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

Company Number: 07107627

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World Fuel PG Trading Limited
Report and financial statements
for the year ended 31 December 2018

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World Fuel PG Trading Limited
STRATEGIC REPORT
For the Year Ended 31 December 2018

The Directors present herewith their Strategic report together with the audited financial statements of World Fuel PG Trading Limited (the "Company") for the year ended 31 December 2018.

Principal activities

World Fuel PG Trading Limited (the "Company") is a private company limited by share capital, incorporated and domiciled in England and Wales in the United Kingdom ("UK"). The Company is a wholly owned subsidiary of World Fuel Services UK Holding Partnership LP, also incorporated in England and Wales in the United Kingdom. The ultimate holding company is World Fuel Services Corporation (the "Ultimate Parent Undertaking"), incorporated in the State of Florida in the United States of America. The Company's registered office is shown in the Directors' report.

The Company has Financial Conduct Authority approval to act as an Energy Market Participant.

The Company's principal activity is acting as an arranging entity for a related company, World Fuel Services (Singapore) Pte Ltd that as a principal sells power and gas derivative products to third parties. The Company recognises revenue of \$0.006 per Megawatt hour in its role as an agent for related companies that provide derivative contracts to third party customers. All turnover originates in the UK from related group companies.

Management do not envisage a significant change in the principal activities of the Company in the foreseeable future.

Business review and future outlook

The profit for the financial year ended 31 December 2018 was \$192,550 (2017: \$89,067). The Company's net assets for the year ended 31 December 2018 were \$4,959,685 (2017: \$4,767,135).

The increase in profit for the financial year ended 31 December 2018 was due to the increase in metric tons being traded by related companies, which also resulted in an increase in revenue and therefore profit for the financial year. As a result, net assets have also increased. The current Directors are satisfied with the results for the financial year.

Principal risks and uncertainties

The Company's principal risks and uncertainties are integrated with the principal risks of the World Fuel Services Corporation and are not managed separately. World Fuel Services Corporation is the parent undertaking of the only group of undertakings to consolidate these financial statements. The principal risks and uncertainties of World Fuel Services Corporation, the ultimate parent undertaking, are discussed on page 5 of the 2018 annual report on Form 10-K which does not form part of this report. Principal risks and uncertainties have been discussed further in the Directors' report.

World Fuel PG Trading Limited
STRATEGIC REPORT
For the Year Ended 31 December 2018

The United Kingdom's proposed withdrawal from the European Union

As a result of the June 23, 2016 referendum in which British voters approved an exit from the European Union, commonly referred to as "Brexit", a withdrawal could, among other outcomes, disrupt the free movement of goods, services and people between the United Kingdom and the European Union. It could also undermine bilateral cooperation in key geographic areas and significantly disrupt trade between the United Kingdom and the European Union or other nations as the United Kingdom pursues independent trade relations. These factors pose a risk to the overall United Kingdom economy and as a result, our operations in the United Kingdom and the European Union, as well as our global operations could be adversely impacted.

Given the uncertainty surrounding the United Kingdom's proposed exit from the European Union, the full extent of the impact of this is currently unknown to the Company since it will depend on the potential volatility in global stock markets and fluctuations in global currencies, as well as legal uncertainty and potentially divergent national laws and regulations as the United Kingdom determines which European Laws to replace or replicate. Uncertainty over Brexit and currency fluctuations could also impact our customers, who may closely monitor their costs and reduce their spending budgets on our products and services, which in turn, may adversely affect our business, results of operations and financial condition.

Given the extensive nature of trading in the European Union, management are strongly considering the impact of Brexit on the Company. Trading in the European Union is of significant importance to the wider World Fuel Services Corporation group. The Directors have therefore confirmed that World Fuel Services Corporation, the ultimate owner of the Company, will support the Company in the implementation of the approved plan, once determined, to mitigate any potentially negative impact on the business.

