World Fuel Services Aviation Limited

Annual Report and Financial Statements

Year Ended

31 December 2019

Company Number 07209006

World Fuel Services Aviation Limited

Company Information

Directors	Peter Warren Edwards Richard Donald McMichael Michael John Ranger
Company secretary	Reed Smith Corporate Services Limited
Registered number	07209006
Registered office	The Broadgate Tower Third Floor 20 Primrose Street London EC2A 2RS United Kingdom
Independent auditor	BDO LLP 55 Baker Street London W1U 7EU

World Fuel Services Aviation Limited

Contents

World Fuel Services Aviation Limited

Strategic Report
For the Year Ended 31 December 2019

The directors present 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 2019.

Principal activities

The Company, incorporated in England and Wales in the United Kingdom ("UK"), 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 UK. 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 principal activity is that of aviation fuel supply.

Business review and future outlook

The financial statements show that revenue for the year ended 31 December 2019 was $578,215,106 (2018: $701,703,911), primarily due to (i) a decrease in the price of Aviation Fuel, whereby the average price per gallon sold was $2.05 in 2019 as compared to $2.33 in 2018 and (ii) a decrease in sales volumes of approximately 34M usg (11%) year-over-year, primarily as a result of shifts in customer demand and intensified competition at a few key airports resulting in the loss of a key customer.

The gross loss for the year ended 31 December 2019 was $1,931,425 (2018: gross profit of $6,913,822), with the decrease primarily being due to i) significant one-time costs of $1.9m to ensure long-term volume improvements and margins in future periods and to facilitate the servicing of a new airport location and ii) the decrease in volumes mentioned above contributing a smaller gross profit towards fixed costs thereby resulting in a gross loss.
The loss after taxation for the year ended 31 December 2019 was $9,518,720 (2018: profit of $922,318), with the decrease being partially due to the gross loss discussed above and an increase in bad debt expense of $5m primarily relating to two customers entering administration during the year, combined with a marginal increase in other expenses. The Company's net assets at 31 December 2019 were $1,372,427 (2018: $10,891,147), mainly relating to the movements described above.

The directors expect an improved cost structure resulting from initiatives taken during 2019, thereby resulting in margin improvements in the next few years. One new airport location has been added during 2020. The directors continue to search for additional airport locations and exit certain locations if necessary given the challenging environment.

Principal risks and uncertainties

The Company's principal risks and uncertainties are integrated with the principal risks of the Group (further referred to as 'Group') 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 from page 6 of the 2019 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 2019 annual report of World Fuel Services Corporation.

Key performance indicators ("KPIs")

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

	2019	2018	Change	Change
	$	$	$	%
Revenue	**578,215,106**	701,703,911	(123,488,805)	(17.6)%
Gross (loss)/profit	**(1,931,425)**	6,913,822	(8,845,247)	(127.9)%

Refer to the business review and future outlook earlier in this report for details explaining the operating results for the year.

Section 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 2019, 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 duty 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 (defined below), details of which can be found at: https://ir.wfscorp.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 4) for additional details on stakeholder engagement.

In 2019, 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 new locations during the year
- The continuing review of supply chain logistics and switching of supply locations to achieve more advantageous cost savings in an attempt to improve profitability; and
- The continuing review of Operating costs 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 properly balanced a desire to avoid adverse impact on the high standards and/or reliability of the services provided.
- 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.

Section 172(1) statement (continued)

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).

The United Kingdom's proposed withdrawal from the European Union

On 23 June 2016, the UK held a referendum in which British voters approved an exit from the EU, commonly referred to as "Brexit". On 31 January, 2020, the UK finally exited the EU pursuant to the terms of a withdrawal agreement being concluded between the UK government and the EU Council (the "Withdrawal Agreement"). The Withdrawal Agreement allows for a transition period through 31 December 2020, during which the UK's trading relationship with the EU will remain largely unchanged whilst the UK and the EU will continue to negotiate the terms of their ongoing relationship. Accordingly, uncertainty remains over the UK's future relationship with the EU after 2020.

We face risks associated with the potential uncertainty and consequences that may follow Brexit, including potential disruption of our supply chains and the free movement of goods, services and people between the UK and the EU as well as potential adverse changes to tax benefits or liabilities in these or other jurisdictions. In addition, Brexit could lead to legal uncertainty and potentially divergent national laws and regulations, including with respect to certain licenses or other rights granted to us under EU laws, as the UK determines which EU laws to replace or replicate. Finally, concern over the implications of Brexit have caused, and may continue to cause, volatility in global stock markets, currency exchange rate fluctuations and global economic uncertainty. Any of these effects of Brexit, among others, could have a material adverse impact on our results of operations, financial condition and cash flows.

