

Aberdeen Oils Limited

Report and financial statements

For the year ended 31 December 2016

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Aberdeen Oils Limited

Company Information

Directors	G G M Shand Mrs I Cruden
Company secretary	Burness Paull LLP
Registered number	SC220344
Registered office	50 Lothian Road Festival Square Edinburgh EH3 9WJ
Independent auditors	Ernst & Young LLP Fountainhall Road Aberdeen AB15 4DT
Bankers	Royal Bank of Scotland 29 Harbour Road Inverness IV1 1NU

Aberdeen Oils Limited

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Aberdeen Oils Limited

Directors' report
For the year ended 31 December 2016

The directors present their report and the financial statements for the year ended 31 December 2016.

Principal activity

The principal activity of the company during the year was that of the wholesale of fuels and related products.

Directors

The directors who served during the year were:

G G M Shand
Mrs I Cruden

Disclosure of information to auditors

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 auditors are 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 auditors are aware of that information.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

The directors have taken advantage of the small companies exemption provided by section 414B of the Companies Act 2006 not to provide a Strategic Report.

This report was approved by the board on 12 June 2017 and signed on its behalf.

G G M Shand
Director



**Directors' responsibilities statement
For the year ended 31 December 2016**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the company's financial statements and then apply them consistently;
- make judgments 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 enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditors' report to the member of Aberdeen Oils Limited

We have audited the financial statements of Aberdeen Oils Limited for the year ended 31 December 2016, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes 1 to 14. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2006 and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and Auditors

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report and financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements and the Directors' report has been prepared in accordance with applicable legal requirements.

Independent auditors' report to the member of Aberdeen Oils Limited (continued)

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have identified no material misstatements in the Directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemptions in not preparing the Strategic Report and take advantage of the small companies' exemption in preparing the Directors' Report.

Ernst & Young LLP

Jamie Dixon (Senior statutory auditor)
for and on behalf of
Ernst & Young LLP
Statutory Auditor
Aberdeen

12 June 2017

Aberdeen Oils Limited

Statement of comprehensive income
For the year ended 31 December 2016

	Note	2016 £	2015 £
Turnover		40,635,467	41,866,372
Cost of sales		(38,748,005)	(40,199,417)
Gross profit		1,887,462	1,666,955
Distribution costs		(687,175)	(668,859)
Administrative expenses		(532,853)	(503,312)
Operating profit		667,434	494,784
Interest receivable and similar income	5	62	-
Interest payable and expenses	6	(873)	(693)
Profit on taxation		666,623	494,091
Tax on profit	7	(133,325)	(96,896)
Profit for the year		533,298	397,195
Other comprehensive income for the year		-	-
Total comprehensive income for the year		533,298	397,195

The notes on pages 8 to 13 form part of these financial statements.

Aberdeen Oils Limited
Registered number:SC220344

Balance sheet
As at 31 December 2016

	Note	2016 £	2015 £
Current assets			
Stocks	8	43,360	33,719
Debtors: amounts falling due within one year	9	4,367,530	3,638,560
		<u>4,410,890</u>	<u>3,672,279</u>
Creditors: amounts falling due within one year	10	(598,911)	(393,598)
Net current assets		<u>3,811,979</u>	<u>3,278,681</u>
Total assets less current liabilities		<u>3,811,979</u>	<u>3,278,681</u>
Net assets		<u><u>3,811,979</u></u>	<u><u>3,278,681</u></u>
Capital and reserves			
Called up share capital	12	1	1
Profit and loss account		<u>3,811,978</u>	<u>3,278,680</u>
Shareholders' funds		<u><u>3,811,979</u></u>	<u><u>3,278,681</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 12 June 2017.

G G M Shand
Director



The notes on pages 8 to 13 form part of these financial statements.

Aberdeen Oils Limited

**Statement of changes in equity
For the year ended 31 December 2016**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2016	1	3,278,680	3,278,681
Comprehensive income for the year			
Profit for the year	-	533,298	533,298
At 31 December 2016	<u>1</u>	<u>3,811,978</u>	<u>3,811,979</u>

**Statement of changes in equity
For the year ended 31 December 2015**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2015	1	2,881,485	2,881,486
Comprehensive income for the year			
Profit for the year	-	397,195	397,195
At 31 December 2015	<u>1</u>	<u>3,278,680</u>	<u>3,278,681</u>

The notes on pages 8 to 13 form part of these financial statements.

**Notes to the financial statements
For the year ended 31 December 2016**

1. Accounting policies

1.1 Statement of compliance and basis of preparation

Aberdeen Oils Limited is a limited liability company incorporated in Scotland. The registered office is 50 Lothian Road, Festival Square, Edinburgh, EH3 9WJ.