Key performance indicators ("KPIs")

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

	Year ended 31 December 2018	Year ended 31 December 2017	Change	Change
	\$	\$	\$	%
Revenue	192,833	86,165	106,668	123.80
Profit	192,550	89,067	103,483	116.19

In January 2017, the Company received Financial Conduct Authority approval to act as an Energy Market Participant. The financial year ended 31 December 2018 represented the first year in which the entity traded for a full year. This has led to the increase in revenue and profit for the financial year ended 31 December 2018.

Company Number: 07107627
The Broadgate Tower
Third Floor, 20 Primrose Street
London, EC2A 2RS

Signed on behalf of the board,

25 April 2019


Paul T. Vian, Director

World Fuel PG Trading Limited
DIRECTORS' REPORT
For the Year Ended 31 December 2018

The Director presents herewith his report together with the audited financial statements of World Fuel PG Trading Limited (the "Company") for the year ended 31 December 2018.

Directors

The Directors who served during the year ended 31 December 2018 and up to the date of signing the financial statements are as follows:

Peggy Joann Meyer
Paul Thomas Vian
Maria Charash Koundina (resigned 21 March 2019)

Directors' indemnities

The ultimate parent company maintains liability insurance for its Directors and officers and 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. The qualifying third party indemnity was in place during the year ended 31 December 2018 and as at the date of approval of the financial statements.

Dividends

The Company did not pay an interim dividend for the years ended 31 December 2018 and 31 December 2017. No final dividend is proposed for the year ended 31 December 2018 (2017: \$nil).

Future developments

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

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 Fuel Services Corporation group. The financial risk objectives, policies and exposures are described in the financial statements of the ultimate parent company in the 2018 annual report on Form 10-K which does not form part of this report.

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

Currency risk

Certain of the Company's assets and liabilities are denominated in a foreign currency. The balances are subject to revaluation into the functional currency and therefore the Company is exposed to currency risk. The currency risk is mitigated through the use of foreign exchange contracts entered into and managed by another related group company.

World Fuel PG Trading Limited
DIRECTORS' REPORT *(continued)*
For the Year Ended 31 December 2018

Price risk

The Company has no exposure to price risk since prices are fixed by a contract.

Interest rate risk

The Company has no exposure to interest rate risk.

Credit risk

Credit risk arises from cash and cash equivalents, and trade and other receivables. As at 31 December 2018, the Company has \$522,930 cash at bank and in hand held at financial institutions (2017 - \$553,929) and receivables, made up of amounts due from group undertakings and tax receivables of \$4,437,924 (2017 - \$4,218,481), the majority of which is due from related companies. The maximum exposure to credit risk at the reporting date is the carrying value of cash and each class of receivables as presented on the balance sheet. The Company does not hold any collateral as security. The exposure associated with this risk is not considered to be material given the financial position of the consolidated World Fuel Services Corporation group.

Liquidity risk

The Company relies on unsecured credit from related companies as a significant source of liquidity. Management believes that the Company can obtain financing from related companies with terms acceptable to the Company as the need arises.

Cash flow risk

The Company has cash flow risk in that all cash flows arise from trade with related companies. Management believes that the Company could call in debtors with related companies as the need arises.

Disclosure of information to auditors

Each of the Directors at the date of approval of this report confirms that:

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

This confirmation is given and should be interpreted in accordance with the provisions of S418 of the Companies Act 2006.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

World Fuel PG Trading Limited
DIRECTORS' REPORT *(continued)*
For the Year Ended 31 December 2018

Auditors

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

On behalf of the board,



Paul T. Vian, Director

Date: 25 April 2019

Company Number: 07107627
The Broadgate Tower, Third Floor
20 Primrose Street
London, England and Wales, EC2A 2RS
United Kingdom

World Fuel PG Trading Limited
STATEMENT OF DIRECTORS' RESPONSIBILITIES
For the Year Ended 31 December 2018

Statement of Directors' responsibilities

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the Directors are required to:

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

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

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

World Fuel PG Trading Limited
REPORT OF INDEPENDENT AUDITORS

TO MEMBERS OF WORLD FUEL PG TRADING LIMITED

Opinion

We have audited the financial statements of World Fuel PG Trading Limited ("the Company") for the year ended 31 December 2018, 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).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

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

World Fuel PG Trading Limited
REPORT OF INDEPENDENT AUDITORS (continued)

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.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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 and Director's 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; or
- we have not received all the information and explanations we require for our audit; or
- the Director was not entitled to take advantage of the small companies' exemptions in preparing the Director's report.