Health and Safety

The Company's policy is to conduct its business in a manner that protects the safety of those involved in its operations, customers and the public. The Company strives to prevent all accidents, injuries and occupational illnesses through its Operations Integrity Management System. This is embedded into everyday work processes at all levels of the organisation and addresses all aspects of managing safety and health, as well as security, environmental and social risks at our facilities. The Company is committed to continuous efforts to identify and eliminate or manage health and safety risks associated with its activities.

Going concern

The Company's loss after tax for the financial year was $9,518,720 (2018: profit of $922,318) and as at 31 December 2019 the Company had net assets of $1,372,427 (2018: $10,891,147).

World Fuel Services 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 year ended 31 December 2019, 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 2019, as and when they fall due. The directors have further satisfied themselves that the impacts of COVID-19 (see note 21) does not change the availability of this support. As a result of the support from the Ultimate Parent Undertaking, the directors have reasonable expectations 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.

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

Richard Donald McMichael
Director

Date: 18 December 2020.

Directors

The directors who served during the financial year ended 31 December 2019 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 2019 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 2019 (2018: $nil). No final dividend is proposed for the year ended 31 December 2019 (2018: $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 Fuel Services Corporation group. The financial risk objectives, policies and exposures are described in the financial statements of the ultimate parent company from page 6 of the 2019 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 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 World Fuel Services Corporation manages this through specified group undertakings.

Financial risk management *(continued)*

Price risk (continued)

(ii) Fuel inventory

The Company is exposed to price risk to the extent that the Company may maintain fuel inventory for competitive reasons. The Company may not be able to sell inventory at market value or average cost reflected in the financial statements due to a decline in fuel price which may result in write down of inventory cost. 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 Fuel Services Corporation manages this through specified group undertakings.

Interest rate risk

The Company is not exposed to interest rate risk on its long term loan given the fixed interest rate of 6.495%.

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 customer 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 World Fuel Services Corporation 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.

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 included previously in these financial statements for a description of future developments in the business.

Events after the reporting period

Coronavirus

In March 2020, the World Health Organization ("WHO") declared the outbreak of the novel coronavirus (known as COVID-19) as a global pandemic. The rapid spread of the virus has caused governments around the world to implement stringent measures to help control its spread, including, without limitation, quarantines, "stay-at-home" or "shelter-in-place" orders, social-distancing mandates, travel restrictions, and closures or reduced operations for businesses, governmental agencies, schools and other institutions. The industry, along with global economic conditions generally, have been significantly disrupted by the pandemic.

While the pandemic and associated impacts on economic activity had no effect on our results of operations and financial condition as of 31 December 2019, we have seen a decline in sales as large sectors of the global economy have been adversely impacted by the COVID-19 crisis. The overall aviation market, principally commercial passenger airlines, has been significantly impacted by global travel restrictions and a sharp decrease in demand for air travel. Accordingly, revenue during the second quarter of 2020 was significantly impacted due to the effects of the pandemic. While demand showed some moderate improvement during the third quarter of 2020, our results remained well below pre-pandemic levels. Our results of operations in 2020 and into 2021 will be highly contingent on the timing and extent to which international border and quarantine restrictions are lifted and the global economy begins to recover from the effects of the current crisis. Throughout the year, we have taken additional steps and have expanded the restructuring of our operations to include the rationalization of our global office footprint, including the transition of select offices to smaller or more cost-effective locations in response to the impacts of the pandemic.

World Fuel Services 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 year ended 31 December 2019, 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 2019, as and when they fall due, and further confirms that no credit loss will be incurred by the Company in respect of amounts owed to it by fellow group undertakings for the periods presented within these financial statements. The directors have further satisfied themselves that the impacts of COVID-19 does not change the availability of this support. Thus, the Company has adopted the going concern basis in preparing the financial statements.

Guarantor

Subsequent to the year end, in June 2020, the Company was added as a guarantor for certain borrowings of fellow group undertakings. As part of this, the Company, along with other non-US subsidiaries of the World Fuel Services Corporation Group, now cross guarantees any amounts due under a senior credit facility held by fellow group undertakings. As at 31 December 2019, the amount outstanding under these facilities guaranteed by non-US subsidiaries was $44.44m (2018: $43.65m).

Stakeholders engagement statement

The Company's key stakeholder engagement and decision making are integrated with the principles of the Ultimate Parent Undertaking, World Fuel Services 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.