The financial statements have been prepared in compliance with Financial Reporting Standard 102, as it applies to the financial statements of the Company for the year ended 31 December 2016. The financial statements are prepared in sterling which is the functional currency of the company.

1.2 Judgements and key sources of estimation uncertainty

The preparation of financial statements in compliance with FRS 102 requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amount reported for revenues and expenses during the year.

There were no judgements or material estimation uncertainties affecting the reported financial performance in the current or prior year.

1.3 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Highland Fuels (Investments) Limited as at 31 December 2016 and these financial statements may be obtained from 50 Lothian Road, Festival Square, Edinburgh, EH3 9WJ.

1.4 Revenue

Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance.

Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on dispatch of the goods, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**Notes to the financial statements
For the year ended 31 December 2016**

1. Accounting policies (continued)

1.5 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the income statement.

1.6 Short-term debtors and creditors

Short term debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement.

1.7 Taxation

Tax is recognised in the income statement, 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.

Aberdeen Oils Limited

**Notes to the financial statements
For the year ended 31 December 2016**

2. Analysis of turnover

All turnover arose within the United Kingdom and is attributable to one continuing activity.

3. Auditors' remuneration

The audit fee for the period was incurred by Highland Fuels Limited, the immediate parent undertaking of the entity.

4. Employees

The Company has no employees other than the directors, who did not receive any remuneration (2015 -£NIL).

5. Interest receivable

	2016 £	2015 £
Other interest receivable	62	-
	<u>62</u>	<u>-</u>

6. Interest payable and similar charges

	2016 £	2015 £
Bank interest payable	510	693
Other interest payable	363	-
	<u>873</u>	<u>693</u>

Aberdeen Oils Limited

Notes to the financial statements
For the year ended 31 December 2016

7. Taxation

	2016 £	2015 £
Corporation tax		
Current tax on profits for the year	133,325	100,037
Adjustments in respect of previous periods	-	(3,141)
Total current tax	<u>133,325</u>	<u>96,896</u>
Taxation on profit on ordinary activities	<u>133,325</u>	<u>96,896</u>

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2015- lower than) the standard rate of the corporation tax in the UK of 20% (2015- 20.25%). The differences are explained below.

	2016 £	2015 £
Profit on ordinary activities before tax	<u>666,623</u>	<u>494,091</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 20.25%)	133,325	100,053
Effects of:		
Other differences leading to a decrease in the tax charge	-	(16)
Adjustments from previous periods	-	(3,141)
Total tax charge/(credit) for the year	<u>133,325</u>	<u>96,896</u>

Factors that may affect future tax charges

The UK corporation tax rate will reduce to 19% for financial years beginning 1 April 2017 and will reduce to 17% for financial years beginning 1 April 2020.

Aberdeen Oils Limited

Notes to the financial statements
For the year ended 31 December 2016

8. Stocks

	2016 £	2015 £
Bulk fuel stock	43,360	33,719
	<u>43,360</u>	<u>33,719</u>

9. Debtors

	2016 £	2015 £
Trade debtors	3,596,211	2,336,993
Amounts owed by group undertakings	659,900	1,178,869
Prepayments and accrued income	111,419	122,698
	<u>4,367,530</u>	<u>3,638,560</u>

10. Creditors: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	469,909	325,315
Corporation tax	68,584	39,696
Accruals and deferred income	60,418	28,587
	<u>598,911</u>	<u>393,598</u>

Aberdeen Oils Limited

Notes to the financial statements
For the year ended 31 December 2016

11. Secured debts

The company has granted a bond and floating charge in favour of The Royal Bank of Scotland Plc and RBS Invoice Finance Limited.

12. Share capital

	2016	2015
	£	£
Shares classified as equity		
Allotted, called up and fully paid		
1 Ordinary share of £1	1	1

13. Contingent liabilities

Highland Fuels Limited, Aberdeen Oils Limited, Thames Petroleum (Scotland) Limited, Thames Gold Holdings Limited and Gold Filling Stations Limited have entered into cross guarantees in respect of each company's indebtedness to RBS Invoice Finance Limited.

14. Controlling party

The company's immediate parent undertaking is Highland Fuels Limited, a company registered in Scotland.

The ultimate parent undertaking and controlling party is Highland Fuels (Investments) Limited, a company registered in Scotland.

Highland Fuels Limited is the parent undertaking of the smallest group of which Aberdeen Oils Limited is a member and for which group financial statements are drawn up.

Highland Fuels (Investments) Limited is the parent undertaking of the largest group of which Aberdeen Oils Limited is a member and for which group financial statements are drawn up.