World Fuel PG Trading Limited
REPORT OF INDEPENDENT AUDITORS (continued)

Responsibilities of Directors

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

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

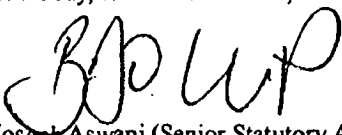
Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located at 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.


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

Date: 25th April 2019

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

World Fuel PG Trading Limited
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018
(In USD)

	Note	31 December 2018 \$	31 December 2017 \$
Revenue		192,833	86,165
Administrative income / (expenses)		(14,108)	(24,613)
Other income		<u>13,825</u>	<u>27,515</u>
Operating profit and profit before tax	4	<u>192,550</u>	<u>89,067</u>
Income tax expense	6	—	—
Profit for the financial year		<u>192,550</u>	<u>89,067</u>
Other Comprehensive income		—	—
Total comprehensive income for the year		<u>192,550</u>	<u>89,067</u>

All amounts relate to continuing operations.

The notes are an integral part of these financial statements. The notes are present on pages 13 to 21.

World Fuel PG Trading Limited

BALANCE SHEET

(In USD)

	Note	31 December 2018	31 December 2017
		\$	\$
ASSETS			
Current assets			
Trade and other receivables	7	4,437,924	4,218,481
Cash and cash equivalent		522,930	553,929
		<u>4,960,854</u>	<u>4,772,410</u>
Total assets		<u>4,960,854</u>	<u>4,772,410</u>
EQUITY AND LIABILITIES			
EQUITY			
Capital and reserves			
Called up share capital	8	1	1
Translation reserve		(368,479)	(368,479)
Retained earnings		5,328,163	5,135,613
Total shareholder equity / Net assets		<u>4,959,685</u>	<u>4,767,135</u>
LIABILITIES			
Current liabilities			
Trade and other payables	10	1,169	5,275
Total liabilities		<u>1,169</u>	<u>5,275</u>
Total equity and liabilities		<u>\$ 4,960,854</u>	<u>\$ 4,772,410</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements including the notes were approved by the Board of Directors and were signed on its behalf by:


Paul T. Vian, Director

Date: 25 April 2019

Company Number: 07107627

The notes are an integral part of these financial statements. The notes are present on pages 13 to 21.

World Fuel PG Trading Limited
NOTES TO THE FINANCIAL STATEMENTS
For The Year Ended 31 December 2018

World Fuel PG Trading Limited
STATEMENTS OF CHANGES IN EQUITY
(In USD)

	Share Capital	Translation Reserve	Retained Earnings	Total Equity
	\$	\$	\$	\$
Balance at 1 January 2017	1	(368,479)	5,046,546	4,678,068
Profit for the financial year and total comprehensive income for the year	—	—	89,067	89,067
Balance at 31 December 2017	1	(368,479)	5,135,613	4,767,135
Profit for the financial year and total comprehensive income for the year	—	—	192,550	192,550
Balance at 31 December 2018	1	(368,479)	5,328,163	4,959,685

The notes are an integral part of these financial statements. The notes are present on pages 13 to 21.

World Fuel PG Trading Limited
NOTES TO THE FINANCIAL STATEMENTS
For The Year Ended 31 December 2018

1. GENERAL INFORMATION

World Fuel PG Trading Limited (the "Company") is a private company limited by share capital, incorporated and domiciled in England and Wales in the United Kingdom ("UK"). The Company is a wholly owned subsidiary of World Fuel Services UK Holding Partnership LP, also incorporated in England and Wales in the United Kingdom. The ultimate holding company is World Fuel Services Corporation (the "Ultimate Parent Undertaking"), incorporated in the State of Florida in the United States of America. The Company's registered office is shown in the Directors' report.