Stakeholders engagement statement (continued)

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' responsibilities statement

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.

Disclosure of information to auditor

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

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that 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.

Richard Donald McMichael
Director

18 December 2020

Independent Auditor's Report to the members of World Fuel Services Aviation Limited

Opinion

We have audited the financial statements of World Fuel Services Aviation Limited ("the Company") for the year ended 31 December 2019 which comprise the Statement of Comprehensive Income, the Balance Sheet, the 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 2019 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.

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.

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 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; or
- we have not received all the information and explanations we require for our audit.

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.

Independent Auditor's Report to the members of World Fuel Services Aviation Limited (continued)

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.

BDO LLP

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

Date: 18 December 2020

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

World Fuel Services Aviation Limited

Statement of Comprehensive Income
For the Year Ended 31 December 2019

	Note	2019 $	2018 $
Revenue	4	**578,215,106**	701,703,911
Cost of sales		**(580,146,531)**	(694,790,089)
Gross (loss)/profit		**(1,931,425)**	6,913,822
Administrative expenses		**(6,841,763)**	(3,767,526)
Operating (loss)/profit	5	**(8,773,188)**	3,146,296
Finance expenses	6	**(2,913,564)**	(3,131,828)
Share of post-tax profits of equity accounted joint ventures	9	**1,711,528**	1,578,550
(Loss)/profit before taxation for the financial year		**(9,975,224)**	1,593,018
Income tax credit/(expense)	7	**456,504**	(670,700)
(Loss)/profit after taxation for the financial year		**(9,518,720)**	922,318
Other comprehensive income		**-**	-
Total comprehensive (loss)/income for the year		**(9,518,720)**	922,318

All amounts relate to continuing activities.

The notes on pages 15 to 38 form part of these financial statements.

World Fuel Services Aviation Limited
Registered number: 07209006

Balance Sheet
As at 31 December 2019

	Note	2019 $	2018 $
Non-current assets			
Intangible assets	8	**6,228,010**	6,397,881
Investments	9	**8,363,147**	6,660,527
Property, plant and equipment	10	**17,475,664**	9,109,569
		32,066,821	22,167,977
Current assets			
Trade and other receivables	11	**52,411,182**	63,208,777
Inventory	12	**5,950,838**	10,350,926
Cash and cash equivalents		**49,559**	49,559
		58,411,579	73,609,262
Total assets		**90,478,400**	95,777,239
Non-current liabilities			
Notes payable	13	**34,146,197**	32,063,787
Deferred tax liability	14	**20,003**	482,203
Other long term liabilities		**-**	236,551
Lease Liabilities	22	**3,603,465**	-
		37,769,665	32,782,541
Current liabilities			
Trade and other payables	15	**51,336,308**	52,103,551
Total liabilities		**89,105,973**	84,886,092
Net assets		**1,372,427**	10,891,147
Equity			
Share capital	16	**2**	2
Retained earnings		**1,372,425**	10,891,145
Total shareholders' funds		**1,372,427**	10,891,147

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

Richard Donald McMichael
Director

Date: 18 December 2020

The notes on pages 15 to 38 form part of these financial statements.

Statement of Changes in Equity
For the Year Ended 31 December 2019

	Share capital $	Retained earnings $	Total shareholders' funds $
Balance at 1 January 2018	2	9,968,827	9,968,829
Profit for the financial year	-	922,318	922,318
Other comprehensive income	-	-	-
Total comprehensive income	-	922,318	922,318
Balance at 31 December 2018		10,891,145	10,891,147
Loss for the financial year	-	**(9,518,720)**	**(9,518,720)**
Other comprehensive income	-	-	-
Total comprehensive expense	-	**(9,518,720)**	**(9,518,720)**
Balance at 31 December 2019	**2**	**1,372,425**	**1,372,427**

The notes on pages 15 to 38 form part of these financial statements.

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 ("UK"). 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 UK. 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 principal activity is that of aviation fuel supply.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The 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:

2.2 Financial reporting standard 101 - reduced disclosure exemptions

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 IAS 1 'Presentation of Financial Statements'.
- the requirements of IAS 7 'Statement of Cash Flows'.
- the requirements of paragraph 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective).
- the requirements of paragraph 17 and 18A of IAS 24 'Related Party Disclosures'.

2.3 New standards, amendments and IFRIC interpretations

IFRS 16 *Leases* and IFRIC 23 *Uncertainty over Income Tax Treatments* are new accounting standards effective for the year ended 31 December 2019. The standard is effective from 1 January 2019. The directors have assessed the impact of these new accounting standards and concluded that the standards will have a material impact on the Company (see note 22). There are no other amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 December 2019.

2. Accounting policies (continued)

2.4 Going concern

The Company's loss after tax for the financial year was $9,518,720 (2018: profit of $922,318) and as at 31 December 2019 the Company had net assets of $1,372,427 (2018: $10,891,147).

World Fuel Services 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 year ended 31 December 2019, 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 2019, as and when they fall due. The directors have further satisfied themselves that the impacts of COVID-19 (see note 21) does not change the availability of this support. As a result of the support from the Ultimate Parent Undertaking, the directors have reasonable expectations 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 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 Fuel Services Corporation, whose financial statements are publicly available. A copy of the consolidated financial statements can be obtained as per Note 18.

2.6 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.

2. Accounting policies (continued)

2.6 Business combinations and goodwill (continued)

(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 10 years.

2.7 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.

2.8 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 daily 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.

2. Accounting policies (continued)

2.8 Foreign currency transactions (continued)

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.

2.9 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.

2.10 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.

2.11 Financial assets

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.

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.

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.

2. Accounting policies (continued)

2.11 Financial assets (continued)

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 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.

2.12 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.

2.13 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 on a daily basis. Trade receivables subject to the arrangement are derecognized 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 (see note 15).

2.14 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.

2. Accounting policies (continued)

2.15 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.

2.16 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.

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:

	Useful lives
Leasehold improvements	3 to 7 years
Furniture, fixtures and office equipment	3 to 7 years
Plant, machinery and equipment	5 to 30 years
Tanks and terminals	5 to 10 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.

2.17 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. Accounting policies (continued)

2.18 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.

2.19 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.

2.20 Share capital

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.

2.21 Leases

IFRS 16 was adopted on 1 January 2019 without restatement of comparative figures. For an explanation of the transitional requirements that were applied as at 1 January 2019, see note 22. The following policies apply subsequent to the date of initial application, 1 January 2019.

Identifying 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.

2. Accounting policies (continued)

2.21 Leases (continued)

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.

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.

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.

2. Accounting policies (continued)

2.21 Leases (continued)

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.

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 arm's 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.

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.

3. Judgements in applying accounting policies and key sources of estimation uncertainty (continued)

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 11 for the net carrying amount of the receivables and associated impairment provision.

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.

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 cycle and the historical lives of similar assets used by the Company.

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.

Incremental borrowing rate used to measure lease liabilities
Where the interest rate implicit in the lease cannot be readily determined, lease liabilities are discounted at the lessee's incremental borrowing rate. This is the rate of interest that the lessee would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. This involves assumptions and estimates, which would affect the carrying value of the lease liabilities (note 15) and the corresponding right-of-use assets (note 10).

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.

4. Revenue

A geographical analysis of revenue by destination is as follows:

	2019 $	2018 $
Revenue		
United Kingdom	**425,544,741**	466,604,469
Rest of European Union	**152,670,365**	235,099,442
	578,215,106	701,703,911

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

5. Operating (loss)/profit

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

	2019 $	2018 $
Impairment of inventory	**(310,495)**	310,070
Impairment of trade receivables	**4,955,272**	(48,763)
Foreign exchange (gain)/loss	**(649,129)**	95,912
Depreciation of property, plant and equipment (note 10)	**979,049**	733,557
Depreciation of right-of-use assets (note 10)	**600,647**	-
Amortisation of intangible assets (note 8)	**169,871**	169,870
Operating lease expense	**207,998**	693,505
Fees payable to the Company's auditor:		
- for the audit of the Company's annual financial statements	**46,863**	43,363
- for preparation of the financial statements	**1,950**	1,950

The Company had no employees for the year ended 31 December 2019 (2018: nil). 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 2019 was $900,362 (2018: $1,539,683). 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 2019 was $6,969,969 (2018: $6,987,922).

The Company's directors received no remuneration during the year ended 31 December 2019 (2018: $nil) in connection with their services to the Company.

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

Fees payable to the Company's auditor in the current and prior year were settled by a Group Company.

Operating lease expenses in the current year relate to short-term leases not capitalised under IFRS 16. The comparatives relate to operating lease expenses under IAS 17.