The Company has Financial Conduct Authority approval to act as an Energy Market Participant. The Company acts as an arranging entity for a related company, World Fuel Services (Singapore) Pte Ltd that as a principal sells power and gas derivative products to third parties. The Company recognises revenue in its role as an agent for related companies that provide derivative contracts to third party customers.

2. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies, all of which have been applied consistently for all years presented are as follows:

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101) and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

The following exemptions from the requirements of International Financial Reporting Standards as adopted by the European Union ("IFRS") have been applied in the preparation of these financial statements, in accordance with FRS 101:

- IFRS 7, 'Financial Instruments: Disclosures'
- Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities).
- The following paragraphs of IAS 1, 'Presentation of financial statements':
 - 10(d) (statement of cash flows);
 - 16 (statement of compliance with all IFRS);
 - 38A (requirement for minimum of two primary statements, including cash flow statements);
 - 38B-D (comparative information requirements in respect of paragraph 79(a)(iv) of IAS 1);
 - 111 (cash flow statement information), and
 - 134-136 (capital management disclosures).

World Fuel PG Trading Limited
NOTES TO THE FINANCIAL STATEMENTS (continued)
For The Year Ended 31 December 2018

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

- IAS 7, 'Statement of cash flows'.
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation).
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.

2.2 Going concern

The Company reported a profit for the financial year ended 31 December 2018 of \$192,550 (2017: \$89,067) and had net assets as at 31 December 2018 of \$4,959,685 (2017: \$4,767,135). The company relies on funding via intercompany from its ultimate parent undertaking, World Fuel Services Corporation, and other related subsidiary undertakings. The Directors' have obtained confirmation from World Fuel Services Corporation that it will provide adequate financial support to enable the company to meet its current obligations for a period of at least one year from the date of approval of these financial statements.

As a result of the support from the ultimate parent company, the Directors' have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The Directors continue to adopt the going concern basis in preparing the financial statements.

2.3 Revenue recognition

Revenue is measured at the consideration for which the entity expects to receive for the rendering of agency services in the ordinary course of the Company's activities. The Company recognises revenue for agency fees upon the entry by related parties into derivative swap contracts with third parties; it is at this point that the performance obligations are satisfied and when control has passed to the customer, being the related party.

2.4 New standards, amendments and IFRIC interpretations

IFRS 9 and IFRS 15 are new accounting standards that are effective for the year ended 31 December 2018, effective from 1 January 2018. The Directors have assessed the impact of both of these new accounting standards and have concluded that neither standard will have a material impact on the Company (See note 11). There are no other amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 December 2018.

2.5 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 is 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.

World Fuel PG Trading Limited
NOTES TO THE FINANCIAL STATEMENTS *(continued)*
For The Year Ended 31 December 2018

2. SIGNIFICANT ACCOUNTING POLICIES *(continued)*

2.5 Current and deferred income tax *(continued)*

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 retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences. 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.

2.6 Foreign currency

(a) Functional and presentation currency

The Company's functional currency is the U.S. dollar as this represents the currency of the primary economic environment which influences the results of the Company. The financial statements have been presented in U.S. dollars.

(b) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the average rate during the period in which the transaction occurred.

At each period end foreign currency monetary items are translated using the closing exchange 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.

Foreign exchange gains and losses are presented in the statement of comprehensive income as other income.

World Fuel PG Trading Limited
NOTES TO THE FINANCIAL STATEMENTS (continued)
For The Year Ended 31 December 2018

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Financial assets

Classification

The Company classifies its financial assets in the following categories: at fair value through profit or loss, and loans and receivables. The classification depends on the purpose for which the financial assets were acquired. The Directors determine the classification of its financial assets at initial recognition.

All of the Company's financial assets are currently classified as loans and receivables. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The Company's loans and receivables comprise trade and other receivables in the balance sheet.

Impairment of financial assets

The Company assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

2.8 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.