6. Finance expense

	2019 $	2018 $
Interest on intercompany loans	**2,082,410**	1,955,414
Discount on sale of trade receivables	**692,932**	1,164,414
Other finance costs	**12,000**	12,000
Interest expense on lease liabilities	**126,222**	-
	2,913,564	3,131,828

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, Limited, the group leader of the multi-currency notional cash pooling arrangement. The Company paid $12,000 during the year ended 31 December 2019 (2018: $12,000).

7. Taxation

	2019 $	2018 $
Current tax		
UK corporation tax on profits of the year	-	8,467
Adjustment in respect of previous years	**(8,466)**	639,563
Total current tax	**(8,466)**	648,030
Deferred tax		
Originating and reversal of timing differences	**(448,038)**	22,670
Total deferred tax	**(448,038)**	22,670
Total tax on (loss)/profit for the year	**(456,504)**	670,700

7. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher (2018: higher) than the standard rate of corporation tax in the UK of 19% (2018 - 19%). The factors affecting the tax charge are reconciled below.

	2019 $	2018 $
(Loss)/profit on ordinary activities before tax	**(9,975,224)**	1,593,018
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 – 19%)	**(1,895,293)**	302,673
Effects of:		
Timing differences	**(464,677)**	28,389
Income not subject to tax	**(322,196)**	(299,925)
Adjustments in respect of previous years	**(8,466)**	639,563
Group losses surrendered for nil consideration	**2,234,128**	-
Total tax (credit)/charge for the year	**(456,504)**	670,700

Factors that may affect future tax charges

Changes in the UK tax rates were substantively enacted as part of the 2016 finance bill on 7 September 2016. These changes include reductions to the main UK corporation tax rate from 20% to 19% with effect from 1 April 2018.

On 12 March 2020, The Chancellor of the Exchequer announced that instead of the rate reducing to 17% from 1 April 2020, the main rate would remain at 19% for the foreseeable future.

8. Intangible assets

The net book value of the Company's intangible assets as at 31 December 2019 is presented below:

	Customer relationships $	Goodwill $	Total $
Cost			
At 1 January 2019	2,240,000	4,699,176	6,939,176
As at 31 December 2019	**2,240,000**	**4,699,176**	**6,939,176**
Accumulated amortisation and impairment:			
At 1 January 2019	541,295	-	541,295
Amortisation	169,871	-	169,871
As at 31 December 2019	**711,166**	-	**711,166**
Net book value:			
At 31 December 2019	**1,528,834**	**4,699,176**	**6,228,010**
At 31 December 2018	1,698,705	4,699,176	6,397,881

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

9. Investments

	Shares in subsidiary undertakings	Other long term investments and joint ventures	Total
	$	$	$
Cost			
Cost as at 1 January 2019	2,382,082	4,278,445	6,660,527
Share of profits for the year ended 31 December 2019	-	1,702,620	1,702,620
As at 31 December 2019	**2,382,082**	**5,981,065**	**8,363,147**

Included in the above share of profits for the year ended 31 December 2019 is a reduction to the share of profits recognised for the year ended 31 December 2019 of $8,908 (2018: $69,938) 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.

The Company has investments in the following entities:

Subsidiary or Associate	*Registered address*	*Principal business activities*	*Percentage of Ownership*
Redline Oil Services Limited	The Broadgate Tower Third Floor, 20 Primrose Street, London, EC2A 2RS	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	Bircham Dyson Bell, 50 Broadway, London, SW1H 0BL	Fuel storage and hydrant system operation	25%

9. Investments (continued)

There are no indirect shareholdings held as at 31 December 2019.

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.

	2019 GBP £	2018 GBP £
For the year ended 31 December 2019		
Revenue	**11,599,000**	10,699,000
Cost of Sales	**(5,349,000)**	(4,837,000)
Gross profit	**6,250,000**	5,862,000
Administrative expenses	**(44,000)**	(42,000)
Operating profit	**6,206,000**	5,820,000
Interest receivable and similar income	**70,000**	36,000
Interest payable and similar expenses	**(572,000)**	(103,000)
Profit before taxation	**5,704,000**	5,753,000
Tax on profit	**(1,189,000)**	(1,061,000)
Profit for the financial year	**4,515,000**	4,692,000
Dividends	**-**	-
Net increase in Retained Earnings	**4,515,000**	4,692,000
As at 31 December 2019		
Assets:		
Tangible fixed assets	**22,819,000**	10,338,000
Debtors: Amounts falling due within one year	**2,847,000**	1,801,000
Debtors: Amounts falling due after more than one year	**318,000**	300,000
Cash at bank	**7,690,000**	7,962,000
Total assets	**33,674,000**	20,401,000
Liabilities:		
Creditors falling due within one year	**(3,557,000)**	(2,881,000)
Creditors falling due after more than one year	**(11,408,000)**	(4,129,000)
Provisions for liabilities	**(2,959,000)**	(2,156,000)
Total liabilities	**(17,924,000)**	(9,166,000)
Net Assets:	**15,750,000**	11,235,000

10. Property, plant and equipment

	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 2019	51,582	2,814,141	29,810	8,084,570	-	-	10,980,103
Additions on adoption of IFRS 16 (Note 22)	-	-	-	-	-	4,070,785	4,070,785
Additions	5,623	-	-	-	4,970,303	899,080	5,875,006
Transfer	-	657,606	-	59,790	(717,396)	-	-
As at 31 December 2019	57,205	3,471,747	29,810	8,144,360	4,252,907	4,969,865	20,925,894
Accumulated depreciation							
At 1 January 2019	26,028	803,161	27,586	1,013,759	-	-	1,870,534
Charge for the year	15,498	328,245	2,224	633,082	-	600,647	1,579,696
As at 31 December 2019	41,526	1,131,406	29,810	1,646,841	-	600,647	3,450,230
Net book value:							
At 31 December 2019	15,679	2,340,341	-	6,497,519	4,252,907	4,369,218	17,475,664
At 31 December 2018	25,554	2,010,980	2,224	7,070,811	-	-	9,109,569

Construction in progress relates to ongoing projects not yet completed as at 31 December 2019 at various airport locations.

11. Trade and other receivables

Amounts falling due within one year:	2019 $	2018 $
Trade receivables	**41,062,722**	48,995,144
Less: provision for impairment of receivables	**(2,883,629)**	(289,167)
Trade receivables - net	**38,179,093**	48,705,977
Value added tax receivable	**5,194,703**	10,636,200
Amounts due from group undertakings	**941,857**	1,959,862
Prepayments and other receivables	**4,314,590**	262,811
Loan to related party (note 20)	**3,780,939**	1,643,927
	52,411,182	63,208,777

Amounts due from group undertakings are non-interest bearing and repayable on demand. No provision for impairment has been recorded regarding these balances (2018: $nil).

Amounts of $3,780,939 (2018: $1,643,927) 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 these balances (2018: $nil). All other balances are due within one year.

12. Inventory

	2019 $	2018 $
Aviation fuel inventory	**5,950,838**	10,350,926

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

Inventories are stated after provisions for impairment of $2,333 (2018: $312,828) which relates to a difference in the average cost of inventory and market value as at 31 December 2019.

13. Notes payable

	2019 $	2018 $
Intercompany note payable	**34,146,197**	32,063,787

The above note payable relates to a zero-coupon long term loan note yielding 6.495%, repayable in December 2023.

14. Deferred tax liability

	Accelerated tax depreciation $	Provision for impairment of trade receivables $	Business combinations, intangible amortisation and accrued expenses $	Total $
1 January 2018	857,998	(34,830)	(359,874)	463,294
Charged/(credited) the income statement	25,810	(30,218)	27,078	22,670
Foreign exchange	-	(3,761)	-	(3,761)
31 December 2018	883,808	(68,809)	(332,796)	482,203
(Credited)/charged to the income statement	(880,451)	28,541	403,874	(448,038)
Foreign exchange	-	(14,164)	-	(14,163)
At 31 December 2019	**3,357**	**(54,432)**	**71,078**	**20,003**

15. Trade and other payables

	2019 $	2018 $
Trade payables	**33,629,966**	32,509,768
Accruals and deferred income	**1,655,147**	1,046,960
Income tax payable	**-**	562,614
Other payables	**15,514,731**	17,984,209
Lease liabilities (note 22)	**536,464**	-
	51,336,308	52,103,551

Other payables relate predominantly to trade receivables sold to a third party during the financial years ended 31 December 2019 and 2018. As at 31 December 2019, the carrying amount of trade receivables sold but not derecognised for accounting purposes amounted to $15,442,307 (2018: $17,983,686). The Company recorded a corresponding liability for this amount, which is presented within other payables.

16. Share capital and reserves

	2019 $	2018 $
Authorised, allotted, called up and fully paid		
1 (2018: 1) ordinary shares of £1 each	**2**	2

Retained earnings represents cumulative profits or losses, net of dividends paid and other adjustments.

The Company has one issued, allotted and fully paid ordinary shares for £1, translated to $1.53 at an historical rate at the date of issue.

17. 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 $956,158.

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 Fuel Services Corporation, a company incorporated in the State of Florida in the United States of America.