2.9 Trade and other receivables

Trade and other receivables are amounts due from related companies for services performed in the ordinary course of business. 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 applies the IFRS 9 three stage expected credit loss model to measure expected credit losses. To measure the expected credit losses, the credit risk of amounts due from group undertakings has been assessed. The Directors' have concluded that given the strong repayment position of the group, the amounts receivable from related group companies are classified as stage 1 assets. Any expected credit losses for the foreseeable 12 months arising from these assets has been considered, and concluded as being immaterial to the financial statements. Upon application of this model on 1 January 2018, no transitional adjustments have been made to the financial statements.

World Fuel PG Trading Limited
NOTES TO THE FINANCIAL STATEMENTS (continued)
For The Year Ended 31 December 2018

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.10 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.

2.11 Share capital

Ordinary shares are classified as equity. Incremental costs attributable to the issuance of new ordinary shares are deducted against the share capital amount.

2.11 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.

The Company has intercompany receivables, which it expects, will be fully received without a discount. In assessing the recoverability of amounts owed to the Company by fellow Group undertakings, Management has considered the anticipated cash flow within the wider Group and adjusted the balance for expected credit losses.

There are no further estimates and assumptions, which have significant risk of causing material adjustment to the carrying amount of assets and liabilities.

3. RECLASSIFICATION OF COMPARATIVE 2017 AMOUNTS IN 2018 FINANCIAL STATEMENTS

Within the trade and other receivables note (Note 7) the prior year corporation income tax receivable has been reclassified to amounts due from group undertakings balance to reflect the nature of this transaction. This is to recognise that corporation income tax is payable by a related party given group registration and to reflect the group relief that was relieved to a related group company. The amounts due from group undertakings balance for the prior year has increased by \$10,430 to \$4,215,238, with a corresponding decrease in corporation income tax receivable. There is no change in the total trade and other receivables balance.

World Fuel PG Trading Limited
NOTES TO THE FINANCIAL STATEMENTS
For The Year Ended December 31 2018

4. OPERATING PROFIT BEFORE TAXATION

Profit before income tax is stated after crediting:

	2018	2017
	\$	\$
Foreign exchange gain	13,825	27,515

Audit fees payable to the Company's auditors for the year ended 31 December 2018 were incurred and paid by a related UK company.

5. EMPLOYEES AND DIRECTORS

The Company had no employees during the years ended 31 December 2018 and 31 December 2017.

The Company's Directors received no remuneration during the years ended 31 December 2018 and 31 December 2017 in connection with their services to the Company.

6. INCOME TAX EXPENSE

	2018	2017
	\$	\$
Current taxation		
UK corporation tax on profits of the year	—	—
Adjustment in respect of prior years	—	—
Total current tax	—	—

The tax charge for the year is same than the standard corporation tax rate of 19% (2017: 19.25%). The differences are explained below:

	2018	2017
	\$	\$
Profit before tax	192,550	89,067
Profit multiplied by the UK corporation tax rate of 19% (2017: 19.25%)	36,585	17,145
Group losses claimed for nil consideration	(36,585)	(17,145)
Adjustments in respect of prior periods	—	—
Tax expense	—	—

Factors affecting current and future tax charges

Changes in the UK tax rates were substantively enacted as part of Finance Bill 2016 (on 7 September 2016). These include reductions to the main rate to reduce the rate from 20% in 2016 to 19% from 1 April 2017 and to 17% from 1 April 2020.

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7. TRADE AND OTHER RECEIVABLES

	2018	2017
	\$	\$
Amounts due from group undertakings	4,437,499	4,215,238
Value added tax receivable	—	3,243
Prepaid fuel expenses	425	—
	4,437,924	4,218,481

All trade and other receivables fall due within one year. All amounts owed by group undertakings are unsecured, non-interest bearing, have no fixed date of repayment and are repayable on demand.

8. SHARE CAPITAL

	2018	2017
	\$	\$
Authorised, called-up and fully paid: 1 (2017: 1) ordinary share of £1 each	1	1

The Company's reserves are as follows:

- Called up share capital represents the nominal value of the shares issued.
- Retained earnings represents cumulative profits or losses, net of dividends paid and other adjustments.

9. ULTIMATE PARENT UNDERTAKINGS

The immediate parent undertaking is World Fuel Services UK Holding Partnership LP.

The ultimate parent undertaking and controlling party is World Fuel Services Corporation, a company incorporated in the United States.

World Fuel Services Corporation is the parent undertaking of the only group of undertakings to consolidate these financial statements. The consolidated financial statements of World Fuel Services Corporation may be obtained from World Fuel Services Corporation, 9800 NW 41st Street, Miami, Florida USA 33178. World Fuel Services Corporation is the only company that consolidates the Company's results.

10. TRADE AND OTHER PAYABLES

	2018	2017
	\$	\$
Accrued expenses	869	5,275
Accounts payable	300	—
	1,169	5,275

World Fuel PG Trading Limited
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11. CHANGES IN ACCOUNTING POLICIES

This note explains the impact of the adoption of IFRS 9 *Financial Instruments* and IFRS 15 *Revenue from Contracts with Customers* on the Company's financial statements.

11.1 Impact on the financial statements

IFRS 9 and IFRS 15 were adopted without restating comparative information as the impact was concluded by the Directors' as being immaterial. The impact of the adoption of the required impairment rules under IFRS 9 is immaterial, therefore there is no impact on the closing balance sheet of the prior period as at 31 December 2017, nor the opening balance sheet as at 1 January 2018. The Directors' also considered the impact of Revenue Recognition under IFRS 15. The impact on the financial statements was concluded to be nil, given the nature of the business, therefore no adjustments have been made to the financial statements.

11.2 IFRS 9 Financial instruments

IFRS 9 replaces the provisions of IAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments and impairment of financial assets.

The adoption of IFRS 9 Financial Instruments from 1 January 2018 resulted in changes in accounting estimates relating to expected credit losses. As the impact was immaterial there are no adjustments to the amounts recognised in the financial statements. The new accounting policies are set out in note 2 above. In accordance with the transitional provisions in IFRS 9, comparative figures have not been restated.

There is no impact on the company's retained earnings as at 1 January 2018 and 1 January 2017.

There were no adjustments made to line items in the statement of comprehensive income and the statement of other comprehensive income for the 2017 reporting period relating to IFRS 9 adjustments.

11.3 Impairment of financial assets

The company has one type of financial asset subject to IFRS 9's new expected credit loss model: amounts due from group undertakings.

The company was required to revise its impairment methodology under IFRS 9 for the asset class. The impact arising from the change in impairment methodology on the company's retained earnings and equity was concluded to be immaterial, therefore no adjustment has been made to the financial statements.

The below accounting policy, per note 2, has now been adopted by the Company given the adoption of IFRS 9.

Amounts due from group undertakings

The Company applies the IFRS 9 three stage expected credit loss model to measure expected credit losses. To measure the expected credit losses, the credit risk of amounts due from group undertakings has been assessed. The Directors' have concluded that given the strong repayment position of the Group, the amounts receivable from related group companies are classified as stage 1 assets.

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11. CHANGES IN ACCOUNTING POLICIES *(continued)*

11.3 Impairment of financial assets *(continued)*

Any expected credit losses for the foreseeable 12 months arising from these assets has been considered, and concluded as being immaterial to the financial statements. Upon application of this model on 1 January 2018, no transitional adjustments have been made to the financial statements.

11.4 IFRS 15 Revenue from Contracts with Customers

The Company has adopted IFRS 15 Revenue from Contracts with Customers from 1 January 2018 which resulted in a change in accounting policies, but as the impact was immaterial no adjustments to the financial statements.

Accounting for agency fees

The Company recognises revenue in its role as an agent for related companies that provide derivative contracts to third party customers. Under IFRS 15 control is deemed to pass at the same point that risk and responsibility previously transferred under previous Standards. There is no material impact deemed to exist as a result.

The below accounting policy, per note 2, has now been adopted by the Company given the adoption of IFRS 9.

Revenue Recognition

Revenue is measured at the consideration for which the entity expects to receive for the rendering of agency services in the ordinary course of the Company's activities. The Company recognises revenue for agency fees upon the entry by related parties into derivative swap contracts with third parties; it is at this point that the performance obligations are satisfied and when control has passed to the customer, being the related party.