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, Suite 400, Miami, Florida USA 33178.

19. Commitments

As at 31 December 2019, the aggregate undiscounted commitments for leases not recognised on the balance sheet was $6,250.

As at 31 December 2019, the aggregate undiscounted contractual commitments to acquire property, plant and equipment was $4,497,307 (2018: $nil) 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.

20. Related party transactions

During the prior year 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 LIBOR + 4.33%, with the principal amount drawn down having a repayment date of 7 years from the date of drawdown. As at 31 December 2019, there is a total amount outstanding of $3,780,939 (£2,857,587) (2018: $1,643,927 (£1,298,898)) which includes accrued interest. Amounts are denominated in GBP. This is included within trade and other receivables within greater than five years and is due for repayment in the year ended 31 December 2025.

Expenses of $1,396,801 (2018: $2,105,427) 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 $19,070 (2018: $nil) is included within trade creditors.

There were no transactions with the directors during the year (2018: $nil), or outstanding balances as at 31 December 2019 (2018: $nil).

21. Events after the reporting period

Coronavirus

In March 2020, the World Health Organization ("WHO") declared the outbreak of the novel coronavirus (known as COVID-19) as a global pandemic. The rapid spread of the virus has caused governments around the world to implement stringent measures to help control its spread, including, without limitation, quarantines, "stay-at-home" or "shelter-in-place" orders, social-distancing mandates, travel restrictions, and closures or reduced operations for businesses, governmental agencies, schools and other institutions. The industry, along with global economic conditions generally, have been significantly disrupted by the pandemic.

While the pandemic and associated impacts on economic activity had no effect on our results of operations and financial condition as of 31 December 2019, we have seen a decline in sales as large sectors of the global economy have been adversely impacted by the COVID-19 crisis. The overall aviation market, principally commercial passenger airlines, has been significantly impacted by global travel restrictions and a sharp decrease in demand for air travel. Accordingly, revenue during the second quarter of 2020 was significantly impacted due to the effects of the pandemic. While demand showed some moderate improvement during the third quarter of 2020, our results remained well below pre-pandemic levels. Our results of operations in 2020 and into 2021 will be highly contingent on the timing and extent to which international border and quarantine restrictions are lifted and the global economy begins to recover from the effects of the current crisis. Throughout the year, we have taken additional steps and have expanded the restructuring of our operations to include the rationalization of our global office footprint, including the transition of select offices to smaller or more cost-effective locations in response to the impacts of the pandemic.

World Fuel Services 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 year ended 31 December 2019, 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 2019, as and when they fall due, and further confirms that no credit loss will be incurred by the Company in respect of amounts owed to it by fellow group undertakings for the periods presented within these financial statements. The directors have further satisfied themselves that the impacts of COVID-19 does not change the availability of this support. Thus, the Company has adopted the going concern basis in preparing the financial statements.

Guarantor

Subsequent to the year end, in June 2020, the Company was added as a guarantor for certain borrowings by fellow group undertakings. As part of this, the Company, along with other non-US subsidiaries of the World Fuel Services Corporation Group, now cross guarantees any amounts due under a senior credit facility held by fellow group undertakings. As at 31 December 2019, the amount outstanding under these facilities guaranteed by non-US subsidiaries was $44.44m (2018: $43.65m).

22. Effects of changes in accounting policies

The Company adopted IFRS 16 and IFRIC 23 with a transition date of 1 January 2019. The Company has chosen not to restate comparatives on adoption of both standards, and therefore, the revised requirements are not reflected in the prior year financial statements. Rather, these changes have been processed at the date of initial application (i.e. 1 January 2019). The impact of these changes was immaterial, and therefore any impact has been recognised within the current year Statement of Comprehensive Income. Details of the impact these two standards have had are given below. Other new and amended standards and Interpretations issued by the IASB did not impact the Company as they are either not relevant to the Company's activities or require accounting which is consistent with the Company's current accounting policies.

22. Effects of changes in accounting policies (continued)

IFRS 16 *Leases*

Effective 1 January 2019, IFRS 16 has replaced IAS 17 *Leases* and IFRIC 4 *Determining whether an Arrangement Contains a Lease.*

IFRS 16 provides a single lessee accounting model, requiring the recognition of assets and liabilities for all leases, together with options to exclude leases where the lease term is 12 months or less, or where the underlying asset is of low value. IFRS 16 substantially carries forward the lessor accounting in IAS 17, with the distinction between operating leases and finance leases being retained. The Company does not have significant leasing activities acting as a lessor.

Transition Method and Practical Expedients Utilised

The Company adopted IFRS 16 using the modified retrospective approach, with recognition of transitional adjustments on the date of initial application (1 January 2019), without restatement of comparative figures. The impact of adoption on prior periods was immaterial, and therefore has been recorded within the current year's Statement of Comprehensive Income.

The Company elected to apply the practical expedient to not reassess whether a contract is, or contains, a lease at the date of initial application. Contracts entered into before the transition date that were not identified as leases under IAS 17 and IFRIC 4 were not reassessed. The definition of a lease under IFRS 16 was applied only to contracts entered into or changed on or after 1 January 2019.

IFRS 16 provides for certain optional practical expedients, including those related to the initial adoption of the standard. The Company applied the following practical expedients when applying IFRS 16 to leases previously classified as operating leases under IAS 17:

(a) Apply a single discount rate to a portfolio of leases with reasonably similar characteristics;
(b) Exclude initial direct costs from the measurement of right-of-use assets at the date of initial application for leases where the right-of-use asset was determined as if IFRS 16 had been applied since the commencement date;
(c) Reliance on previous assessments on whether leases are onerous as opposed to preparing an impairment review under IAS 36 as at the date of initial application; and
(d) Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term remaining as of the date of initial application.

As a lessee, the Company previously classified leases as operating or finance leases based on its assessment of whether the lease transferred substantially all of the risks and rewards of ownership. Prior to adoption, the Company classified all existing leases as operating leases. Under IFRS 16, the Company recognises right-of-use assets and lease liabilities for most leases. However, the Company has elected not to recognise right-of-use assets and lease liabilities for some leases of low value assets based on the value of the underlying asset when new or for short-term leases with a lease term of 12 months or less.

22. Effects of changes in accounting policies (continued)

On adoption of IFRS 16, the Company recognised right-of-use assets and lease liabilities as follows:

Classification under IAS 17	Right-of-use assets	Lease liabilities
Operating leases	Right-of-use assets are measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments.	Measured at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate as at 1 January 2019. The Company's incremental borrowing rate is the rate at which a similar borrowing could be obtained from an independent creditor under comparable terms and conditions. The weighted-average rate applied was 5.28%.

Tangible fixed assets – other (leasehold improvements, tanks and terminals, furniture, fixtures and office equipment and plant, machinery and equipment) were not adjusted as there were no leases previously classified as finance type.

The adjustment to right-of-use assets is as follows:

	$
Finance type leases	-
Operating type leases	4,070,785
Right-of-use assets (note 10)	4,070,785

The following table reconciles the minimum lease commitments disclosed in the Company's 31 December 2018 annual financial statements to the amount of lease liabilities recognised on 1 January 2019:

	1 January 2019 $
Minimum operating lease commitment at 31 December 2018	5,245,367
Less: short-term leases not recognised under IFRS 16	(57,691)
Less: low value leases not recognised under IFRS 16	-
Less: transition adjustment for deferred rent	-
Undiscounted lease payments	5,187,676
Less: effect of discounting using the incremental borrowing rate as at the date of initial application	(1,116,891)
Lease liabilities for leases classified as operating type under IAS 17	4,070,785
Plus: leases previously classified as finance type under IAS 17	-
Lease liability as at 1 January 2019	4,070,785
Liability of new leases entered into	899,080
Interest expense on lease liabilities (note 6)	126,222
Total cash outflow for leases (note 17)	(956,158)
Total lease liability as at 31 December 2019	**4,139,929**

22. Effects of changes in accounting policies (continued)

IFRIC 23 *Uncertainty over Income Tax Treatments*

IFRIC 23 provides guidance on the accounting for current and deferred tax liabilities and assets in circumstances in which there is uncertainty over income tax treatments. The Interpretation requires:

- The Company to determine whether uncertain tax treatments should be considered separately, or together as a group, based on which approach provides better predictions of the resolution;

- The Company to determine if it is probable that the tax authorities will accept the uncertain tax treatment; and

- If it is not probable that the uncertain tax treatment will be accepted, measure the tax uncertainty based on the most likely amount or expected value, depending on whichever method better predicts the resolution of the uncertainty. This measurement is required to be based on the assumption that each of the tax authorities will examine amounts they have a right to examine and have full knowledge of all related information when making those examinations.

The Company has adopted IFRIC 23 Uncertainty over Income Tax Treatments from 1 January 2019. The adoption did not result in any changes to corporate tax liabilities and there are no adjustments to the amounts recognised in the financial statements.